REQUEST FOR INFORMATION (RFI) #1043
RENEWABLE ENERGY POWER PURCHASE AGREEMENT
Monday, November 02, 2009

RFI RESPONSES DUE:
Wednesday November 25, 2009 at 3:00 PM (PST)

RFI RETURN ADDRESS:
Caroline Judy
Facilities and Fleet Department
2310 N. First Street, 2nd Floor, Suite 200
San Jose, CA  95131

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I. INTRODUCTION

A. Introduction to RFI
The County of Santa Clara is interested in various types of renewable power generation equipment including but not limited to solar, wind, fuel cell, hybrid systems, plasma gasification, etc. The information gathered from this Request For Information (hereafter RFI) may be used to clarify the County’s desired approach and provide a basis for preparing a Request for Proposals (RFP). In addition, the information may be used to qualify respondents. Although it is the County’s desired intent at this time to prepare a RFP, the County may elect to qualify and award based upon information presented in response to a RFI to the extent that it fits within the parameters of the Board of Supervisors policy 5.14, which provides that a highly innovative and cost-effective response to an RFI may justify a sole source awarded a contract, and Government Code section 4217.10 – 4217.18, which allows counties to enter into facility financing or energy service contracts without bidding based upon specific circumstances and findings. The County will share the information obtained through this RFI with other local government jurisdictions, hereafter the PARTIES.

The PARTIES are seeking interested and qualified entities with which to partner on Renewable Energy projects. These projects could be with firms providing solar, fuel cell, hybrid systems, or other alternative energy generating installations on the PARTIES properties including the County of Santa Clara owned properties, and at other locations owned by local governmental jurisdictions within the Bay Area.

Candidates responding to this RFI do so with the understanding that they are not guaranteed the award of contracts and work. The County of Santa Clara is providing a process to give suppliers an opportunity to respond and inform the County of their interest and capabilities to perform in accordance with the County’s requirements.

This RFI is being issued by the Santa Clara County Facilities and Fleet Department. Copies of this RFI including supporting documents may be obtained from BidSync web-site at http://www.bidsync.com/.

B. Introduction to Proposed Program/Projects
The County of Santa Clara, like other local governments is attempting to promote “green businesses”, spur innovation and jobs creation in the Bay Area, and reduce budgetary uncertainty resulting from highly volatile electricity and natural gas prices. In addition,
the County is seeking ways of complying with AB 32 requirements to reduce GHG emissions from operations. Therefore, the County of Santa Clara desires to increase the use of alternative energy at various County facilities.

Local governments throughout the Bay Area are strongly committed to growing the base of clean green industries yet often lack the capital resources to invest in adopting green business technologies in government facilities. Partially this is a result of limited debt capacity but often it is because the return on investment horizon for alternative energy generation technologies is longer than can be easily justified given other budget priorities.

In addition the County, like many local governments, faces considerable constraints on its annual capital budget. Funds are not available for routine maintenance and needed new construction, let alone to provide for renewable energy generation projects. In addition, the County of Santa Clara currently uses $29 million worth of utilities, of which 65% results from electricity expenses. Although the County has adopted the Cool Counties GHG reduction goals and seeks to comply with AB 32 requirements, there are few options for financing renewable generation projects through annual capital funds. Therefore, the County is interested in exploring alternative sources of funding for renewable energy projects.

Various financing options are available to local governments for acquisition of renewable energy systems and each has its advantages and disadvantages. This RFI will help inform the County and PARTIES decisions and validate prior market research as to which financing method is best suited for particular projects, inform the PARTIES as to which firms have experience with different financing options, and suggest alternatives for bundling projects together to meet industry requirements. The County is exploring all financing options available, and recognizes that a mix of strategies may produce the best results across the portfolio of projects described.

The County has conducted extensive market research and comparative analysis of recent procurements of renewable energy by municipal governments. From our research it appears that if cash is available for direct purchase this represents the lowest 20 year average annual cost/kWh to finance, install and operate. The next best strategies, in order, appear to be to use Clean Renewable Energy Bonds, then Power Purchase Agreements, and then municipal bonds. Lease financing appears to be the least attractive of all the options studied. Staff is seeking information from vendors as to the validity of these conclusions through this RFI process. No decisions have been made yet as to which
projects are best suited for particular financing types. The County is interested in hearing from vendors to augment lessons learned through market research.

The County has been engaged in a process to select potential project sites. This involved reviewing the entire County property portfolio of over 70,000 acres. Of these properties, staff has selected 18 potential sites for renewable power generation of approximately 12 MW. Some of these sites have existing loads, and some do not. All of the sites are currently being studied by a reputable engineering consulting firm as part of a renewable power assessment. The entire list of County properties and the results of the consultant studies will be available for review on a secure ftp site. Summary profiles for each of the sites are included in Section III. These profiles are intended to provide proposers with a general sense of the projects sites the County is interested in financing. This should not be considered and exhaustive list, as more sites may be added through the process. Proposers are encouraged to review all of the properties described to determine if discrete opportunities exist beyond the sites prioritized for consideration by the County.

In addition, the County has been participating in a regional initiative to collaboratively procure renewable energy and seeks information relating to the benefits of bundling of projects. The regional renewable power initiative is a pilot project initiated by the Association of Bay Area Governments, and Joint Venture Silicon Valley. More information about the regional renewable power initiative can be found at http://www.jointventure.org/programs-initiatives/climateprotection/climateprotection.html.

As part of a collaborative procurement, the County seeks to better understand how projects could be bundled either within an individual jurisdiction or across multiple jurisdictions to offer best value pricing. The County may chose to post projects to the RFP as a standalone entity with projects in bundles, or post individual projects. Alternatively the County may elect to collaboratively procure with other governmental jurisdictions in the Bay Area. The information gathered from the RFI will help the County make informed decisions on whether to procure renewable power on a project by project basis, whether to group County projects, or whether to collaboratively procure as part of a regional initiative.

Depending upon the information obtained and the success of this effort, this RFI may result in subsequent RFQ and RFP issuances for various projects throughout the nine county Bay Area. At this point, no representations are made as to the possibility of such solicitations and/or contracts.
In summary, the County seeks from this RFI:

- which vendors have experience with what financing mechanisms,
- the extent of this experience,
- possible terms the County and other PARTIES could expect from each approach,
- how the market would respond to alternatives for bundling projects,
- whether additional sites should be considered as options for future projects,
- and whether collaborative procurement at scale will deliver significantly reduced power purchase prices.

We are seeking creative and innovative solutions that deliver best value to the County given financing strategies and at rates demonstrably lower than forecasted PG&E pricing over 20 year life cycle of given renewable generating systems.

C. General Introduction to the County of Santa Clara

The County’s population of approximately 1.8 million is the sixth largest in California, and the largest of the nine Bay Area counties. Santa Clara County is home to many companies that are leading the nation in creating innovative methods of alternative energy generation and in developing financing mechanisms for affordable installation of “green energy” generating systems for both residential and commercial uses. Many local governments in the Bay Area are interested in adopting green energy but face limited capital resources with which to invest in solar, hydrogen fuel cell, wind or other technologies.

Although much of the County of Santa Clara’s “green” efforts have focused on energy conservation the County has completed the following two alternative energy generation projects and is in process of completing a third system:

- A 25 kW Planar Solid Oxide Fuel Cell power generation system at the County Communications 911 headquarters.
- A 1.5 mega watt Photovoltaic Power System at two parking structures on the Valley Medical Center Campus.
- A pending solar hot water system at the Milpitas Valley Health Center.

The County is interested in procuring various types of renewable energy generation systems at multiple sites as described below.
D. Proposed Selected Renewable Energy Generation Projects

See Section IV for a listing of proposed County of Santa Clara project sites. This listing should not be considered as inclusive of all potential sites the County is willing to consider. If vendors propose alternate sites as part of this RFI response, the County will be willing to consider those options. For a partial listing of other jurisdictions projects see Section IV.

II. INSTRUCTIONS FOR RESPONDENTS

Preparation of Request for Information (RFI)

Respondent should submit the completed Request for Information (RFI) with any explanatory materials. All attachments shall be identified with the respondents name, RFI number and page number. All costs for the preparation of the RFI shall be borne by the respondent.

<table>
<thead>
<tr>
<th>Sequence of Events</th>
<th>Date</th>
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<tbody>
<tr>
<td>Release RFI</td>
<td>11/2/09</td>
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<tr>
<td>Pre-Submittal Conference (non-mandatory)</td>
<td>11/10/09</td>
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<tr>
<td>Deadline to submit questions</td>
<td>11/20/09</td>
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<tr>
<td>Deadline to submit RFI</td>
<td>11/25/09</td>
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1. Respondents should submit one electronic copy to the email address below. Please use Microsoft Office, Word and Excel formats.

2. Responses may also send the RFI via postal mail in a sealed envelope or package clearly marked with the applicable RFI number assigned by the County, and addressed to:

   Caroline Judy  
   Facilities and Fleet: Intragovernmental Support Services  
   County of Santa Clara  
   2310 First Street, Second Floor, Suite 200  
   San Jose, CA 95131  
   Phone: 408-993-4784  
   Fax: 408-993-4777  
   Email: caroline.judy@faf.sccgov.org

3. **Point of Contact** - All questions regarding this RFI shall be directed to Caroline Judy or Lin Ortega. Caroline may be reached by e-mail at caroline.judy@faf.sccgov.org. From November 4 through 15 Caroline will be unavailable, and questions may be directed to
Lin Ortega, at lin.ortega@faf.sccgov.org. The County is not responsible for any oral or written interpretations from any other persons.

Please include the following information as part of your response:

1. A cover letter signed by an officer of the company including business name and physical address, with contact name, telephone number, mailing and email address of the person we should contact regarding this RFI.

2. Your completed Section III questionnaire Part I and Part II.

3. Three (3) current references of customers who are currently utilizing your system. Include the organization name and address, the name and telephone number of a contact person, and a brief description of the organization.

4. Any other information that you feel would help the County to better understand the services offered by your organization.

4. **Reservations** – The County reserves the right to do the following at any time:

   - Terminate this RFI and issue a new RFI.
   - Modify the process, the specifications or requirements for materials, contents or format of the response.
   - Revise any dates specified in this RFI, including deadlines for accepting responses.
   - Request that respondents supplement or modify all or certain aspects of their responses or other documents or materials submitted.

5. **Notification of Withdrawals of Responses** – Responses may be withdrawn by a respondent by formal written notice prior to the RFI due date and time. All responses not withdrawn prior to the due date will become the property of the County of Santa Clara.

6. **CALIFORNIA PUBLIC RECORDS ACT (CPRA)** - All proposals become the property of the County, which is a public agency subject to the disclosure requirements of the California Public Records Act (“CPRA”). If respondent’s proprietary information is contained in documents submitted to County, and respondent claims that such information falls within one or more CPRA exemptions, respondent must clearly mark such information “CONFIDENTIAL AND PROPRIETARY,” and identify the specific lines containing the information. In the event of a request for such information, the County will make best efforts to provide notice to respondent prior to such disclosure. If respondent contends that any documents are exempt from the CPRA and wishes to prevent disclosure, it is required to obtain a protective order, injunctive relief or other appropriate remedy from a court of law in Santa Clara County before the County’s deadline for responding to the CPRA request. If
respondent fails to obtain such remedy within County’s deadline for responding to the CPRA request, County may disclose the requested information.

Respondent further agrees that it shall defend, indemnify and hold County harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees, and attorneys fees) that may result from denial by County of a CPRA request for information arising from any representation, or any action (or inaction), by the respondent.

7. Pre-Submittal Meeting - Candidates are encouraged to attend the pre-submission orientation meeting. The meeting will be held on November 10th from 1pm – 3pm at 2310 N. First Street, 2nd Floor, Sequoia Room, San Jose, CA 95131. Questions raised at the orientation meeting will be answered orally during the meeting. If in the opinion of the County, an oral answer constitutes a material addition or modification of the RFI, such modification will be confirmed in a written addendum to this RFI.

8. Deadline to Submit Additional Written Questions-

Potential Candidates are strongly encouraged to submit written questions in advance of the conference to the Procurement Officer. The identity of the organization submitting the question(s) will not be revealed. Additional written questions may be submitted at the conference. All written questions received prior to the conference will be addressed orally at the conference, however oral responses are not binding until reduced to writing and posted at http://www.bidsync.com/.

See the above schedule for the dead line to submit additional written questions as to the intent or clarity of this RFI. All written questions must be submitted to the Procurement Officer by e-mail with the questions contained in the body of the email or in an attached Microsoft Word document format. The Procurement Officer will not respond to questions submitted in any other manner or format.
III. Candidate Questionnaire
As described in Section I, the County has conducted extensive market research. Your completion of the questionnaire below will enable the county to meet the goals and objectives as described in Section I for this RFI. In addition to completing the questionnaire, please provide a brief narrative summary of your firm’s experience with renewable power systems in municipal government buildings. Prospective respondents shall complete all questions below.

PART I: CANDIDATE CONTACT INFORMATION

Name of Firm:_____________________________________
Check one: □ Corporation (as it appears on business license)    □ Partnership    □ Sole Proprietor

Contact Person: _______________________________________________________

Address: _____________________________________________________________

Phone:____________________________       Fax:_________________________

Email Address:__________________________

If firm is a sole proprietor or partnership:

Owner(s) of Company:____________________________________________________

Registered Managing Employee/Name and License Number:_________________________

Tax ID Number:__________________________________________________________

General Tax Exemption Number:____________________________________________

Dun and Bradstreet Number (if applicable):___________________

I, the undersigned, certify and declare that I have read all the answers to this pre-qualification questionnaire and know their contents. The matters stated in the questionnaire answers are true of my own knowledge and belief, except as to those matters stated on information and belief, and as to those matters I believe them to be true. I declare under penalty of perjury under the laws of the State of California, that the foregoing is correct.

Dated:   ________________________

Signature:___________________________________________

Print Name:_________________________________________

Title:_______________________________________________
Part II: ORGANIZATION, HISTORY, ORGANIZATIONAL PERFORMANCE

1. Provide the name of your firm: ____________________________________________

2. Will your firm provide a single point of contact for all phases of the project (design, construction, financing, operations, maintenance/service, rebates, REC certifications, etc)? □ Yes □ No

3. Provide the name of the firm that will be the installation entity (sub-contractor) for your Project Team.

____________________________________________________________________

4. Has your firm worked with this installation entity in the past? □ Yes □ No,

5. Provide the name of the financier that will be the financier for your Project.

6. Has your firm worked with this financier in the past? □ Yes □ No,

7. Has there been any change in ownership of the firm at any time in the last five years? □ Yes □ No

8. How many years has your organization been in business in California, under your present business name and DHS license number? ________________Years

9. List the type of alternative, clean energy generation system or hybrid system that your firm has two or more years designing, installing and operating. Check all that apply:
   □ Solar Ground Mount □ Solar PV Roof Mount □ Solar Hot Water □ Fuel Cell □ Wind
   □ Hybrid (specify)_______________________________________________________

10. Has your firm developed, installed and/or operated alternative, clean energy generation equipment for two or more years? Indicate number of years:
    a. Solar Ground Mount - □ 2 -5 years, □ 6 -10 years, □ 10 years or more
    b. Solar PV Roof Mount - □ 2 -5 years, □ 6 -10 years, □ 10 years or more
    c. Solar Hot Water - □ 2 -5 years, □ 6 -10 years, □ 10 years or more
    d. Fuel Cell - □ 2 -5 years, □ 6 -10 years, □ 10 years or more
    e. Wind Turbine - □ 2 -5 years, □ 6 -10 years, □ 10 years or more
    f. Hybrid - □ 2 -5 years, □ 6 -10 years, □ 10 years or more
    g. Other - __________________________________________________________________

11. Indicate the size projects your firm has two or more years experience designing, installing and operating. Check all that apply:
12. Indicate the approximate levelized 20 year revenues in $/kwH that your system can deliver for a 500 kW solar site (assume tax exempt site).
- below $0.19
- $0.20 - 0.25
- $0.26 - $0.30
- above $0.30

13. Indicate the system capacity/performance that your system can deliver for a 500 kW solar site.
- 10 – 15%
- 16 – 20%
- 21 - 35%
- above 35%

14. What types of financing mechanisms has your firm had experience using? Check all types of financing mechanisms that apply:
- Direct Procurement
- Power Purchase Agreement
- Lease Financing
- State/Federal Grant funded,
- Debt financed (CREB’s or other) Please specify: ________________________________

15. Describe your firm’s experience with the largest financing your firm has entered into in the past two years. Comment on the ease of access to credit, and the time from execution of agreement to obtaining financing.
____________________________________________________________

16. Has your firm executed municipal government, schools or special district projects funded by lease type financing in the past two to five years? □ Yes □ No,

17. What size/scale lease financing agreements has your firm entered into in the past two years?
- Less than 500 kw
- Between 500 kW and 1 MW
- 1 MW or greater
- Other: ________________________________

18. What percentage of the overall municipal government accounts served by your firm have used lease financing?
- None
- Less than 25%
- Between 25 and 50%
- 75% or greater

19. What percentage of lease agreements for renewable power generation has your firm entered into have been executed and are successfully operating today?
- Fewer than 25%
- 26-49%
- 50% - 75%
- 75 % or more

20. How many lease type financing agreements has your firm entered into?
- Fewer than 3
- 3 - 10
- 10 or more

21. Has your firm executed municipal government, schools or special district projects funded by CREBS in the past two to five years? □ Yes □ No,
22. What size/scale CREBS financed projects has your firm entered into in the past two years?
   □ Less than 500 kw, □Between 500 kW and 1 MW □ 1 MW or greater
   □ Other:________________________

23. CREBS or State Renewable Power bonds? □ None □ Less than 25 % □ Between 25 and 50%
   □ 75% or greater

24. What percentage of CREBS or debt financed projects for renewable power generation has your firm entered into have been executed and are successfully operating today?
   □ Fewer than 25%, □ 26-49%, □ 50% - 75%, □ 75 % or more

25. How many CREBS or other debt financed agreements has your firm entered into?
   □ Fewer than 3, □ 3 - 10, □ 10 or more

26. Has your firm executed Power Purchase Agreements with municipal governments, schools or special districts in the past two to five years? □ Yes □ No,

27. What size/scale Power Purchase Agreement financing has your firm entered into in the past two years?
   □ Less than 500 kw, □Between 500 kW and 1 MW □ 1 MW or greater
   □ Other:________________________

28. What percentage of the overall municipal government accounts serviced by your firm have used Power Purchase Agreements?
   □ None □ Less than 25 % □ Between 25 and 50% □ 75% or greater

29. What percentage of the Power Purchase Agreement projects for renewable power generation has your firm entered into have been executed and are successfully operating today?
   □ Fewer than 25%, □ 26-49%, □ 50% - 75%, □ 75 % or more

30. How many Power Purchase Agreements has your firm entered into?
   □ Fewer than 3, □ 3 - 10, □ 10 or more

31. What type of Power Purchase Agreement has your firm had experience using? Check all that apply.
   □ Service Contract PPA □ Pre-Paid Service Contract PPA

32. What type of system ownership structure has your firm and tax equity investors used in previous PPA issuances?
   □ Sale-Leaseback structure □ Partnership-Flip Structure

33. Has your firm participated in collaborative procurements for renewable energy; where multiple projects at separate locations are bid together? □ Yes □ No
34. Has your firm bundled projects from separate entities into a financing structure? □ Yes □ No

35. What economies of scale, if any, do you foresee in today’s market with bundled projects at the 5 MW, 20 MW and 50 MW levels?

___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________

36. How do these economies of scale translate to savings for the host site owner? Please describe.

___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________

37. List two existing sites within the United States where your firm has installed alternative power generation equipment. (Provide addresses and contact information):

___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________

38. Does your firm manufacture components of your product in Santa Clara County? □ Yes □ No

39. Does your firm manufacture components of your product in the Bay Area? □ Yes □ No, If yes, indicate where the manufacturing plant is located.

___________________________________________________________________________

40. Has your firm participated in any regional workforce development initiatives relating to building a clean tech workforce? If so please describe:
41. Are you interested in partnerships with municipal governments and community colleges to build regional renewable energy workforce development initiatives? □ Yes □ No,
IV. Proposed Selected Renewable Energy Generation Projects

See attached listing. Entire list of County properties will be available on secure FTP site. Partial list of other jurisdictions sites will also be available on secure FTP site. Further instructions on accessing the secure FTP site will be posted on www.bidsync.com.