

**Western Area Power Administration  
Rocky Mountain Customer Service Region  
Request for Proposals  
Regarding the Purchase of Renewable Energy Certificates  
May 2006**

1. **BACKGROUND:** The [Western Area Power Administration's](#) (Western) Rocky Mountain Customer Service Region (RMR), a power marketing administration within the U.S. Department of Energy, desires to purchase Renewable Energy Certificates (RECs) under this Request for Proposals (RFP). The purchase, made on behalf of Federal agencies and a Western preference customer, is pursuant to the Economy Act, 31 U.S.C. §1535, as supplemented; Acts of Congress approved June 17, 1902 (32 Stat. 388); December 22, 1944 (58 Stat. 887); August 16, 1962 (76 Stat. 389); August 4, 1977 (91 Stat. 565); and acts amendatory or supplementary to the foregoing Acts. This proposed acquisition is not subject to the Federal Acquisition Regulation (FAR).

The following six (6) Federal entities and one Western utility customer (individually, a Party and collectively, the Parties) have requested that RMR purchase RECs on their behalf:

Colorado Springs Utilities (CSU)  
U.S. Department of Agriculture, Forest Service (USFS)  
NASA, Ames Research Center and Eastside Airfield (NASA)  
Environmental Protection Agency (EPA)  
Fort Lewis, Washington (U.S. Army)  
Kirtland Air Force Base, New Mexico (U.S. Air Force)

**Offers submitted in response to this RFP must be received via mail or fax by RMR on or before June 1, 2006, at 4:30 p.m. MDT to be considered for evaluation. E-mail or late offers will not be considered.**

2. **DEFINITIONS:** The definitions of certain terms used in this RFP are as follows:
- 2.1 **Contractor:** The successful offeror(s) for sale to RMR of RECs under this RFP.
- 2.2 **Renewable Energy:** The electric energy, measured in megawatthours (MWh), which is generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project, and is physically delivered into the electric grid.

- 2.3 Renewable Energy Certificate (REC):** Also known as a Tradable Renewable Certificate (TRC) or "green tag," represents the environmental, social, and other positive attributes of power generated by renewable resources. One REC is created with each megawatt-hour of renewable electricity generation. A REC shall only have one owner at any point in time.
- 2.4 REC Contract:** The separate agreement which shall be executed between RMR and any successful offeror for RECs purchased on behalf of the Parties. There may be more than one REC contract resulting from the RFP.
- 2.5 REC Request for Proposals (RFP):** A solicitation that requests offers in response to a Government effort to acquire RECs.
- 2.6 Retirement Certification:** Documentation that certifies that the RECs provided will not be marketed, sold or transferred to a party other than Western, or presented as a component of the generator's energy products.
- 2.7 Zero Emissions:** Any source of renewable energy that has zero/negligible emissions associated with electricity generation.

### **3. STATEMENT OF WORK AND SPECIFICATIONS**

- 3.1 REC Acquisition Requirements:** RMR is requesting firm fixed per megawatt-hour (MWh) unit price offers for the annual transfer of RECs on behalf of all or some of the Parties for a term beginning in July 2006 and ending December 2010. Attachment 1 to this RFP outlines the Parties, the amount of RECs (in MWh or dollars) that each Party seeks to acquire per year, and, as applicable, the type of resource and location of generation.
- 3.2 Proposal Criteria:** RMR will only consider proposals that offer to supply all of the RECs for one or more Parties as set forth in Attachment 1. Two or more vendors may aggregate resources and present them together as one REC proposal. The RECs to be purchased shall meet, at a minimum, the renewable energy definitions as stated in [Section 203 of the Energy Policy Act of 2005](#). REC requirements that exceed the Energy Policy Act of 2005 minimum standard are set forth in Attachment 1. All RECs to be provided under this acquisition must be generated in states served by Western or the Bonneville Power Administration, except as specified in Attachment 1. In addition, RECs purchased by Western under this RFP must be from generation plants that began generation after June 3, 1999, and must be generated in the fiscal or calendar year purchased. Federal agencies (USFS, NASA, EPA, U.S. Army, U.S. Air Force) use a fiscal year

or “FY” (October 1 – September 30) system; CSU uses a calendar year or “CY” (January 1 – December 31) system.

- 3.3 Start Date:** The expected start date for transfer of the RECs shall be as soon as practicable after REC Contract award, anticipated to be no later than July 27, 2006.
- 3.4 Term of the REC Contract:** The Contract shall become effective in FY/CY 2006 and shall remain in effect until December 31, 2010, or until the full terms of the REC Contract expire, whichever is later.
- 3.5 Renewable Energy Certification:** Offerors must certify that the RECs are “green” using one of the following certification methods: a nationally recognized renewable electricity certification program such as Green-e, TerraChoice, or similar program; an independent auditor’s report; or a third-party certification methodology approved by a state governmental entity, a regional transmission entity, or power pool in which the renewable resource is located. Certification is subject to the approval of Western and the appropriate Party(ies) prior to REC Contract award. The Renewable Energy Certification method will be included in the REC Contract.
- 3.6 Renewable Energy Verification:** RMR requires the offeror and the generator to submit verification forms (see Attachment 2 and 3) describing the resource and amounts generated in the Contract year. Further, they both must attest that the RECs have not been sold, marketed, transferred to another party outside of this REC Contract, or otherwise presented as a component of its energy product.
- 3.7 Transfer of REC Title:** RMR will pay for and take title to the offered RECs on behalf of the Parties. Title to the RECs shall pass to RMR at the time RMR makes payment to the Contractor. RMR will then transfer title to the RECs to the respective Parties on a pass-through cost basis under separate terms and conditions agreed upon by the Parties and RMR. A template Certificate of Transfer shall be provided for use by the Contractor in an exhibit to the REC Contract.
- 3.8 Invoice and Payment:** All invoicing shall be based on the total RECs purchased by RMR on an annual (fiscal or calendar year) basis, beginning on the actual start date of the REC Contract. The RECs invoiced under the REC Contract must be generated in accordance with the fiscal/calendar year requirements set forth in Section 3.2. The Contractor will only be permitted to invoice for charges allowed under the terms and conditions of the REC Contract. The invoicing address will be specified therein. All invoices must be accompanied by a fully completed Certificate of Transfer.

**3.9 Additional REC Amounts:** The Parties may request RMR to contract for (1) the transfer of RECs for additional facilities or (2) the transfer of additional REC amounts for the facilities described in this RFP. If RMR considers the request within the original scope of the REC Contract, RMR shall provide the Contractor with the additionally desired REC amounts, and the two parties will discuss whether to extend the full terms and conditions of the REC Contract to cover the proposed additional purchase.

**4. RFP SUBMISSION REQUIREMENTS:** Offerors must fully address each of the following submission requirements to be considered for this solicitation:

**4.1 Contact Information:** Offerors must provide: company name, contact person, mailing address, phone number, fax number and e-mail address.

**4.2 Renewable Energy Facilities and REC Amounts:** Offerors must provide the following information: the Party(ies) they propose to serve with RECs (see Attachment 1); a firm fixed MWh REC price for the entire contract term; type of resource (e.g., solar, wind, biomass, etc.); the location of the generating facility from which the RECs originate; the age of the generator producing the RECs; and the annual amount of RECs offered from each of the proposed renewable energy facilities. RMR encourages small and minority owned businesses and Native American Tribes to apply.

**4.3 Cost:** Offerors must specify one firm fixed per MWh unit price for the offered RECs for the entire contract term (July 2006 through December 2010).

**4.4 Past Performance:** Documentation must be submitted describing relevant past experience and performance regarding the transfer of RECs. Past performance may also include Federal and non-Federal customer references. The offeror agrees to permit Western's representatives to contact the listed references and inquire about the offeror's past performance.

## **5. EVALUATION CRITERIA**

**5.1 Best Value:** Utilizing the flexibility allowed under Western's power marketing authority, RMR intends to award one or more REC Contracts to an offeror(s) that RMR considers as providing the best overall value and that otherwise meets the terms of this RFP.

**5.2 Submission Requirements:** Offers will be considered for evaluation if they comply with the submission requirements set forth under Section 4. RMR may seek additional information for, or clarification of, individual offers as needed.

**5.3 Past Performance:** REC firm fixed MWh unit price and offerors' past performance (if any) shall be considered in evaluating which qualified offers provide the best overall value, with firm fixed MWh unit price weighted more heavily than past performance. Offerors with no past performance will receive a neutral past performance assessment.

**6. POTENTIAL LEGAL AND REGULATORY ISSUES:**

**6.1 Contingent on Appropriations:** Where activities provided for in the REC Contract extend beyond an individual fiscal or calendar year, continued expenditures by the Parties may be contingent upon Congress or a local government making available the necessary appropriations required for the continued performance under the REC Contract. In case such appropriation is not made, leaving Western without funding to purchase RECs on behalf of a Party, Western shall be released from its contractual obligation to purchase RECs from the Contractor and shall incur no liability whatsoever due to the failure of Congress or local government to make such appropriation.

**6.2 Contract Work Hours and Safety Standards:** The REC Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. 329 (1986), will be subject to the provisions of the Act, 40 U.S.C. 327-333 (1986), and to regulations promulgated by the Secretary of Labor pursuant to the Act.

**6.3 Equal Opportunity Employment Practices:** Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the offeror will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, will be incorporated by reference into the REC Contract.

**6.4 Use of Convict Labor:** The offeror agrees to not employ any person undergoing sentence of imprisonment in performing the REC Contract except as provided by 18 U.S.C. 3622 (c) as amended or supplemented, and Executive Order 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

## 7. PROCESS AND TIMING

**7.1 Timing:** Offers submitted in response to this RFP must be received by RMR on or before June 1, 2006, at 4:30 p.m. MDT to be considered for evaluation. E-mail and late offers will not be considered.

**7.2 Submission of Responses:** RMR will accept offers that are submitted by mail via the U.S. Postal Service or an equivalent private mail carrier (e.g., United Parcel Service or Federal Express). The address for submission of responses via the U.S. Postal Service is:

Western Area Power Administration  
Rocky Mountain Customer Service Region  
ATTN: REC Project Manager (J6000)  
P.O. Box 3700  
Loveland, CO 80539-3003

The address for submissions of responses via private mail carrier is:

Western Area Power Administration  
Rocky Mountain Customer Service Region  
ATTN: REC Project Manager (J6000)  
5555 East Crossroads Boulevard  
Loveland, CO 80538-8986

Offers may also be faxed to RMR at 970-461-7204, ATTN: REC Project Manager (J6000). Fax verification is 970-461-7382. **Offers submitted via hand or electronic delivery methods will not be considered.**

**7.3 Questions:** Questions regarding this RFP will be accepted only via e-mail to [plate@wapa.gov](mailto:plate@wapa.gov). All responses to questions will be sent to all offerors.

**7.4 Notification of Receipt:** An acknowledgement of receipt of offers will not be provided. Offerors therefore are strongly encouraged to ensure that adequate tracking measures are taken with respect to their mailed or faxed offer.

**7.5 Evaluation of Offers:** RMR will evaluate all offers received on or before the date and time set forth in section 7.1 of this RFP. Offerors should not expect RMR to enter into discussions about their proposals, and should accordingly submit their best offer in their initial proposal. RMR reserves the right to request best and final offers from one or more offerors, and to award or not award any REC Contract(s) as RMR ultimately deems appropriate. REC Contract award decisions will be made by RMR's

Power Marketing Manager, who may consult with any of the respective Parties' representatives.

**7.6 Notification of Award and Subsequent Contracting:** RMR will notify successful offeror(s) regarding award, and will seek to negotiate and execute the REC Contract(s) as soon as practicable. A direct notification to unsuccessful offerors will not be provided; however, RMR will post a general notification on its web site ( <http://www.wapa.gov/rm/rm.htm> ) within one week after award.

**8. CONFIDENTIALITY AND USE OF INFORMATION IN OFFERS:** RMR will share information contained in submitted offers with other Western staff and may also share the information with the Parties and their designated representatives. Offerors wishing to have part or their entire offer not made available to the public should so indicate by marking the applicable portions "Confidential."

**9. CONTACT INFORMATION**

Peggy Plate  
Western Area Power Administration  
P.O. Box 3700  
5555 East Crossroads Boulevard  
Loveland, CO 80539  
970-461-7204 (fax)  
[plate@wapa.gov](mailto:plate@wapa.gov)

## REC Acquisition Requirements

RMR is requesting firm fixed “per MWh” unit price offers for the transfer of RECs on behalf of the Parties for five (5) years:

Megawatthours Per Year							Location of Generation <sup>1/</sup>	Type of Resource
Individual Party	2006	2007	2008	2009	2010	Total		
<b>EPA (Fiscal Year)</b>	0	3,500	3,500	0	0	7,000	<a href="#">Region 8</a>	Zero emissions and Green-e for LEED Certification <sup>2/</sup>
<b>Colorado Springs Utilities (Calendar Year)</b>	247,929	257,961	265,970	274,263	529,809	1,575,932		
<b>Forest Service (Fiscal Year) Total</b>	550	4,065	4,065	4,065	4,065	16,810	<a href="#">Regional map</a>	50% biomass
FS Region 1	550	550	550	550	550		Reg. 1 <sup>3/</sup>	50% biomass
FS Region 2		800	800	800	800		Reg. 2 <sup>3/</sup>	50% biomass
FS Region 3		440	440	440	440		Reg. 3 <sup>3/</sup>	50% biomass
FS Region 5		510	510	510	510		Reg. 5 <sup>3/</sup>	50% biomass
FS Region 6		1100	1100	1100	1100		Reg. 6 <sup>3/</sup>	50% biomass
FS Region 10		365	365	365	365		Reg.10 <sup>3/</sup>	50% biomass
PSW Research Station California		75	75	75	75		Reg. 5 <sup>3/</sup>	50% biomass
PNW Research Station Portland, Oregon		75	75	75	75		Reg. 6 <sup>3/</sup>	50% biomass
RM Research Station Fort Collins, Colorado		150	150	150	150		Reg. 2 <sup>3/</sup>	50% biomass
<b>NASA-Ames (Fiscal Year)</b>	1,600	2,000	2,600	2,600	3,500	12,300		
<b>NASA-Eastside Airfield (Fiscal Year)</b>	550	650	900	900	1,100	4,100		
<b>Kirtland Air Force Base (Fiscal Year)</b>	3,500	3,500	3,500	3,500	3,500	17,500		
<b>Purchase each year</b>	<b>254,129</b>	<b>271,676</b>	<b>280,535</b>	<b>285,328</b>	<b>541,974</b>	<b>1,633,642</b>		

Dollars Per Year							Location of Resource <sup>1/</sup>	Type of Resource
Individual Party	2006	2007	2008	2009	210	Total		
<b>Fort Lewis, Washington</b>	\$0	\$144,000	\$144,000	\$144,000	\$144,000	\$576,000		

<sup>1/</sup> WAPA and BPA service territories except as noted below.

<sup>2/</sup> LEED 2.1 New Construction -Page 40 [https://www.usgbc.org/Docs/LEEDdocs/LEED\\_RS\\_v2-1.pdf](https://www.usgbc.org/Docs/LEEDdocs/LEED_RS_v2-1.pdf)

<sup>3/</sup> To the extent possible.

## Annual Renewable Certification from REC Provider (Sample)

I, \_\_\_\_\_,  
(print name and title)

declare under penalty of perjury, on behalf of

\_\_\_\_\_, that  
(name of REC provider)

- 1) all the RECs associated with this invoice were generated by eligible renewable energy generators as defined in Contract No. 06-RMR-\_\_\_\_\_;
- 2) all the renewable attributes, including any emissions reduction credits or emissions allowances, represented by the REC sales reported in Renewable Energy Certificate of Transfer were transferred to Western Area Power Administration; and
- 3) the renewable attributes represented by the REC sales reported in Renewable Energy Certificate of Transfer were not and will not be sold, marketed or otherwise claimed by a third party.

### REC Product

Generating Facility	MWh Generation	From: (date)	To: (date)	Fuel Type

I further declare that the RECs claimed for the REC products LISTED ABOVE and reported in the Renewable Energy Certificate of Transfer were sold once and only once, and that the electrical energy that was generated with the RECs reported in the Renewable Energy Certificate of Transfer was not and will not be sold, marketed or otherwise represented as renewable energy and was not and will not be used to meet any federal, state or local renewable energy requirement, renewable energy procurement, renewable portfolio standard, or other renewable energy mandate. As an authorized agent of the aforementioned Company, I have authority to submit this report on the company's behalf.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Place of Execution \_\_\_\_\_

Address of Providing Company: \_\_\_\_\_  
\_\_\_\_\_

# Annual Renewable Generator Verification and Certification Form

**1. Facility Information**

Name of Facility: \_\_\_\_\_

Date from \_\_\_\_\_ to \_\_\_\_\_

Address of Facility: \_\_\_\_\_  
\_\_\_\_\_

Facility ID Number: \_\_\_\_\_ EIA or QF? (circle one)

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Resource Type (Indicate Fuel Type)	Capacity <sup>1/</sup> (MW)	MWh/RECs Sold to Provider	Date Facility First Operational	NOx Emissions (Lbs/MWh)	Period of Delivery (mm/yy)

<sup>1/</sup> Please enter Energy Information Administration (EIA) identification number for the generating facility. If the facility does not have an EIA number, please enter the utility-assigned Qualifying Facility (QF) identification number.

**2. Declaration**

I, \_\_\_\_\_,  
(print name and title)

declare under the penalty of perjury, that the information provided on this form is true and correct to the best of my knowledge.

Further, I declare that the \_\_\_\_\_ megawatthours of RECs  
(indicate number of MWh)

listed above were sold exclusively to \_\_\_\_\_.  
(name of REC provider)

Further, I declare that

- 1) all the renewable attributes, including any emissions reduction credits or emissions allowances, represented by the renewable electricity generation listed below were transferred to the REC provider above,
- 2) to the best of my knowledge, the renewable attributes were not and will not be sold, marketed or otherwise claimed by a third party;
- 3) the renewable attributes were and will be sold once and only once;
- 4) the electrical energy that was generated with the attributes was not used on-site for generation; and
- 5) the electrical energy that was generated with the attributes was not and will not be separately sold, marketed or otherwise represented as renewable energy and was not and will not be used to meet any federal, state or local renewable energy requirement, renewable energy procurement, renewable portfolio standard, or other renewable energy mandate.

Further, I declare that the facilities that generated all of the \_\_\_\_\_ RECs.  
(indicate number of MWhs)

sold to \_\_\_\_\_  
(name of REC provider)  
are listed above by fuel type.

As an authorized agent of \_\_\_\_\_,  
(generating company name)

I attest that the above statements are true and correct.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Place of Execution: \_\_\_\_\_

Address of Generating Company: \_\_\_\_\_