

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL SERVICES**

**REQUEST FOR PROPOSALS
for
ELECTRICITY SUPPLY AND SERVICE**

Solicitation #: DCAM-15-NC-0119

**Addendum No. 2
Issued: April 3, 2015**

This Addendum Number 02 is issued by e-mail on April 3, 2015. Except as modified hereby, the Request for Proposals (“RFP”) remains unmodified.

Item #1

Request for Information: Below is a list of questions and the Department’s responses.

1. What is the start date of this contract? **RESPONSE: Supplier should be prepared to accept generation from wind project in May and June MRD will be the start date for accounts.**
2. Page 3 of the RFP mentions a Not-to-Exceed-Amount. Since this is a pass through contract with variable costs, how will this amount be determined? **RESPONSE: The Not-to-Exceed amount will be based on DGS’ appropriated budget and the estimated cost of energy. The actual Not-to-Exceed amount will be negotiated with the supplier approximately 3 to 4 months before the beginning of the fiscal year. When the contract billings reach 75% of the Not-to-Exceed amount, the parties will evaluate whether it is necessary to adjust the Not-to-Exceed amount.**
3. Would summary dual billing (supplier only) be considered, and if so how many different Summary bill groups would DGS require. **RESPONSE: Yes, but preference is for consolidated billing. If summary billed, DGS may require 1 or more bill groups, but no more than 10.**
4. If DGS adds a significant number of new accounts during the contract term, will supplier be provided an opportunity to adjust the monthly Management Fee? Alternatively, would DGS allow for the Management Fee to be bid on a \$/MWh basis? **RESPONSE: Yes, supplier would be provided an opportunity to adjust the monthly Management fee. Yes, DGS would allow for the Management fee to be bid in \$/MWh basis but preference is for a flat monthly fee.**

5. Under section B.2.2, please clarify that 3rd party transactions (contracts negotiated between DGS and 3rd party supplier) will not require supplier to take title to the power delivered into the sub-account from the “Other Bilateral Transactions”? **RESPONSE: All physical transactions require supplier to take title to deliver to DGS.**
6. What is the expected timing on the 12 MW behind the meter Solar? **RESPONSE: DGS expects to have solar deals signed by July 2015 with partial deployment (2-3 MW) by end of 2015, and full deployment by summer 2016.**
7. There are references to Cost to Carry and Working Capital in the RFP. Will DGS allow Supplier to recover Cost of Carry, PJM account collateral, or mark-to-market on the wholesale blocks? **RESPONSE: Yes.**
8. With the tight award schedule, does DGS currently have a draft of the contract to be executed with the successful supplier? **RESPONSE: Supplier should provide draft of contract.**
9. Under Section B.2.1, please confirm that any block purchases contemplated for a term beyond the final extension period will be the responsibility of DGS in the event the contract is not renewed. **RESPONSE: Contract term will be 5 years, and block purchases will not extend beyond termination date. Should during the term of this contract, DGS desire to purchase a block that extends beyond the final extension period, provisions for DGS responsibility will be made in any such confirmation of purchase.**
10. Under Section B.2.2, any counterparty that is proposed by DGS will be required to satisfy all current supplier risk guidelines prior to entering into a transaction. Please confirm that this is acceptable? **RESPONSE: In general, yes. However, this assumes that the supplier risk guidelines are commercially reasonable and the supplier’s objection is commercially reasonable. The language in section B.2.2 shall govern.**
11. Are there any additional fees to be added for DDOE? **RESPONSE: Yes. Any DDOE or other direct regulatory costs and fees charged to the supplier would be treated as a pass-through expense, in addition to any elective program(s) contracted by DGS.**
12. Will DC consider extended contract terms? **RESPONSE: Yes, DGS is open to discussing an appropriate term, but the term cannot extend beyond 5 years.**
13. Does Enernoc/DGS expect supplier to schedule for wind or backfill? What is expected of the supplier in regards to wind since there is so much uncertainty with it. **RESPONSE: DGS will be purchasing all of the output of the wind farm. It is anticipated that this will be**

done through Power Meter ID mapped to the DGS subaccount. The supplier will need to be able to accommodate that structure.

14. Is the wind scheduled separately from the rest of the load? **RESPONSE: No, scheduled in the same subaccount. Seller will schedule via Power Meter or deliver via Internal Bilateral (IBT).** If so, do the two schedules required different sub accounts or are we responsible to integrate the two schedules within the same sub account? **RESPONSE: No, same subaccount. Seller will schedule through Power Meter or via Internal Bilateral (IBT).** Who pays the deviation charges under either scenario? Customer or Supplier? **RESPONSE: If applicable, customer will pay. This is intended to be a cost plus contract.** If the customer is purchasing all of the wind output and the wind doesn't show up is there a separate imbalance or other ancillary service charged by PJM that would apply. If so, who pays for it? **RESPONSE: Depends on weather and will be delivered via Power Meter or IBT. If applicable, customer will pay.** Also if we have to integrate the wind into our schedule or schedule it separately we will have to build that into our fee which is a cause of concern to remain competitive **RESPONSE: Not applicable – load will be scheduled separately.**

Item #2

Form of Contract: A Form of Contract will not be issued.

Item #3

The bid date remains unchanged. Proposals are due by **April 8, 2015 at 2:00 pm EDT.** Proposals that are hand-delivered should be delivered to the attention of: Jerusalem Belai, Contract Specialist, at **Frank D. Reeves Center, 2000 14th Street, NW, 8th floor, Washington, DC 20009.**