



Atlantic County Utilities Authority

Request for Proposals for Curtailment Service Provider for the Atlantic County Utilities Authority

Issued by:

Atlantic County Utilities Authority
Wastewater Division

Date: June 24, 2010

Proposals Due: July 23, 2010

I. Introduction

The Atlantic County Utilities Authority (ACUA) owns and operates a Solid Waste complex in Egg Harbor Township, Atlantic County, NJ, known as the Howard F. Haneman Environmental Park, and a Wastewater Treatment Facility in Atlantic City, Atlantic County, NJ.

The Solid Waste facility is home to an active landfill, a recycling center, composting site, and ancillary facilities. Also on site is the ACUA's primary administration building, constructed in 1992, which features a closed-loop geothermal HVAC system. The site is home to a 5.4 MW landfill methane gas to electricity project which provides 100% of the power needs of the Park. The ACUA's solid waste complex is located at 6700 Delilah Road, in Egg Harbor Township, New Jersey. The site consists of approximately 360 acres with approximately 102 acres representing the landfill footprint.

The Wastewater Treatment Facility has been in operation since 1978 and services 14 communities in Atlantic County. It is home to the Jersey-Atlantic Wind Farm, a 7.5 MW wind farm that is privately owned and from which the ACUA purchases approximately 12 million kWh per year of electricity. In addition the facility also houses a 500 kW solar PV system.

The ACUA is responsible to the residents of Atlantic County to be financially prudent and environmentally responsible.

II. General Information

A. Issuing Office and Point of Contact

Katie Vesey, Comptroller and Director of Research & Development is the ACUA contact and can be reached at:

Email: kvesey@acua.com
 Phone: 609-272-6948
 Fax: 609-569-7365
 Mailing Address: PO Box 996, Pleasantville, NJ 08232
 Street Address: 6700 Delilah Road, Egg Harbor Township, NJ 08234

B. Limits of Liability

The Authority assumes no liability for any cost incurred by proposers in responding to this RFP or in responding to any further request for interviews, additional information, etc. prior to the issuance of the contract.

C. Type of Contract, Fees and Compensation

This contract shall be for demand response services of the Energy Year beginning in June 2010 through May 2011, commencement of the contract work shall begin in September upon award of the contract and run through the end of the energy year. The ACUA will have the option to renew the contract for two additional one year periods (Energy Years June 2011 – May 2012 and June 2012 – May 2013).

D. Target Dates

The following schedule shows the target dates for performance of the work:

Event	Date
RFP Issued	June 24, 2010
Questions Due	July 7, 2010
Proposals Due	July 23, 2010
Award Contract	August 19, 2010
Start of Work	September 1, 2010

E. Proposal Format

There is no restriction to length of proposals; however, proposers are encouraged to be as concise as possible. All proposals should include:

1. A letter of transmittal and proposal may be submitted to the ACUA via mail, fax, or email. Should a response be sent via mail two (2) copies of the proposal will be required.
2. Qualifications: The proposer shall submit the following information to demonstrate their qualifications to perform the services described in this RFP:
 - a. All pertinent company information including Name, Business Address, Type of Organization, Authorized Representative(s), Contact Information, etc.
 - b. Personnel including resumes or professional biographies of Key Officers and other Project Team Leaders.
 - c. Experience of the Firm(s) including years in business, years and type of experience in demand response industry, etc.
 - d. Recent project history for similar facilities in the northeast region (if applicable) and marketing revenue history as it compares to industry averages.
 - e. Organization chart.
 - f. Financial qualifications.
3. Business Proposals: Proposals to be considered shall include the following information:
 - a. Percentage of Revenue share to ACUA and selected proposer
 - b. Estimated Revenue for Year 1.
 - c. Additional Fees

4. Meetings:

A major component of all tasks in cooperation and interaction with the Authority on an as necessary basis. This shall include but not be limited to an initial kick-off meeting to discuss the essential goals of the project and continuous update on the status of the project throughout the term of the contract.

5. Evaluation Criteria:

The ACUA has established an evaluation committee that will work

together to develop a score card to evaluate proposals. The score card will be established and approved by the Officer's of the Authority prior to proposals being received.

The following criteria will be rated by the committee for each proposal. The proposal with the highest overall score will be considered the most advantageous to the Authority.

- a. Revenue to the Authority
- b. Specialized Technical Competence
- c. Capacity and Capability
- d. Past Record of Performance (Management Criteria)
- e. Familiarity with the Contracting Agency
- f. Presentation and Understanding of the Proposal

The final score card will be released to the proposers, in written form by the ACUA, upon request. Any contract that is entered into by the ACUA will be required to be presented to our Board Members for approval.

If any of the evaluation criteria is incomplete or fails to address the questions in the proposal, the evaluation committee may reject the proposal. Each Proposer is responsible for reviewing technical and cost proposal requirements and preparing their responses in a clearly organized submittal.

Each technical and cost proposal is required to be in accordance with the terms of the specific RFP and shall be signed by an executive officer of the proposing organization, and, where applicable, a corporate officer of the parent organization, recognizing that both will have authority to bind the proponent.

Technical and revenue proposals shall consider and be reflective of all federal, state, and local laws, statutes, ordinances, regulations, and other applicable laws that may affect cost, permitting, progress, performance or furnishing of the project including, but not limited to, applicable regulations concerning minimum wage rates, nondiscrimination in the employment of labor, protection of public and employee safety and health, environmental protection, protection of natural resources, fire protection, solid waste handling facility standards and permits, other permits, fees, and similar subjects.

6. Clarification of the Proposal

- a. After the submission of proposals, unless requested by the ACUA, there will be no proposer contact permitted.
- b. After reviewing the proposals, the Evaluation Committee may ask one, some or all of the proposers to clarify certain aspects of their proposals. A request for clarification may be made in order to resolve minor ambiguities, irregularities, informalities or clerical errors.

7. After the Evaluation has been Completed

- a. All materials are kept on file at the ACUA.
- b. The evaluation committee makes a formal recommendation to the ACUA officers and authorized staff. **Note:** An ACUA officer may sit on the evaluation committee depending on the type of project. The officer will make the recommendation along with the entire evaluation committee to the rest of the officers.
- c. The most advantageous proposal will be chosen by the evaluation committee based on the score card evaluation.
- d. The ACUA Officers and authorized staff may at this point accept, reject or modify the recommendation of the Evaluation Committee.
 - 1) For any proposal that is accepted, a resolution will be presented to ACUA's Board for their consideration.
 - 2) For all rejected proposals the proposers will be notified in writing.

F. Examination of Existing Operation, Information and Questions

Questions must be in writing and addressed to Katie Vesey before 4:30 pm EST on July 7, 2010. There will be no scheduled site visit prior to the due date of proposals, however if a proposer requires a site visit they can be scheduled on an individual basis by contacting Katie Vesey.

III. Project Description

A. General Description

The ACUA Wastewater Treatment Facility has determined it is capable of curtailing its energy use during intermittent peak hours for time periods specified by the Synchronized Reserves Market (SRM). The ACUA Wastewater Treatment Facility is a 24 hour operation, therefore curtailment service providers should likewise be able to facilitate energy curtailment on a round the clock basis to maximize the potential number of events the ACUA can participate in. ACUA is seeking the CSP who is able to determine the highest potential amount of MWs the Wastewater Treatment Facility would be able to curtail based on energy usage data provided by the ACUA. The amount of energy to be curtailed, while ultimately dependent on what processes the ACUA determines it is able to temporarily shut down, must be indicated by the service provider. Service providers may present different processes for the ACUA to curtail energy and suggest additional operations the Wastewater Treatment Facility could temporarily shut down to maximize energy curtailment revenue.

The ACUA is also interested in participating in other Demand Response programs, when applicable, such as the Locational Marginal Pricing (LMP) program, Capacity Market, and other programs if and when possible. The ACUA cannot guarantee participation in these programs, and proposers should be prepared to assist the ACUA in identifying opportunities for additional participation based on the ACUA's permits, operational policies and procedures.

B. Objective of and Benefit to the ACUA

The ACUA is seeking to maximize revenue from applicable demand response markets in the PJM service area. The ACUA has identified potential demand response program that the Authority could potentially participate in. The ACUA is seeking a qualified professional to facilitate ACUA participation in these programs, as well as evaluate ACUA's processes and recommend other programs to participate in if applicable.

C. Responsibilities of Contractor/Scope of Work

It is the ACUA's intent to enter into a contract with the selected proposer for those services necessary to help the ACUA achieve its goals, as outlined in this RFP. The selected proposer will provide the following services:

1. The ACUA requires the services of an experienced, **Qualified Curtailment Service Provider** (CSP) to provide Demand Response Services as associated with PJM Synchronized Reserves Market (SRM).

PJM Interconnection is a regional transmission organization (RTO) that coordinates the movement of wholesale electricity in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. Proposals shall address revenue from participation and how revenues are allocated between the CSP and ACUA.

2. The objective of this RFP is to determine the optimum method of participation in the PJM SRM program. The SRM is cleared every hour based on the offers that are submitted by various resources. The ACUA seeks to find a CSP that can identify a strategy that can provide the highest potential revenue from participation in the SRM program while maintaining ideal operating procedures at the Wastewater Treatment Facility. Previously the ACUA participated with ability to curtail 1 MW for no longer than 30 minutes. This is the maximum indentified load the ACUA can shed without significant impact to facility's processes. The CSP may attempt to identify additional sources of revenue through other applicable demand response programs; however proposers should only anticipate the 1 MW / 30 minute reduction limit for the purposes of responding to this RFP.

3. The ACUA's energy load is unique, drawing power from a 500 kW solar array, 7.5 MW wind farm, as well as the electric grid. Since the SRM program requires the ACUA to reduce its load, the energy use and demand at the facility must be monitored. Due to the intermittent nature of the wind farm it is possible that the ACUA may reduce its facility's energy load but actually show an increase in power drawn from the grid should the wind resource also decrease during that period. Due to the complicated nature of the microgrid at the ACUA's facility the selected proposer should be able accurately monitor and demonstrate reduction in energy demand for participation in the SRM program.

4. The ACUA participated in the SRM program from 2007 through 2009 and thus has metering equipment previously installed. It is the intention of the ACUA to use this equipment again for participation in the SRM program if possible. The selected proposer should be prepared to use said equipment in its operations. The ACUA also has installed several meters at its facility for the purpose of tracking energy use. The selected proposer will be granted access to such meter readings if needed but shall not interfere with the operations of the meters. If the selected proposer requires different or additional metering equipment to be installed this shall be done at no upfront cost to the ACUA. The ACUA may decide to own the meters after the completion of the CSP contract.

5. The ACUA will not be responsible for losses or damages of the selected proposer's supplies, tools, and/or equipment. Damages caused by the selected proposer's negligence or error shall be repaired by the selected proposer at no cost to the ACUA. All equipment and materials used shall comply with all applicable codes and industry standards related to said equipment, materials and/or workmanship.

6. The ACUA is aware that energy curtailment service providers often use installed equipment and software to remotely initiate the curtailment process when it is called for. However, due to the Wastewater Treatment Facility's 24 hour staffing there will always be a technician able to initiate the procedures for curtailment when notified by the service provider. The ACUA wishes to have control over operations shutdown procedures during curtailment periods and the CSP should not be responsible for automated shutdowns.

7. The ACUA's Wastewater Treatment Facility anticipates the ability to cease certain operations to curtail energy in accordance with the rules of the SRM (maximum of 30 minutes per incident). On occasion the facility may not be able to cease specific operations when called upon by the CSP. The bidder should be aware that any contract between the ACUA and the service provider should allow for the ACUA to opt out of curtailment dependent on the time of the request and the anticipated length of the curtailment period.

8. The selected proposer shall meet the following general experience requirements:

- a. Be a registered firm with PJM Interconnection L.L.C as a Curtailment Service Provider.
- b. Have a minimum of two (2) years experience in providing demand response services, specifically in the SRM program, to large electricity consumers, preferably with experience in providing said services to operations similar in load profile to the ACUA.
- c. Have the ability to initiate and process, 24 hours per day, 365 days per year, day-ahead and real-time demand response transactions.

9. The selected proposer should provide the following services:

- a. Provide timely, detailed accounting of all demand response transactions to the ACUA.
- b. Design a process to generate consistent revenues without exposing the ACUA to undue risk.
- c. Provide access to all PJM demand response programs should the ACUA decide to participate.
- d. Provide mechanisms that allow the ACUA to initiate demand response transactions on either a full-service or self-service basis when applicable.

- e. Comply with all PJM reporting rules and regulations.
- f. Provide for web-based demand response transactions when applicable.
- g. Furnish information tools (hardware, software or both) that allow the ACUA to assess its demand response performance each day and make appropriate adjustments.
- h. In addition to any web based demand response monitoring and data storage capabilities the ACUA's on line SCADA system should also be made capable of monitoring and storing data. The ACUA operates a "Wonderware" SCADA system.
- i. Maintain constant dialog with the appointed ACUA representative(s), to assure the success of the program.
- j. Provide immediate communication and reconciliation of any issues of concern.
- k. Provide all labor, supervision, travel, materials, tools, vehicles, software and equipment, including hardware with associated software, necessary to provide data evaluation services and periodic reports.
- l. Ensure that work performed is completed so as to not adversely affect daily operations at ACUA facilities and such that operations and facilities remain in working order at all times, unless otherwise approved by the ACUA representative(s).

10. Provide payment processing services for all revenue from demand response transactions. Ensure payment of agreed upon revenue share within 30 days of the first of the month directly after the date of the transaction. Example: transaction March 15th. Check should be received no later than 30 days from April 1st (April 30th). Revenue received from providing stand-by services should be received monthly in the same time frame as revenue from transactions.

11. Service Interruption and Security

- a. Data collection shall not interfere with the operation of any other metering on site used for renewable energy generation or building energy use data collection.
- b. Data collection devices shall be protected so that power interruption will not cause data loss.
- c. Security protocols or hardware shall be provided to prevent hacking into the ACUA systems from data collection devices or interconnections.
- d. Failure of any data collection device shall not interfere or cause failure or shutdown of the ACUA systems or connected systems.

12. Install any needed monitoring equipment at no upfront cost to the ACUA.

D. Permits and Licenses

Proposers are responsible for identifying and providing the ACUA with a complete list of any and all necessary permits, agreements and approvals and parties responsible for attaining or completing said documents.

IV. State Purchasing Law Requirements

- A. **Bidders are required to comply with the requirements of N.J.S.A. 10:5-31 et seq. and N.J.A.C.17:27.** The mandatory equal employment opportunity language includes the following:

Goods, Professional Services and General Service Contracts

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the

agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to **N.J.S.A. 10:5-31 et seq.** as amended and supplemented from time to time and the American and Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to afford equal employment opportunities to minority and women workers consistent with Good faith efforts to meet targeted county employment goals established in accordance with **N.J.A.C. 17:27-5.2**, or Good faith efforts to meet targeted county employment goals determined by the Division, pursuant to **N.J.A.C. 17:27-5.2**.

B. Business Registration

Note that all proposers must comply with the Business Registration requirements of the New Jersey Department of Community Affairs in accordance with **N.J.S.A. 25:32-44**. **Firms must submit prior to the award of the contract a copy of their New Jersey Business Registration Certificate. Failure to do so will be cause for rejection of the firm's Proposal.**

C. New Jersey Pay to Play Regulations

This contract will be subject to New Jersey Pay to Play regulations. Upon receipt of the current Candidate Committee List from the Atlantic County Clerk, the Authority will provide to the Contractor and the Contractor as soon as is reasonably possible will complete and submit a Business Entity Disclosure Certification which will certify that the Contractor has not made any reportable contributions to a political or candidate committee in the County of Atlantic (1) in the previous one year; (2) and from January, 2009 to the date of award; (3) that the contract will prohibit the Contractor from making any reportable contributions through the term of the contract.