

**New Brunswick Power Corporation**

**REQUEST FOR EXPRESSIONS OF INTEREST (REOI)**

**XXXX-16-I02**

**Renewable Power Generation**

**Expression of Interest**

New Brunswick Power Corporation (the Corporation) is seeking an expression of interest, including project information, (EOI) from Aboriginal businesses for a total of up to 40 MW of renewable generation from multiple projects sited in the Province and which would be in service by December 31, 2020.

**Background to the Request for Expressions of Interest**

The Corporation is a Crown corporation with the legislated mandate to provide for the electricity needs of the Province of New Brunswick. The largest utility in Atlantic Canada, with a staff of approximately 2,400, NB Power operates one of North America's most diverse generation and interconnected transmission systems. The Corporation has a wide customer base serving residential, commercial, small and large industrial customers.

Additional information can be found on our website, [www.nbpower.com](http://www.nbpower.com)

On November 16, 2015, Regulation 2015-60 cited as the Electricity from Renewable Regulation – Electricity Act came into force. This Regulation states that: “On December 31, 2020, and for each subsequent fiscal year, the Corporation shall ensure that 40% of the total in-province electricity sales in kilowatt-hours is electricity from renewable resources”. In support of these targets, the Corporation shall endeavour to obtain from Aboriginal businesses 40 MW of electricity from renewable resources. The Corporation may obtain up to a maximum of 20 MW of electricity from renewable resources that is generated by a small-scale generation facility owned by one or more Aboriginal

businesses. The Corporation may enter into a partnership agreement with one or more Aboriginal businesses, to develop, to refurbish, operate and maintain a small-scale generation facility that is owned by the Corporation if, in the opinion of the Corporation, a partnership is the best option.

## **REOI Intent**

1. Depending on the response of interested parties to this REOI, the Corporation in its sole discretion may request one or more formal submissions and/or may enter into direct negotiations with selected interested parties or may choose to do neither.
2. This REOI is issued for information gathering purposes only and is not intended to be a legally binding “Contract A” bidding process. Without limiting the generality of the foregoing, this REOI will not necessarily result in any subsequent negotiations, direct contract award, invitational tendering process or open tendering process.
3. Participation in this REOI process does not give rise to any legal obligations, contractual or otherwise, between the Corporation and any interested parties.
4. To the extent permitted by law, the Corporation shall be free to negotiate with any interested parties submitting an EOI, or any other interested party, and the Corporation shall not be contractually bound in any way to any interested party submitting an EOI until such time as the Corporation has negotiated and executed a separate agreement that is totally independent of this REOI process and the Corporation has obtained any necessary approvals to do so.
5. This REOI process shall be governed by and construed in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein.
6. The Corporation makes no representations or warranties with respect to the information presented in this REOI. It will be the responsibility of any interested parties to conduct their own reviews.

7. The interested parties consent to the collection by the Corporation of the information as contemplated under the REOI for the uses contemplated under the REOI. Information provided by an interested party may be released in accordance with the *Right to Information and Protection of Privacy Act*, S.N.B. 2009, c.10.6, as amended. An interested party should identify any information in its submission or any accompanying documentation supplied in confidence for which confidentiality is to be maintained by the Corporation. The confidentiality of such information will be maintained by the Corporation, except as otherwise required by law or by an order of a court or tribunal. The interested party consents to the disclosure, on a confidential basis, of its submission by the Corporation to its advisors retained for the purpose of reviewing or participating in the review of the interested party's submission.
8. The Corporation shall endeavor to answer questions and provide information to interested parties in a timely fashion; however the Corporation does not guarantee, represent or warrant in any way that any such information can be provided in the time required by interested parties or the accuracy or completeness of such information. The Corporation reserves the right to distribute any questions or concerns raised by an interested party relating to this REOI to any other interested party along with the Corporation's response to such questions or concerns. In doing so, the source or author of the questions or concerns will remain confidential and anonymous.
9. All communications from the Corporation regarding this REOI will be in writing or via email. No information given orally by any the Corporation representative will be binding upon the Corporation, nor will it be construed as changing the requirements of this REOI.
10. An interested party may not at any time, directly or indirectly, communicate with the media in relation to this REOI without first obtaining the written authorization of the Corporation.
11. The Corporation may discontinue this REOI at any time either before or after completion of the process.

12. The Corporation shall be entitled in its sole discretion, to waive any irregularity, informality, or non-conformance with these instructions in any submission received by the Corporation.
13. The Corporation reserves the right, post-submission, to make modifications to Schedule “A” with any one or more interested parties without having any duty or obligation to advise any other interested parties or to allow them to vary their submission as a result of such changes and the Corporation shall have no liability to any other interested party as a result of such modifications.
14. All costs incurred in the preparation of submissions to this REOI, including any interviews, presentations and subsequent proposals, are the sole responsibility of the interested parties and will not be chargeable in any way to the Corporation.

### **Calendar of Events**

The following is the Corporation’s expected calendar of events for this REOI process.

The Corporation reserves the right to extend or otherwise modify any portion of the calendar of events or terminate this REOI in its sole discretion:

EOI requested	January 29, 2016
EOI due	April 29, 2016, on or before 3:00 PM ADT
Agreement signing (if any)	Fall 2016 (Tentative)

It is requested that EOIs be submitted not later than April 29, 2016, on or before 3:00 PM ADT. The Corporation may disregard any submissions received after this date.

## **Requirements**

Interested parties should provide information on Renewable Projects that:

- Are a maximum of 20 MW in Capacity of renewable generation injecting into the Transmission System at 69KV or above. Interested parties may refer to the Transmission Service Provider website at [www.tso.nbpower.com](http://www.tso.nbpower.com) (under Electricity Business Rules) for the requirements respecting connection to the Transmission System.
- Have a contract term of minimum of 20 years.
- Have a scheduled in-service date starting in the Spring 2017, but not later than December 31, 2020.

## **Pricing**

1. Interested parties may provide an estimated fixed or escalating price over a minimum 20 year term (all inclusive to develop, permit, interconnect to the Transmission System, operate and maintain the renewable development) in 2016 \$ per Megawatt Hour (\$/MWh) of output for each proposed Renewable Project. The output includes the Energy, Capacity, loss savings, Ancillary Services, Environmental Attributes and any other products produced by the proposed Renewable Project.
2. In addition to the Corporation's assessment, submissions will undergo an independent assessment of the social and economic benefits to the submitting entity, and to the Province. In order to facilitate this assessment all submissions should include, to the best extent practical:

- Cost estimates for services and equipment to be sourced within the community where the potential site is to be located (consulting fees, contractor fees, materials, etc.);
- Cost estimate for services and equipment to be sourced within New Brunswick;
- Net new jobs created during the construction phase of the proposed project;
- Net new jobs created and maintained during commercial operation of the proposed project;
- Anticipated annual revenue from the project that will remain within the community;
- Anticipated annual revenue from the project that will remain within New Brunswick;
- Funding mechanisms anticipated for the project;
- Any other relevant information the applicant would like to be considered as part of the assessment.

This information will be sent to the independent review consultant with names, addresses, contact information, or any other information that would allow the reviewer to identify the interested parties, redacted.

By providing this information, the interested parties authorize the Corporation to share the information with the independent review consultant in the redacted format mentioned above.

Furthermore, should the independent review consultant require further information to perform their evaluation, they will request this information of the submitting entity with the Corporation acting as an intermediary party. Responses to these requests should be submitted to the Corporation within 10 business days to avoid unnecessary delays.

## **Submissions**

1. The Corporation will assess EOI submissions based on the following criteria:
  - a. Project Information
  - b. Developer Information
  - c. Financial Information
  - d. Ownership model
  - e. Project benefit (social and economic)
  - f. General Information and any other relevant information provided.
2. Interested parties should submit its Renewable Project Information on the form shown in Schedule A, and should attach any other relevant information.
3. EOIs can be submitted via mail, email or fax.
4. The Corporation will not be responsible for any costs incurred by parties in the preparation of EOI submissions.
5. Information provided by parties will remain the property of the Corporation and, to the extent permitted by law, will be retained in confidence.

## **Additional Information:**

The Corporation is developing the capability to dynamically monitor and control loads and small scale generation for the purpose of increasing the efficient operation of the grid and maximizing the use of existing transmission and generation assets. Parties should identify if their projects would be able to make use of this capability.

All enquiries, questions and responses are to be submitted in writing either by mail, email or fax to the following contact address:

New Brunswick Power Corporation  
515 King Street  
PO Box 2010  
Fredericton, New Brunswick, Canada  
E3B 4X1

Reference: Request for EXPRESSIONS OF INTEREST (REOI) - Renewable Power Generation (XXXX-16-I02)

Attn.: Tender Coordinator

Fax: (506) 458-4089

Email: [alltenders@nbpower.com](mailto:alltenders@nbpower.com)

**Note: Electronic mail attachments cannot exceed 5 MB in total size and must be print ready files**

### **EOI Terminology**

“*Aboriginal Business*” as defined in the regulation cited as the Electricity from Renewable Regulation – Electricity Act

“*Ancillary Services*” means any or all of a range of services, as defined by the Transmission Provider, necessary to maintain the reliability of the Transmission Provider controlled Transmission System, including but not limited to scheduling, system control and dispatch, reactive supply and voltage control from generation sources, regulation and frequency response, energy imbalance, operating reserve, and black start capability.

“*Capacity*” means the capability of generating equipment to produce Energy, measured in megawatts and recognized by the Transmission Provider, in accordance with applicable Transmission Provider rules.

“*Energy*” means electrical energy, measured in megawatt-hours (MWh).

“*Environmental Attributes*” includes all existing or future rights, in particular on premiums, permits, credits tradable or otherwise, units or other titles which may have been created, obtained or recognized in Canada or elsewhere regarding among others the following:

- (i) Reductions or avoided emissions in greenhouse gas or other pollutants;
- (ii) Attributes or characteristics of renewable or “green” sources of energy supply for purpose of sale, exchange, labeling, certification, advertising or other.

“*MW*” means megawatt.

“*MWh*” means megawatt-hour (one MWh equals 1,000 kWh).

“*New Brunswick Power Corporation Open Access Transmission Tariff*” means the New Brunswick Power Corporation Open Access Transmission Tariff as approved by the Energy Utilities Board and which may be revised from time to time.

“*PPA*” means a power purchase agreement for Renewable Project Output which The Corporation may enter into with a developer of a Renewable Project as a result of a process totally independent from the REOI process.

“*SIS*” means the System Impact Study as defined in the New Brunswick Power Corporation Open Access Transmission Tariff.

“*System Operator*” means a subset of the Transmission System Provider that performs Transmission Functions.

“*Transmission Service Provider*” As defined in the New Brunswick Power Corporation Open Access Transmission Tariff. [New Brunswick System Operator or its successor (or its Designated Agent) that controls and directs the operation of facilities used for the transmission of electric energy and provides transmission service].

“*Transmission System*” means the transmission facilities owned by the New Brunswick Power Corporation to which a Renewable Project developer must connect its own transmission facilities.

“*Unit*” means a renewable powered generator.

*“Renewable Project”* means the renewable project identified in response to the REOI, from which the Corporation could receive Renewable Project Output, and includes turbines, distribution lines interconnecting the renewable turbines, and the substation.

*“Renewable Project Output”* means the Energy, Capacity, loss savings, Ancillary Services, Environmental Attributes and any other products produced by the Renewable Project.

## Schedule “A”

Please provide information on the following, to enable The Corporation to better understand the Renewable Project you are interested in developing.



**Énergie NB Power**

### Renewable Power Generation Project

Project Information		
Project	Project Name:	Project Location:
	Project Installed Capacity:	Number of Units: _____
	Project Net Annual Energy:	Unit Size: _____
		Project Commercial Operation Date: _____
	Site Plan (interconnection point to and including the renewable site)	
Aboriginal Business Information		
Aboriginal Business	Aboriginal Business Name:	Aboriginal Business Address:
	Contact Name:	Telephone:
	Contact Title:	Faximile:
	Email Address:	
	Aboriginal Business Corporate Profile:	
	Partnership arrangement (if applicable)	
Financial Information		
Financial	Total Capital Cost: 2016\$ _____	
	Fixed OMA: \$ _____ k/Year	
	Variable OMA: \$ _____ /MWh	
	Project Life: _____ Years	
	Financing Plan	
	Provide a description of the following:	
	<ul style="list-style-type: none"><li>• Proposed method of financing the project including sources of debt and equity</li><li>• Form of equity investment</li><li>• Method of financing during each of the development, construction and operating phases</li><li>• Discounted Cash Flow Analysis (Proforma)</li><li>• Expected capital structure (debt/equity ratio)</li><li>• Aboriginal Business experience in raising capital and obtaining financing for previous projects.</li></ul>	
	Price for Renewable Project Output: \$ _____ /MWh	

<b>Ownership Information</b>	
Ownership	Provide a description and specifics as per Part 2 Section 5 of the regulation cited as the Electricity from Renewable Regulation – Electricity Act as to which “Aboriginal Business” applies to the project.
<b>General Information (provide milestone events with dates and current status for each of the following)</b>	
General	Selection and Land Acquisition:
	Engineering and Design:
	Permitting and Regulatory Approvals:
	Procurement of Major Components:
	Interconnection agreement with the Transmission System provider: (include SIS if applicable)
	Commissioning:
	Operations and Maintenance (significant maintenance intervals, etc.):
	Community Outreach (frequency of meeting, timeline, etc.):
<b>Project Benefit (social and economic)</b>	
Project Benefit	Project Benefit:

**PLEASE ATTACH ANY OTHER RELEVANT INFORMATION CONCERNING  
YOUR PROJECT**