

**Hawaiian Electric Companies'
Request for Proposals
Grid Services from Customer-Sited
Distributed Energy Resources**

**RFP No. 020123-04
Proposer's Conference**



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Agenda

- ◆ Need for Grid Services
- ◆ Aggregator Model
- ◆ RFP Overview
- ◆ RFP Process
- ◆ Next Steps



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Maui Potential Capacity Shortfall

- ◆ Address the recently advanced end of life forecast for the four 12.5MW Mitsubishi-MAN generating units on Maui
- ◆ Capacity Reduction Grid Service can be used to mitigate risk for event shortfalls



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Aggregator Model

- ◆ Proposer shall have a direct contractual relationship with customers to engage the customer for the use of customer-sited resources.
- ◆ Proposer will also have a direct contractual relationship with the Companies to deliver the grid services in the quantities and requirements agreed upon.
- ◆ The Companies will directly deliver incentives to participants via their utility bills.



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RFP Overview

- ◆ Maui Grid Services
 - Capacity Reduction Required
 - Bundled and Unbundled Prices
 - Proposals may layer in Capacity Build Grid Services
- ◆ Commercial Operations Date (COD) – June 30, 2026
- ◆ Evaluation preference given for Contract Capability delivered in the desired Priority Circuits designated in Appendix P.
- ◆ Evaluation preference given for those that conform to IEEE 2030.5-2018 standard
- ◆ 10-year Term



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Grid Service Target

Hawaiian Electric's Grid Services Needs for Maui(MW)

Year	Capacity (Load Build & Load Reduction)
2026	20.0
2027	20.0
2028	20.0
2029	20.0
2030	20.0
2031	20.0
2032	20.0
2033	20.0
2034	20.0
2035	20.0



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Proposed RFP Schedule

Milestone	Schedule Dates
(1) RFP issued	February 1, 2023
(1) Questions due from Bidders	June 30, 2023
(1) Response to Questions issued	July 21, 2023
(1) Proposals Due	August 31, 2023 at 5:00 pm HST
(1) Selection of Short List	September 22, 2023
(1) Best and Final Offer Due	October 6, 2023 at 5:00 pm HST
(1) Selection of Final Award Group	October 20, 2023
(1) Contract Negotiations Start	October 23, 2023
(1) <i>Contract Executed and Filed (estimated)</i>	<i>January 2024</i>
(1) <i>PUC Approval (estimated)</i>	<i>August 2024</i>
(1) Commercial Operations Date	June 30, 2026



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Grid Service Purchase Agreement (“GSPA”)

- ◆ The Company does not have a predetermined preference for a particular technology for the delivery of grid services.
- ◆ Per Commission order the sections in the RFP for renegotiation have been removed
- ◆ Revised the GSPA for Clarifications
 - System Integration Date Deadline and Grace Periods
 - Force Majeure and Events of Default
 - Audits to include performance on Enabled Capability
 - Settlement Calculations



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Evaluation of Proposals

- ◆ Eligibility Requirements
- ◆ Threshold Requirements
- ◆ Initial Evaluation
- ◆ Short List Selection
- ◆ Best and Final Offer
- ◆ Final Evaluation



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Eligibility Requirements

- ◆ Timely and Complete Submission
- ◆ Includes Federal and State tax clearance certificates
- ◆ Bid is for the Island of Maui
- ◆ Specifies Contract Capability by COD
- ◆ Affirms non-negotiable status of GSPA sections



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Threshold Requirements

- ◆ Performance Standards
- ◆ Proven Technology
- ◆ Experience of the Proposer
- ◆ Proposer's Previous Performance with the Company *
- ◆ Credit/Collateral Requirements
- ◆ Viability of Proposer's Financial Plan
- ◆ Carbon Emissions Questionnaire*



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*New criteria

Pricing Evaluation (50% of total Preliminary Score)

- ◆ Projects evaluated using Levelized Grid Service Price (LGSP) for each grid service
- ◆ LGSP is calculated based on;
 - ◆ Management Fee (\$/kW)
 - ◆ Enablement Fee (\$/kW)
 - ◆ Incentives (\$/kW) as applicable
 - ◆ Enablement Schedule



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Non-Price Criteria (50% of total Preliminary Score)

- ◆ Experience and Qualifications*
- ◆ Financial Strength and Financing Plan
- ◆ Model GSPA Contract Exceptions*
- ◆ Contract Capability Bid
- ◆ Participant Acquisition Timing & Strategy*
- ◆ Participant Service Agreement
- ◆ Conformance with Companies' Code of Conduct
- ◆ Conformance with Information Assurance Policies



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*weighted higher than other criteria

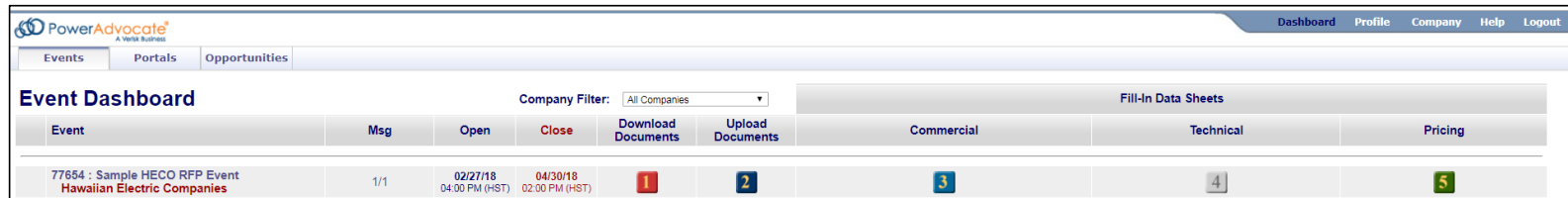
Final Evaluation

- ◆ Short List
- ◆ Best and Final Offer (“BAFO”)
 - Opportunity to update pricing elements of proposal
- ◆ If necessary, BAFOs on the Short List will be further analyzed
 - Proposed relative costs of the grid service
 - Examining target customer segments
 - Examining the underlying technology diversity
 - Assess risk associated with the proposed grid service delivery
- ◆ Final Award Group



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Electronic Procurement Platform



The screenshot displays the PowerAdvocate platform interface. At the top, there is a navigation bar with links for Dashboard, Profile, Company, Help, and Logout. Below this, there are tabs for Events, Portals, and Opportunities. The main content area is titled "Event Dashboard" and includes a "Company Filter" dropdown set to "All Companies". A "Fill-In Data Sheets" section contains buttons for Commercial, Technical, and Pricing. Below this is a table with columns for Event, Msg, Open, Close, Download Documents, and Upload Documents. The table lists one event: "77654 : Sample HECO RFP Event" by "Hawaiian Electric Companies". The event details include a message count of 1/1, an open date of 02/27/18 at 04:00 PM (HST), and a close date of 04/30/18 at 02:00 PM (HST). There are numbered icons (1, 2, 3, 4, 5) corresponding to the table columns.

Event	Msg	Open	Close	Download Documents	Upload Documents	Commercial	Technical	Pricing
77654 : Sample HECO RFP Event Hawaiian Electric Companies	1/1	02/27/18 04:00 PM (HST)	04/30/18 02:00 PM (HST)	1	2	3	4	5

poweradvocate.com

- ◆ RFP Appendix D contains general instructions for using the PowerAdvocate platform
- ◆ Proposers will need to request access to the Bid Event (RFP) by sending an email to the RFP email address (response@hawaiianelectric.com)
- ◆ Bid Submission forms will be acquired only within Power Advocate
- ◆ All Communication regarding the RFP will be through PowerAdvocate



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Next Steps

- ◆ RFP (excluding bid submission forms) is available on the website.
<https://www.hawaiianelectric.com/mauirfp4>
- ◆ Interested Proposers
 1. Register for Power Advocate
 2. Send questions to through PowerAdvocate
 - Questions due by 06/30/23
 - Answers for questions posted on 07/21/23

Proposals due August 31, 2023 @ 5pm HST



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