

SOCORRO ELECTRIC COOPERATIVE, INC.



REQUEST FOR PROPOSAL
DISTRIBUTED GENERATION - SOLAR

January 30, 2023 – 4:30 PM MST

Issue Date: Dec. 28, 2022

SECTION I –BACKGROUND

Socorro Electric Cooperative, Inc. (hereinafter “SEC”) is issuing this Request for Proposal (RFP) to solicit competitive proposals from professional, qualified solar developers (“Respondents”) who shall be full-service developer/operators, to design, site procurement, construct, and operate the renewable energy facility. Respondents must have developed designs, procured, constructed, and operated at least 3 renewable energy facilities at least 2 MW_{AC} in size in the last 5 years. SEC may consider proposals to develop (a) distributed generation solar site(s) that collectively meet the further requirements set forth throughout this RFP.

Proposals will be accepted until **4:30 PM MST on January 30, 2023** and should be sent electronically to:

Joseph Herrera
Socorro Electric Cooperative, Inc., PO Box H
215 Manzanares Ave.
Socorro, NM 87801
Phone: (575) 835-0560
FAX: (575) 835-4449
Email: jherrera@socorroelectric.com

Only written requirements and qualifications will be considered for evaluation. All questions, submissions, and any associated communication shall be addressed to Joseph Herrera via email. The deadline for questions is January 20, 2023.

SECTION II - SYSTEM INFORMATION

SEC serves 8,629 consumers living in Catron, Cibola, Sierra, Socorro, and Valencia counties.

SEC owns 3,303 miles of distribution line. SEC is a member of Tri-State Generation & Transmission Association (Tri-State) from which the SEC purchases its wholesale electricity through an “all-requirements contract.” Tri-State Board Policy 115 does allow SEC to own or control power generation limited to five percent (5%) of SEC’s annual Gross Energy Requirements in any calendar year, and such generation shall not exceed a coincident contribution of more than 5% of SEC’s annual Gross Capacity Requirement in any calendar year. Total SEC Load Served is 172,762 MWh/year, with active meters numbering approximately 12,700 and a system maximum demand of 32.2 MW. SEC-owned distribution substation names and locations:

Burriss Substation 2.1 MW PEAK LOAD
Latitude: 34.5031888785925
Longitude: -106.606372734137

Magdalena Substation 3.9 MW PEAK LOAD
Latitude: 34.1149392519746
Longitude: -107.249882996759

Socorro Local Substation 11.4 MW PEAK LOAD
Latitude: 34.0539176142647
Longitude: -106.91179533958

Quemado Substation 1.5 MW PEAK LOAD
Latitude: 34.1933389475294
Longitude: -108.998828324534

SECTION III – SCOPE OF WORK

SEC desires Respondent to finance, design engineer, procure equipment for, construct, and develop a maximum of SEC’s 5% of its Tri-State Gross Energy Requirement, of a cost-effective solar photovoltaic electric generating system, commonly known as a utility-scale solar system, connected to SEC’s distribution system at distribution voltage. SEC is seeking a power purchase agreement (PPA) with a potential buyout structure with at least one or more option periods for SEC (e.g., end of 7th year, 15th year). The PPA with SEC shall be for 20 years for the net of total kWh_{AC} generated by the solar facility, less kWh needed on site. SEC is interested in purchasing renewable power, the associated electrical energy, and the environmental attributes (renewable energy credits –RECs) through a PPA with the developer to operate and maintain the utility-scale solar system at either a fixed price or an escalating price not tied to a variable index. The PPA must meet Tri-State’s requirement that all generated MW_{AC} from the solar facility be absorbed by SEC’s loads and not exported onto the Tri-State system. Provide an outright own of all tangible assets option for SEC to consider with the newly enacted Inflation Reduction Act benefit all in cost for SEC.

The option is for SEC to own the solar generation facility with the IRA considerations for SEC to own the associated electrical energy, and the environmental attributes (renewable energy credits –RECs) through ownership so that SEC operate and maintain the utility-scale solar system at fixed price

The scope of services provided shall also include, but shall not be limited to, securing all necessary permits and approvals from any and all applicable governmental and regulatory entities (including Tri-State) and all labor, applicable taxes, services, and equipment necessary to produce a fully operational solar PV system.

SEC requests Respondents to make no contact with landowners. For pricing purposes, please consider \$600/acre. The Respondent chosen must secure the project site but SEC will assist the chosen developer to select a site. SEC will perform a System Impact Study (SIS) after a review of response proposals if the project is determined by SEC to be technically and economically beneficial.

Respondents must meet all project timelines, including interconnection of all proposed capacity, by *December 31, 2023*. SEC is willing to work with Respondents to develop a staged interconnection schedule to accommodate the capabilities of the Respondent and SEC.

SECTION IV – TIMELINE

The following timeline is intended to illustrate the anticipated timeline for this RFP:

Project Milestone(s)	Date
RFP Issued/available	Dec. 29, 2022
Written questions due	Jan. 20, 2023
Written responses to questions available	Jan. 29, 2023
Proposals due	Jan. 30, 2023
Operation date (This is an intended target date)	Dec. 31, 2023

SEC reserves the right to adjust this timeline.

SECTION V – RESPONSE GUIDELINES

To facilitate the timely evaluation of Proposal submissions, a standard format for Proposal submission is requested.

1. Business Proposal

The Business proposal section should address the following topics:

a. General

This optional section may be used to introduce or summarize any information that the Respondent deems relevant or essential to SEC's successful acquisition of the Project and services requested in this RFP.

b. Respondent's History

This section shall include a brief history of the business organization, including its formation, business areas, size, etc.

c. Respondent's Capabilities

Describe the Respondent's experience and capabilities in providing similar work in the scope of services, size, and complexity. Indicate if the Respondent has ever failed to complete any work or project awarded to it. If so, please indicate and describe the date, location, and circumstances.

d. Pricing and Revenue

SEC asks the Respondent to include a firm fixed price and escalating price not tied to a variable index. Please use *\$600/acre* for land costs, *\$125,000* for interconnection costs and costs for any metering required for the project.

e. Cover Letter

Respondent is encouraged to summarize the essential aspects of the proposal, highlighting the short-term and long-term value of the solar project to SEC's membership. The cover letter must be signed by a developer representative authorized to execute a PPA.

f. References

Respondent shall include a list of at least three (3) clients or entities for which it has provided projects or services that are the same as or similar to those described in this RFP. Listed clients or entities may be contacted to determine the quality of work performed, and the personnel assigned to the Project.

2. Technical Proposal

Any reference material that provides additional information may be included as an appendix; however, please provide a summary of the referenced material within the section.

g. Overview of the Proposed Method for Provision of the Requested Services and Project

This overview shall consist of a concise summary of the requested services proposed by the Respondent in response to this RFP. The overview should provide SEC with a comfortable grasp of the services to be provided and the methods proposed by the Respondent to provide them.

h. Project Approach

The description shall indicate the methodology that the Respondent will follow to fulfill the

requirements of the scope. SEC intends that each Respondent provide a detailed and comprehensive description of all services that the Respondent will provide if it enters into a PPA with SEC, including the SEC ownership option similar information must be provided.

i. Personnel Description

Each Respondent shall provide a detailed description of the principal supervisory and management staff, including partners, managers, other supervisors, and specialists, who will be responsible for the implementation of the Project. The description must include all relevant information regarding qualifications, training, continued education, certifications, etc.

j. Identification of Anticipated Potential Problems

The Proposal shall identify and describe any anticipated potential problems, the Respondent's approach to solving these problems, and any special assistance that may be requested from the SEC.

k. Design, Engineering, and Permitting

The Respondent shall design/engineer ground-based solar PV systems to maximize the solar energy resources at the proposed site, taking into consideration available solar resources, applicable zoning, ordinances, installation costs, contingent approvals, and other relevant factors.

The Respondent shall provide conceptual design documents that provide the following information:

- System description;
- Equipment details and description;
- Selection of key equipment;
- Specifications for equipment procurement and installation;
- All engineering associated with structural and mounting details;
- Performance of equipment components, subsystems;
- Integration of solar PV systems with other power sources;
- Controls, monitors, and instrumentation
- Web-based performance monitoring system; and
- Foundation of PV support system.

l. Summary of Milestones

Information contained in the technical proposal regarding dates of milestone events must be summarized. Respondent will specifically describe the expected implementation procedures the Respondent proposes to use. In order to show feasibility, a timetable setting forth appropriate milestones should be included in Respondent's Proposal, with sufficient detail explaining how Respondent will meet those milestones.

m. Maintenance

Respondent shall provide information regarding any routine maintenance that would be required over the life of the Project.

n. Warranties/Guarantees

The Respondent shall provide information regarding any warranties/guarantees that will be available regarding the system and the PV panels covered by the Respondent.

SEC encourages Respondents, in their respective proposals, to be as creative and generous as possible regarding fees, rentals, and other benefits to SEC, as the financial aspects of the proposed project will be a consideration in determining whether a proposal will be awarded.

SECTION VI - CREDIT/FINANCIAL SECURITY REQUIREMENTS

Respondents who submit proposals to SEC will, as part of the evaluation process, be requested to provide additional information to SEC concerning the Respondent's creditworthiness and other financial information that SEC deems relevant including identification of specific financial partner(s), sample certificate of insurance, proposed PPA term period, and any significant provisions. Additionally, as part of any definitive contractual arrangements that may be agreed upon by SEC and any Respondent, such Respondent may be required to provide financial security in form and amount acceptable to SEC to secure Respondent's obligations.

SECTION VII – AWARD OF THE CONTRACT

From time to time during the evaluation process, SEC may elect to commence contract negotiations with one or more Respondents concerning their submitted proposals; provided, however, that SEC shall have no obligation to commence contract negotiations with any of the Respondents that submit proposals pursuant to this RFP. The commencement of contract negotiations shall not obligate SEC to execute a contract with any Respondent, nor shall the commencement of contract negotiations obligate such Respondent to execute a contract with SEC. SEC reserves the right to negotiate any terms and conditions which provide value to SEC and their members. Additionally, if contract negotiations fail to proceed according to SEC's desired reasonable schedule, or for any other reason, SEC has the right to terminate such contract negotiations with such Respondent at any time without any further obligation or liability to such Respondent or any other party.

SECTION VIII– REJECTION OF PROPOSALS

SEC reserves the right to reject any or all proposals received for failure to meet any criteria outlined in this RFP or for any other reason. SEC also reserves the right at its sole discretion to decline to enter into a definitive, binding agreement with any Respondent or to cease negotiations of any contract being negotiated by SEC and any Respondent at any time during such negotiations.

SEC reserves the right to revise the resource needs forecast at any point during the RFP process or during contract negotiations. Any such change may reduce, eliminate, or increase the amount of capacity and energy sought to be procured through this RFP.

Respondents who submit proposals do so without recourse against SEC for either rejection of such proposal(s), for failure to execute a definitive, binding agreement, or for any other reason.

SECTION IX- CONFIDENTIALITY

SEC will take reasonable precautions and use reasonable efforts to protect any proprietary or confidential information contained in a bid proposal, provided the Respondent clearly identifies such information as confidential on the page on which it appears. SEC may, however, be required to make such confidential information available under applicable state and/or federal law to regulatory commission(s), its/their respective staff or other governmental agencies having jurisdiction over this matter. In addition, SEC reserves the right to release such confidential information to agents or contractors of SEC for the purpose of evaluating the bid proposals; although such agents and contractors will be directed to observe the same care with respect to disclosure as SEC. Under no circumstances will SEC, affiliates, subsidiaries, and the officers, directors, employees, agents or representatives of any of them, be liable to any party for any damages resulting from any disclosure of information provided in response to this RFP before, during, or after the solicitation process.