



Last updated: 2/18/2020

## 2020 All-Source RFP Question and Answer List

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### Question 51: 02/13/2020

At the bottom of page 16, the RFP states “To the extent a Proposal’s expected generation/dispatch pattern is likely to overlap with HCE’s wholesale billing peak, a risk-adjusted capacity credit may be included in the evaluation process, at HCE’s discretion.”

To avoid doubt, does this statement mean that a proposal which delivers power during HCE’s wholesale billing peak will be given higher additional quantitative scoring? Is this higher scoring equivalent to the \$13/kW-mon figured mentioned in the webinar Q&A slides? When does this peak occur in the day/year, and can more information about the peak be furnished?

#### Response:

Yes, we are able to assign a higher value to a project that delivers power during HCE’s wholesale billing peak. A wholesale billing peak occurs each calendar month at varying times. Question #47 has additional information on dispatch expectations related to demand response load reduction.

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### Question 50: 02/12/2020

For clarity can you further define the Point of Delivery? In the RFP under Sec. 1.10 it is defined as “(Point of Delivery) shall be a disconnect downline of the metering equipment.” Does this mean the physical point of interconnection i.e. after the step up transformer and meter at the line tap? Or is it at the revenue meter and is the revenue meter to be owned by the respondent, or Holy Cross?

#### Response:

The point where the Member’s Interconnection Facilities connect with the Holy Cross System. The location of the Point of Interconnection will be determined by Holy Cross in accordance with standard industry practice or as individual circumstances may dictate. The revenue meter will be owned by HCE.

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**Question 49:** 02/12/2020

Can HCE direct us to a location on your website where we can access the resource plan?

**Response:**

Public information related to Seventy70Thirty is listed in the RFP, as well as at <https://www.holycross.com/seventy70thirty/>

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**Question 48:** 02/10/2020

My company plans to submit a standalone energy storage proposal with no site-control in the [redacted] and [redacted] size ranges. We would assume an interconnection at 29 kV to any one of the HCE substations, provide the footprint required, and could then be sited either on HCE property or the property of those bidders only offering land.

Can you tell me whether this is a viable approach based on your RFP needs?

**Response:**

Yes, this would be one of the viable approaches based on our RFP needs.

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**Question 47:** 02/10/2020

For storage, are there any specific load reduction hours the battery would be expected to address or number of cycles expected per year.

**Response:**

Our current demand response programs operate 1-4 times per month with a duration of 2-3 hour events (avg of 36 cycles per year) occurring between 3PM and 9PM depending on the actual event. We forecast the need of about 85 cycles per year related to renewable oversupply, occurring most commonly between 11PM and 6AM, and 1PM and 5PM in the shoulder and summer months. HCE would like the opportunity to dispatch storage more aggressively than our behavioral demand response, but anticipate dispatching significantly less than a daily cycle.

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**Question 46:** 02/10/2020

For storage, what are the known or preferred use cases that Holy Cross Energy envisions.

**Response:**

In the short-term, our main value streams will be dispatching the storage to offset coincident peak load, as well as utilizing the storage to manage renewable oversupply. In the future we envision using storage for resilience and ancillary services

**Question 45:** 02/07/2020

Please provide a Load and Resource data table that shows a forecast of HCE's retail load obligation through [at least] 2030, and corresponding generation and purchase power resources that will supply its retail load obligation, including the amounts of energy needed from clean energy projects (or GHG offsets) that would be needed to meet the HCE Seventy70Thirty goal.

**Response:**

We are currently contracted to meet our Seventy70Thirty goal with bulk system resources of a little over 400GWh of annual renewable content.

**Question 44:** 02/07/2020

On page 12, section 1.22, the RFP states "Each Respondent must include with the documentary Proposal a proposal evaluation fee payable to HCE at the time of submission of its Proposal." Does HCE want the respondent to submit hard-copies of the proposal along with the proposal evaluation fee to HCE's physical address by Monday, March 2nd, 2020? If so, how many hard copies of the proposal does HCE want?

**Response:**

Hard-copies are not required to be submitted.



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**Question 43:** 02/07/2020

Would HCE be willing to execute a non-disclosure agreement with a respondent prior to its submission of a proposal in response to the RFP?

**Response:**

HCE is willing to execute approved NDAs with short-listed respondents. The confidentiality provision in the RFP will be applicable until HCE selects short-listed respondents.

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**Question 42:** 02/07/2020

On page 4, section 1.4, the RFP states “HCE reserves the right to release any such information to its agents or contractors for the purpose of evaluating the respondent’s proposal.” Are these HCE agents and contractors bound by the same terms of confidentiality as described in the RFP? Please provide a list of HCE’s agents and contractors that are participating in the evaluation of a proposals received by HCE.

**Response:**

At this point, HCE has not contracted with an agent to participant in the evaluation of proposals. If HCE does contract with an agent to assist in the evaluation, that agent will be bound by HCE’s standard Confidentiality Agreement.

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**Question 41:** 02/06/2020

Is Holy Cross interested in receiving the REC’s? If so, how do you plan to value them?

**Response:**

Yes, HCE is interested in receiving the RECs. The draft PPA’s associated with this RFP give HCE title to all Green Attributes. HCE will evaluate each project’s value compared to our alternative RFP options, as well as our current contractual options. It is unlikely for HCE to enter into an arrangement that increases our power supply costs.

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**Question 40:** 02/06/2020

Could you please confirm that the webinar was not mandatory to participate in?

**Response:**

The webinar was not a requirement to participate in. For your benefit, the webinar recording and webinar Q&A transcript are provided on HCE's RFP website.

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**Question 39:** 02/06/2020

Do you anticipate interviewing the shortlisted firms to ultimately choose your solution resource?

**Response:**

Detailed negotiations with short-listed firms will include phone and possibly in-person interactions to further evaluate the viability of the project(s).

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**Question 38:** 02/06/2020

Would it be possible for you to supply us with a single line diagram for one of your substations?

**Response:**

We are not willing to provide that information at this point in the RFP process. HCE will evaluate interconnection costs associated with projects that are short-listed.

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**Question 37:** 02/06/2020

On the Technical Proposal Form, can you please provide clarity as to what HCE means by "Peak Net MWhs" for each month?

**Response:**

We are looking for the peak production in a one-hour interval for each month. This would essentially be the maximum value per month from the 8760.



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**Question 36:** 02/06/2020

Are any of the following system sizes within the load tolerance of the Rifle Substation?

- 1MWac
- 2MWac
- 5MWac

**Response:**

HCE will provide an engineering analysis of the interconnection costs for short-listed candidates. We would encourage you to submit multiple bid options at those various sizes.

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**Question 35:** 02/06/2020

In your All Source RFP one of the areas of interest is Dispatchable Controls and Optimization Software. Can we submit a proposal for a Distributed Energy Resource Management System (DERMS) software platform only? If not, do you have a DERMS platform at Holy Cross or plan on one in the future?

**Response:**

If you are not bidding in capacity and/or energy as a part of your DERMS platform, we will evaluate your platform outside of the scope of this RFP.

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**Question 34:** 02/06/2020

Are all residential customers eligible to receive the Peak Time Rebate (PTR) retail tariff? How is the tariff structured? What baseline data is used for comparison to determine the kWh reduced?

**Response:**

The Peak Time Rebate tariff is listed on page 40 of our Tariffs, Rules and Regulations. The baseline is calculated using historical hourly interval data.

<https://www.holycross.com/wp-content/uploads/2020/01/Electric-Service-Tariffs-Rules-and-Regulations-1.10.20.pdf>

If you are considering bidding in behind-the-meter resources, you may also be interested in our Distribution Flexibility tariff where we can provide a greater value than PTR for devices that provide HCE with signaling capability.



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**Question 33:** 01/30/2020

Does Holy Cross serve load from the New Castle substation?

**Response:**

We do not. Projects interconnected to that substation would be evaluated as a bulk system resource, but we will not assign a capacity value for that interconnection.

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**Question 32:** 01/29/2020

Is Holy Cross Energy only accepting PPA's for a maximum of 15 years? Will other structures be considered?

**Response:**

The PPA term guidelines are shown in the RFP to denote a preferential structure, but HCE will evaluate alternative structures as well.

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**Question 31:** 01/24/2020

What is the maximum amount of iterations we can propose per site?

**Response:**

There is not a maximum amount of iterations defined in the RFP, but please keep it reasonable. See question #17 for clarity of project iterations within a single proposal. Please modify the Technical Proposal Form to have additional tabs for each iteration.

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**Question 30:** 01/24/2020

What is the total capacity (MW) sought by this All-Source RFP?

**Response:**

We do not have a defined total capacity sought by this RFP. The total capacity selected depends on what types of resources are selected. For example, our resource plan calls for an addition of about 15MW of PV through 2030, but we may accept a greater amount depending on the flexibility of the resources. We anticipate not needing more than 50-60MW of storage in the near-term.



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**Question 29:** 01/24/2020

How will HCE be screening the “Tier 1: Land Only” proposals for project viability?

**Response:**

HCE will be using any applicable criteria from our Project Preferences section in the RFP. Cost, location, and term will be a few of the main screening criteria for land bids.

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**Question 28:** 01/24/2020

What is the most relevant duration in terms of hours of operation for a storage solution?

**Response:**

HCE’s largest value stream comes from storage durations of 2-4 hours. A 2 hour solution will be risk-adjusted, and our preference is any 2 hour bids will have the ability to expand to 4 hours in the future. We will evaluate storage with a duration greater than 4 hours as a method to help manage renewable oversupply – but the incremental value above 4 hours is not linear.

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**Question 27:** 01/23/2020

As a leaseholder on a land tract, can I bid in under tier 1 and tier 3?

**Response:**

Yes, that is suitable as long as the bid is for two separate proposals.

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**Question 26:** 01/23/2020

Does HCE have a list of authorized storage technologies?

**Response:**

We do not have a list of authorized storage technologies. As noted in the RFP, projects that use proven technology are preferred. It will be up to the Respondent to demonstrate the technology is sound.





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**Question 25:** 01/23/2020

Do generators located in HCE's physical/geographic service territory, but may electrically interconnect first with another utility system, before delivering to HCE's system, provide a capacity benefit to HCE?

**Response:**

We will only assign a capacity value to a project that electrically interconnects with HCE's distribution system.

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**Question 24:** 01/23/2020

For the advertised RFP, can Holy Cross Energy take service on Western and possibly PSCo?

**Response:**

We can take service on PSCo and would evaluate that as a bulk-system resource. As noted in the RFP, we will only assign a capacity value for a project that is connected with HCE's distribution system.

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**Question 23:** 01/22/2020

Could you give me an estimate on the rate Holy Cross would set for a 1 MWh system.

**Response:**

We are not setting a specific rate for resources. As noted in the RFP webinar, it is unlikely for HCE to enter into an arrangement that increases our power supply costs.



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**Question 22:** 01/22/2020

Is the average effective rate of \$0.062 the avoided costs of wholesale power plus costs of distribution and transmission of electricity, operation and maintenance of the grid, and other utility operation? (reference to Average Cost of Purchased Power <https://www.holycross.com/renewable-energy-incentives/>)

**Response:**

The rate you're referring to is our average Purchased Power Cost as stated in our CFC Form 7 Part I. This Purchased Power Cost includes costs for energy and capacity of our various resources, and is not the marginal cost that we will evaluate proposals against.

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**Question 21:** 01/22/2020

If we wanted to do a portfolio of behind the meter projects, is there any reason we would bid that portfolio through this RFP as opposed to applying for net metering incentives?

**Response:**

That option is up to your discretion.

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**Question 20:** 01/22/2020

Can HCE provide your retail electricity rates and a copy of the PSA?

**Response:**

Our retail electricity rates are available on our website <https://www.holycross.com/electric-service-tariffs-rules-and-regulations/>. Our PSA rates are provided under our wholesale requirements contract with Public Service Company of Colorado d/b/a Xcel Energy. The PSA is FERC filed and publicly available at <https://etariff.ferc.gov/TariffSearch.aspx>.



**Question 19:** 01/22/2020

Would HCE be open to a subscription model community solar project that would allow customers to subscribe to the project? Does HCE's billing systems allow for this type of project? Would you give preference to a particular subscriber demographic mix?

**Response:**

HCE is willing to entertain proposals in order to understand available options. The RFP provides that if a member or group of members provide support for a resource development, they may be preferentially allocated the renewable energy content from facility production, up to 100% of their annual energy consumption. However, HCE does not anticipate selecting any resources through this RFP that increase its cost of power supply, so a community solar proposal designed as a form of aggregated retail net metering is unlikely to provide benefits to the HCE membership overall.

**Question 18:** 01/22/2020

Can HCE provide more clarity on the option for members to invest in a renewable energy project, and HCE to distribute REC's or bill credits to invested members? Can HCE provide a bill credit rate they would credit to their members that have invested?

**Response:**

More information about our preferred structure with member investment is in Exhibit S in the "Indicative Form PPA (1MW or larger)" file on our RFP website. HCE can be flexible on this structure depending on the form of investment from the member, as well as the relationship between the developer and member. HCE may provide credits on the member's bill, or the developer could provide a cash-flow stream to the member for their investment or project support. HCE prefers simple structures to accommodate this investment concept. HCE will provide for the renewable energy credit accounting on behalf of the participating loads.



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**Question 17:** 01/22/2020

Can a developer submit a bid (and pay a single bid fee) for a project that proposes different pricing options? Would those pricing options include the addition of battery storage to the project? For example, all other things are the same in our proposal, except the PPA structure or the inclusion of a battery, would that require an entirely different bid?

**Response:**

Yes, a single bid fee is acceptable for a proposal that includes different pricing options. Different sites will require a separate proposal, but adding storage to a proposal can be submitted under a single proposal and bid fee.

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**Question 16:** 01/22/2020

Does HCE expect bidders to respond to proposed terms in the indicative form of PPA? Are redlines expected as part of the RFP response?

**Response:**

In general, we would like bidders to respond to proposed terms in the indicative forms of PPA. We are open to detailed negotiations with short-listed projects.

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**Question 15:** 01/22/2020

The RFP states that all facilities must be effectively grounded three phase systems connected via a wye-wye or zig-zag transformer. Storage cannot be grounded wye-wye – they need to be floating. A zig-zag grounding scheme is significantly more expensive than alternatives. Can HCE confirm that zig-zag is necessary for all storage projects?

**Response:**

The wye-wye requirement is a mistake in the RFP. We will evaluate any effective grounding solutions.



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**Question 14:** 01/22/2020

Can you share what the typical MVA of the 25kV HCE distribution system is, and any details about the conductor material/size?

**Response:**

The typical MVA of a substation transformer is 26 MVA. We have a variety of conductor sizes on our system and would need to know the site location in order to provide an accurate conductor size.

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**Question 13:** 01/18/2020

Are you interested in spinning reserve services with a hydro turbine going at maximum speed in less than 10 seconds?

**Response:**

We are interested in this. While it does not provide value to HCE currently, this may be useful for HCE's future system operating requirements.

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**Question 12:** 01/18/2020

We would like to know if there is a limit on the capacity that can be offered. Can we offer 12-15 MW or more?

**Response:**

Our interconnection policy allows up to 20MWac.

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**Question 11:** 01/17/2020

When will HCE share matches for land opportunities for 'Project Only' bids?

**Response:**

Proposals under "Tier 1: Land Only" will be matched with proposals under "Tier 2: Project Only" after the short-list notifications are made (June 1) and before final projects are awarded (target of Q3-Q4 2020).



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**Question 10:** 01/17/2020

Can you confirm any proposal that is NOT behind-the-meter needs to provide site control?

**Response:**

Any proposal under “Tier 3: Project and Land” needs to provide site control.

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**Question 9:** 01/17/2020

Page 10 part 1.18 says land sites must be 10 acres or more. Is this for RFP responses responding to the “land only” option? Or does this also include a complete project concept “project on land”. For example, if we propose a 1 MW system on 5 acres will that be disqualified?

**Response:**

The 10 acre minimum applies only to site owners wishing to submit their land under the “Tier 1: Land Only” Proposal option.

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**Question 8:** 01/17/2020

Are there back of the envelope interconnect costs at [location] that we can model into our PPA price? If not, we will use our assumptions based on similar system sizes and grid specs.

**Response:**

We would recommend you use assumptions based on similar system sizes and grid specs. We would also recommend noting in your bid how much of the bid price is due to your interconnect costs estimates, that way we can properly evaluate your proposal at the time HCE performs a detailed interconnect cost evaluation.

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**Question 7:** 01/17/2020

Regarding Cooley Mesa Sub and [bid specific] Feeder, can this substation and feeder accept 1MWac or 2MWac system sizes without major upgrades?

**Response:**

Our Engineering team confirmed that it is likely 1-2MWac would be acceptable from a capacity standpoint, although we cannot guarantee what our upgrade costs will be that will be factored into short-listed projects until after our Engineering team completes interconnection cost studies for feasible offered projects.

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**Question 6:** 01/17/2020

What is the available capacity at all HCE owned substations? (Aspen, Basalt Distribution, Snowmass, Wolcott)

**Response:**

Other than locations specified as high-penetration feeders, we generally have about 15MW of capacity at our substation feeders. This is a conservative estimate and does not account for the load that would absorb some of the generation.

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**Question 5:** 01/16/2020

Are there specific areas in HCE's territory where you're hoping to see bids?

**Response:**

While we do not have specific areas in our territory where we're hoping to see bids, there are certain feeders outlined in the RFP (section 1.9.1) where interconnection is likely to be more complex and expensive. Additional project preferences are outlined in section 1.28.



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**Question 4:** 01/16/2020

This question is regarding bidding in the “Tier 2: Projects Only” option. As a developer, would we be directed to a certain site before pricing out this option? Otherwise, is the intention that developers price out an indicative site and be matched with a land opportunity later in the RFP process?

**Response:**

Under Tier 2 bids, it’s HCE’s intention for the developer to price out an indicative site and then be matched with a land opportunity after HCE has had a chance to evaluate the land proposals.

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**Question 3:** 01/14/2020

Could Holy Cross Energy provide Respondents with its load data?

**Response:**

We will not be making HCE’s load data available to respondents. HCE will evaluate its ability to accommodate offered resource production in conjunction with its load shape as well as existing power supply resource commitments.

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**Question 2:** 01/10/2020

Is there a maximum or optimal capacity sought by HCE?

**Response:**

200 kW minimum size. Our territory seems to be suitable for individual resources in the size range of 5-10MW.





**Question 1:** 01/10/2020

What is HCE's stance on natural gas generators for this project? Would they fall under the Green House Gas offset projects or would they not be considered for this RFP? If they would be considered, is it known if there is any natural gas infrastructure located near the substations or would we be responsible for fuel supply?

**Response:**

Our focus for this RFP is on clean, renewable, and flexible resources. For example, a natural gas generator at a coal mine may provide Green House Gas offsets that would be considered in this RFP. Due to our mountainous terrain, not all of our substations are near natural gas infrastructure, and we would expect the developer to be responsible for fuel supply.