



**RFP No. PSC-24-16  
Addendum No. 1  
Issued: April 24, 2024**

**A. Questions and Answers**

**Question 1**

Do you have an incumbent for this work?

**Answer**

No, the Commission has not previously had a contract for these services.

**Question 2**

Will the Consultant be expected to perform production cost modeling? Or will we be using avoided costs provided by the utilities?

**Answer**

No, the Consultant is not expected to perform production cost modeling. Energy, capacity, and ancillary market values should be based upon recent PJM wholesale market data. Transmission and distribution values should be based upon utility sourced data.

**Question 3**

Do Commission Staff expect all calculations to be contained in the Excel Model, or is it acceptable to propose a set of back-end pre-processing done outside of Excel, so long as that pre-processing does not need to be rerun to assess different measures' cost effectiveness?

**Answer**

It is acceptable to propose a set of back-end pre-processing done outside of Excel, as long as the pre-processing does not need to be rerun to assess different measures' cost effectiveness.

#### **Question 4**

If a significant number of measures are required (50+) and hourly data, would there be any interest in a tool which utilizes an Excel front-end and a coded back end? Coded back-end meaning that the calculations in the tool would be executed by a data analysis code written in a language such as Python. In our experience, this can provide a tool that is much less burdensome than wrangling a large Excel model for those without a high-powered laptop. Also, transparency can be maintained by proper model documentation and output of mid-course calculations.

#### **Answer**

The Offeror should offer their recommended approach (ex. Excel front-end, coded back-end) and reason for doing so. Sufficient transparency including source code testing should be available and is required for any resulting model.

#### **Question 5**

Please clarify how the study outlined in RFP No. PSC-24-16 would relate to the Value of Distributed Energy Resources (“VDER”) Study submitted by Synapse Energy Economics, Inc. (“Synapse”) in Formal Case No. 1130?

#### **Answer**

The Commission has reached no decision concerning the results of the VDER study. In your proposal, please provide your recommended approach. Stakeholder Comments on the VDER Study are due on May 15, 2024, and reply comments are due on or before July 1, 2024, per Commission Order No. 21928.

#### **Question 6**

Please clarify whether Offerors would be able to use avoided cost values from that VDER study for the development of the BCA model envisioned for this project.

#### **Answer**

As stated in response to Question 5, stakeholder Comments on the VDER Study are due on May 15, 2024, and reply comments are due on or before July 1, 2024, per Commission Order No. 21928. The Commission has not issued any decision regarding the values contained in the VDER Study. Unless otherwise specified in the RFP, the selected BCA Consultant will recommend the calculation method and values to be included in the BCA model. The Consultant’s recommendations will be considered by the Commission prior to adoption of the final BCA model.

### **Question 7**

In Part A, Table 1: A03 Other Fuels (propane, oil, gasoline) refers to para 36 in the Order. However, that para is about upstream methane emissions. There is no direct mention of propane, oil, or gasoline in the Order. Is the intent of this item to account for impacted (+/-) purchases of other fuels, or is PSC referring to methane released during extraction of these fuels? Please clarify.

#### **Answer**

A03 is intended to capture fuel switching values, such as the market value of reducing use of oil, propane, or gasoline. This does not include the value of externalities. (For guidance on inclusion of methane emissions, refer to Order No. 21938, para 36. See also B03 in RFP Table 2.)

### **Question 8**

Part A is expected to be a fixed price contract. However, item 5 of the Part A deliverables, 'Stakeholder engagement', is marked as 'to be determined' (section B.3, page 8). Can we propose T&M rates for this item?

#### **Answer**

The CA will provide stakeholder engagement comments to the Consultant to amend the tests developed in both Part A and Part B. "to be determined" refers to when the CA will provide stakeholder engagement comments.

### **Question 9**

How does the Commission propose dealing with potential delays in the contract such as delays in stakeholder engagement in Part A, or delays in the development of metrics by the racial equity contractor and working group in Part B which would be outside the control of the BCA Consultant?

#### **Answer**

If delays are caused by external factors, an adjustment to the schedule will be made in consultation with the Consultant.

### **Question 10**

Is there a target number of measures in mind that the BCA tool should be able to accommodate?

#### **Answer**

The number of measures is dependent upon future utility proposals. The Commission has no targeted number of measures.

**Question 11**

Based on the value streams and scope of DERs covered, hourly load impact shapes would provide the greatest accuracy and capabilities for the tool. Can you comment whether the Commission has discussed this, and if those discussions have determined that the granularity of measure load impact data needs to be hourly?

**Answer**

No, the Commission has not determined the required granularity of load impact data. Offerors should offer their recommended approach.

**Question 12**

Can you please provide more detail as to what you mean by “technical conferences”? Are these stakeholder engagement workshops? What length are they and what is expected from the Consultant for them?

**Answer**

A “technical conference” is a forum where the selected Consultant will be required to explain the mechanics of the model, the key assumptions and answer questions. The Consultant will be expected to participate in up to three (3) technical conferences. It is expected that each technical conference will last 4 to 6 hours.

**Question 13**

Can you please provide more detail as to what is expected from the guidebook based on this sentence in the RFP on page 7: “The guidebook shall include an implementation plan for a standardized marginal abatement cost framework for valuing GHG emissions.” The RFP notes using NREL Cambium data for GHG emissions factors, and there is no other description of developing a framework for coming up with GHG emissions avoided costs.

**Answer**

See Section B.2.3.3 Greenhouse Gas Emissions (GHG)

**-End of Addendum-**