

Competitive Procurement Working Group Meeting #5
Thursday, October 17, 2019
8:00am – 11:00am
WebEx Online Meeting

Attendees

WebEx

Greg Shimokawa, HE	Nohea Hirahara, HE	Andrew McCoy, Energy
Isaac Kawahara, HE	Peter Young, HE	Policy Innovation Council
Dale Murdock, Newport Consulting	Robert Uyeunten, HE	Jason Prince, RMI
Christopher Lau, HE	Vladimir Shvets, HE	Maren Mahoney, ASU for County of Hawaii
Marc Asano, HE	Amanda Yano, HE	Paul Maxwell, Black & Veatch
Duke Oishi, HE	Wren Wescoatt, Progression Energy	Steven Rymsha, Sunrun
Eric Kunisaki, HE	Jay-Paul Lenker, PUC	Patty Cook, ICF
Yoh Kawanami, HE	Mike Wallerstein, PUC	

Objective

- Discuss second draft of the Bidder Pre-Qualification Step and RFP Process Outline (“Outline”) and revised IGP process diagram.

Key Takeaways:

- Intent of revising the IGP Process Flow Diagram shortens the overall procurement process by combining the three steps of Bidder Pre-qualification and a two-part RFP into a single procurement.
 - Addresses stakeholder concerns that a two-part RFP process is redundant.
 - Eliminates the concern about bidders bidding into RFP Part One and withdrawing from RFP Part Two, and the subsequent impacts to the bid shortlist.
 - The distribution needs assessment and NWA procurement process remains in parallel to the system needs; with the NWA evaluation tying back into the CEAS evaluation step as an input.
- Bidder Pre-Qualification Step:
 - Stakeholders prefer clear and specific bidder pre-qualification requirements.
 - HECO is considering having a template with fields specifying out the desired requirements.
 - HECO recognizes the value in the bidders providing a list of references to verify experience qualifications, rather than just a list of completed projects.
 - Allows the utility to gain a better understanding of the developer’s style and how the work was completed, as well as the challenges faced, and the steps taken to resolve those issues.
- Capacity, Energy & AS RFP

- Stakeholder proposes having a bidder submit a firm price offer but have the flexibility to incorporate a cost-sharing mechanism with the utility to further reduce project costs (e.g., if interconnection costs are lower than estimated).
 - HECO would need to think about how this would work out in a technology-agnostic manner, and how it could be detailed into the procurement procedure.
- Stakeholder suggestion to allow some sort of provision for the developer, due to price fluctuations in equipment (e.g., PV panels, inverters, steel for wind turbines, etc.) which would have an impact on bid pricing.
 - HECO is interested in seeing examples from stakeholders of how those provisions would be structured.

Additional Questions

- Stakeholder: Do the Review Points need Commission review?
 - HECO: Yes, the Review Points are meant for the Commission and Consumer Advocate's review.
- Stakeholder: Are there any remedies for bidders who do not make it through the bidder pre-qualification step?
 - HECO: We would be able to provide feedback, but the depth of response would be limited, to avoid coaching the bidders and creating an unfair advantage. There would be an opportunity to address questions about the pre-qualification requirements in the bidder's conference.
- Stakeholder: What would HECO do in the situation where there are not enough qualified bidders?
 - HECO: In this case, we would proceed with what we do have, and this would become the input for the next IGP cycle.

CPWG Upcoming Meeting Schedule

Meeting 6	November 13, 2019 Joint Meeting with the Solution Evaluation and Optimization Working Group
Meeting 7	Conference call week of November 18 th (tentative)
Meeting 8	December 9, 2019 (tentative)
Meeting 9	Conference call week of December 16 th (tentative)
Meeting 10	January 8, 2020 (tentative)
Meeting 11	February 12, 2020 (tentative)
Meeting 12	Conference call week of March 2 nd (tentative)
Meeting 13	March 18, 2020 (tentative)

Next Steps

- Next Meeting:
 - Date: Wednesday, November 13, 2019
 - Time: TBD
 - Location: American Savings Bank Building, 8th Floor, Training Room 2, 1001 Bishop Street
 - Topic: Discuss the third draft of the Outline and address any comments from the second draft.
- Please send any additional comments on today's discussion to:
 - IGP@hawaiianelectric.com and Isaac Kawahara (renewableacquisition@hawaiianelectric.com)

Action Items

- Participant review and feedback of the third draft of the Outline, to be sent out prior to the next meeting.