



May 13, 2022

Ms. Holly Anderson
Vermont Public Utility Commission
112 State Street
Montpelier, VT 05620

Re: Case No. 21-4085-INV
2022 Standard Offer Program RFP Recommendations

Dear Ms. Anderson:

Please find below the Standard Offer Facilitator's award and reserve group recommendations for the 2022 Standard Offer Program Request for Proposals (RFP). We recommend ten proposals for the award group and eight for the reserve group. The table below shows the available capacity solicited for the RFP.

I. AVAILABLE CAPACITY

2022 Standard Offer Program RFP Available Capacity	
PROVIDER BLOCK	1.206 MW
DEVELOPER BLOCK	
Technology Diversity Block	
Biomass - 0.4936 MW	
Small Wind - 0.4936 MW	
Large Wind - 0.4936 MW	
Food Waste - 0.4936 MW	
New Hydroelectric - 0.4936 MW	2.468 MW
Price-Competitive Block	2.356 MW
Total	6.030 MW ¹

II. PROPOSALS RECEIVED

On March 14, 2022, the Standard Offer Facilitator released the 2022 Standard Offer Program RFP for new Standard Offer Plants.² By May 2, 2022, the proposal submission deadline, twenty-two proposals were received totaling 33.672 MW. On May 3, 2022, the proposals were opened live via video conferencing software.

¹ The annual capacity increase is 6.030 MW, the amount of capacity required to reach the "cumulative plant capacity amount of 127.5 MW" specified in 30 V.S.A. § 8005a(c). The 6.030 MW includes 400 kW of program attrition post RFP release.

² *Investigation to Review the 2022 Implementation of the Standard-Offer Program*, Case No. 21-4085-INV, Order of 2/15/22 at 11.



The following table summarizes the proposals received in response to the RFP.

2022 Standard Offer Program RFP Proposals Received				
Plant Name	Technology	Price (\$/kWh)	Capacity (MW)	Total (MW)
PROVIDER BLOCK				
No Proposals Received				
DEVELOPER BLOCK – Technology Diversity				
FS Energy	Biomass	0.1250	2.000	
Walnut Lane Wind	Small Wind	0.2540	0.022	
Alburgh Wind A	Small Wind	0.2580	0.050	
Alburgh Wind B	Small Wind	0.2580	0.050	
Alburgh Wind C	Small Wind	0.2580	0.050	
West Wind A	Small Wind	0.2580	0.075	
West Wind B	Small Wind	0.2580	0.075	
Stamford Main 4957	Large Wind	0.1150	2.200	
Bellows Falls Minimum Flow	New Hydro	0.1300	0.650	5.172
DEVELOPER BLOCK – Price Competitive				
Steinberg Road Solar	Solar	0.0818	2.200	
Midway Ave Solar	Solar	0.0819	2.200	
Barre School Solar	Solar	0.0838	2.100	
Berlin Dog River Solar	Solar	0.0839	2.200	
Green Roots Solar Farm	Solar	0.0847	2.200	
South Hero Solar	Solar	0.0847	2.200	
I Love Cows Solar	Solar	0.0848	2.200	
St. Johnsbury Mayhew Solar	Solar	0.0849	2.200	
Vernon Station Solar Field	Solar	0.0860	2.200	
Hunt Road Solar	Solar	0.0867	2.200	
NEER DG - Bella 2	Solar	0.1195	2.200	
NEER DG - Halladay 1	Solar	0.1195	2.200	
NEER DG - Halladay 2	Solar	0.1195	2.200	28.500
Total				33.672



III. AWARD GROUP RECOMMENDATIONS

The following award and reserve group recommendations are made in accordance with RFP Section 3: Proposal Evaluation (1) mandatory requirements, (2) assessment criteria, and (3) proposal selection.

Provider Block

The Provider Block is capacity reserved for proposals by Vermont retail electric utilities.³ The Provider Block available capacity is 1.206 MW. No Provider Block proposals were received.

Developer Block – Technology Diversity

The Developer Block is capacity reserved for proposals by private developers.⁴ The Developer Block includes the Price Competitive and Technology Diversity Blocks. The Technology Diversity Block has capacity set-asides of 0.4936 MW each for biomass, small wind, large wind, food waste anaerobic digestion, and new hydroelectric plants.

Beginning with the Technology Diversity Block, the available capacity is 2.468 MW. Nine proposals were received for the Technology Diversity Block totaling 5.172 MW. Eight proposals satisfy the mandatory requirements outlined in RFP Section 3.1. The table below lists the eight proposals recommended for the Technology Diversity Block award group.

Technology Diversity Block: Award Group			
Available Capacity – 2.468 MW		Awarded Capacity – 3.172 MW	
Plant Name	Technology	Capacity (MW)	Total (MW)
Walnut Lane Wind	Small Wind	0.022	
Alburgh Wind A	Small Wind	0.050	
Alburgh Wind B	Small Wind	0.050	
Alburgh Wind C	Small Wind	0.050	
West Wind A	Small Wind	0.075	
West Wind B	Small Wind	0.075	
Stamford Main 4957	Large Wind	2.200	
Bellows Falls Minimum Flow	New Hydro	0.650	3.172

Although the available capacity for the Technology Diversity Block is 2.468 MW, a total of 3.172 MW of capacity is recommended for the award group in accordance with RFP Section 3.2.1.⁵ Since the

³ 30 V.S.A. § 8005a(c)(1)(B).

⁴ *Id.*

⁵ The 3.172 MW recommendation exceeds the available capacity pursuant to Section 3.2.1: Selection of Award Group, which states: “Although each technology-specific capacity allocation is smaller than the 2.2 MW maximum plant capacity



block is oversubscribed by 0.704 MW, there is no additional capacity available to be allocated to the Price-Competitive Block. The following table illustrates how the block is oversubscribed.

Technology Diversity Block: Capacity Calculation			
Available Capacity – 2.468 MW		Awarded Capacity – 3.172 MW	
Technology	Available Capacity (MW)	Awarded Capacity (MW)	Oversubscribed Capacity (MW)
Biomass	0.4936	0	-0.4936
Small Wind	0.4936	0.322	-0.1716
Large Wind	0.4936	2.200	1.7064
Food Waste	0.4936	0	-0.4936
New Hydroelectric	0.4936	0.650	0.1564
Total	2.468	3.172	0.704

The FS Energy plant is not being recommended for the award group, because the proposal failed to include proposal security, a mandatory requirement of RFP Section 3.1.2: Proposal Application. RFP Section 3.1.2: Proposal Application requires proposal security of \$10/kW to be included with the proposal as follows:

“Proposals must include the following:

- a. A proposal security check for \$10/kW, payable to “VEPP Inc. – In Trust”, with either no expiration or 180-day expiration.”⁶

The proposal security requirement is located in RFP Section 3.1: Mandatory Requirements, which states: “Proposals must satisfy the mandatory requirements outlined in this section to be considered further in the evaluation process. Proposals that fail to satisfy these mandatory requirements shall be rejected.”⁷

Facilitator contacted proponent regarding the missing proposal security. Proponent stated they did not include proposal security with their proposal. Therefore, the FS Energy plant is not being recommended for the award group, because proponent did not provide proposal security, a mandatory requirement of the RFP.

allowed, an individual plant that exceeds a technology category’s capacity allocation shall be eligible to submit an RFP proposal as long as the plant is not larger than 2.2 MW in capacity.” *State of Vermont Request for Proposals for the Standard-Offer Program*, Section 3.2.1, Page 9, March 14, 2022.

⁶The Commission has also stated: “The RFP requires a proposal security of \$10 per kW that is refunded to unsuccessful proposals and successful proposals that achieve commissioning.” *Investigation into Programmatic Adjustments to the Standard-Offer Program for 2018*, Case No. 17-3935-INV, Order of 2/20/18 at 13.

⁷ *State of Vermont Request for Proposals for the Standard-Offer Program*, Section 3.1, Page 6, March 14, 2022.



Developer Block – Price Competitive

Turning to the Price-Competitive Block, the available capacity is 2.356 MW. Thirteen proposals were received for the Price-Competitive Block totaling 28.500 MW. We recommend Steinberg Road Solar and Midway Ave Solar for the award group. They are the lowest-priced proposals that satisfy the mandatory requirements outlined in RFP Section 3.1. Although the available capacity for the Price-Competitive Block is 2.356 MW, a total of 4.400 MW of capacity is recommended for the award group in accordance with RFP Section 3.2.1.⁸

Price-Competitive Block: Award Group			
Available Capacity – 2.356 MW		Awarded Capacity – 4.400 MW	
Plant Name	Technology	Capacity (MW)	Total (MW)
Steinberg Road Solar	Solar	2.200	
Midway Ave Solar	Solar	2.200	4.400

IV. RESERVE GROUP RECOMMENDATIONS

We recommend eight of the eleven remaining Price-Competitive Block proposals totaling 17.500 MW for the reserve group, in accordance with RFP Section 3.2.2.⁹ The eight proposals are the next lowest-priced proposals that satisfy the mandatory requirements outlined in RFP Section 3.1. The table below lists the recommended reserve group plants.

Reserve Group			
Reserve Capacity – 17.500 MW			
Plant Name	Technology	Capacity (MW)	Total (MW)
Barre School Solar	Solar	2.100	
Berlin Dog River Solar	Solar	2.200	
Green Roots Solar Farm	Solar	2.200	
South Hero Solar	Solar	2.200	
I Love Cows Solar	Solar	2.200	
St. Johnsbury Mayhew Solar	Solar	2.200	
Vernon Station Solar Field	Solar	2.200	
Hunt Road Solar	Solar	2.200	17.500

⁸ “Once the annual capacity cap is approached but not exceeded, the proposal that would cause the size of the award group to exceed the annual capacity cap by no more than 2.2 MW **will** be included in the award group, unless the cumulative capacity of projects in the program already exceeds 127.5 MW.” *State of Vermont Request for Proposals for the Standard-Offer Program*, Section 3.2.1, Page 9, March 14, 2022.

⁹ “VEPP will establish a reserve consisting of all Price-Competitive Developer Block proposals that do not receive a standard-offer in the RFP.” *State of Vermont Request for Proposals for the Standard-Offer Program*, Section 3.2.2, Page 9, March 14, 2022.



The NEER DG Bella 2, NEER DG Halladay 1, and NEER DG Halladay 2 plants (NEER DG plants) are not being recommended for the reserve group, because the proposals do not satisfy the mandatory requirements of RFP Sections 3.1.1, 3.1.5, and 3.1.6. RFP Section 3.1.1: Proposed Plant requires that the plant must “[h]ave a proposed price that is not higher than the relevant technology-specific price caps presented in Section 3.1.6.” RFP Section 3.1.5 Proposal Pricing mandates that “[p]roponents must propose a price that is no greater than the price caps or price schedules specified in Section 3.1.6.” RFP Section 3.1.6 Technology-Specific Price Caps specifies the price cap for solar as \$0.0982 per kWh.

The proposal price requirement is located in RFP Section 3.1: Mandatory Requirements, which states: “Proposals must satisfy the mandatory requirements outlined in this section to be considered further in the evaluation process. Proposals that fail to satisfy these mandatory requirements shall be rejected.”¹⁰

The NEER DG plants’ RFP applications list a proposal price of \$0.1195 per kWh, which exceeds the \$0.0982 per kWh price cap for solar.¹¹ Therefore, the NEER DG plants are not being recommended for the reserve group, because their proposals do not comply with the solar price cap mandatory requirement.

V. 2022 STANDARD OFFER RFP RECOMMENDATIONS

The 2022 Standard Offer Program RFP recommendations follow below.

¹⁰ *State of Vermont Request for Proposals for the Standard-Offer Program*, Section 3.1, Page 6, March 14, 2022.

¹¹ “2022 Standard Offer RFP Application,” *NEER DG Bella 2, NEER DG Halladay 1, and NEER DG Halladay 2*, at Page 1.



2022 Standard Offer Program RFP Award & Reserve Group Recommendations

Plant Name	Technology	Price (\$/kWh)	Capacity (MW)	Total (MW)
AWARD GROUP				
Technology Diversity Developer Block				
1. Walnut Lane Wind	Small Wind	0.2540	0.022	
2. Alburgh Wind A	Small Wind	0.2580	0.050	
3. Alburgh Wind B	Small Wind	0.2580	0.050	
4. Alburgh Wind C	Small Wind	0.2580	0.050	
5. West Wind A	Small Wind	0.2580	0.075	
6. West Wind B	Small Wind	0.2580	0.075	
7. Stamford Main 4957	Large Wind	0.1150	2.200	
8. Bellows Falls Minimum Flow	New Hydro	0.1300	0.650	3.172
Price-Competitive Developer Block				
1. Steinberg Road Solar	Solar	0.0818	2.200	
2. Midway Ave Solar	Solar	0.0819	2.200	4.400
Total				7.572
RESERVE GROUP				
1. Barre School Solar	Solar	0.0838	2.100	
2. Berlin Dog River Solar	Solar	0.0839	2.200	
3. Green Roots Solar Farm	Solar	0.0847	2.200	
4. South Hero Solar	Solar	0.0847	2.200	
5. I Love Cows Solar	Solar	0.0848	2.200	
6. St. Johnsbury Mayhew Solar	Solar	0.0849	2.200	
7. Vernon Station Solar Field	Solar	0.0860	2.200	
8. Hunt Road Solar	Solar	0.0867	2.200	17.500

The 2022 Standard Offer Program RFP awarded capacity of 7.572 MW brings the total program capacity to 129.042 MW. This is 1.542 MW above the “cumulative plant capacity amount of 127.5 MW” specified in 30 V.S.A. § 8005a(c).¹²

VEPP Inc.
Standard Offer Facilitator
C. Alderman
Executive Director

¹² “...the Commission shall issue standard offers to new standard offer plants until a cumulative plant capacity amount of 127.5 MW is reached.” 30 V.S.A. § 8005a(c).