

3/22/2024

Request for Information

<u>For Statewide Value of Solar Study</u> <u>Analyzing the Cost-Benefit of Net</u> <u>Metering</u>

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Table of Contents

I.	Introduction
A.	Project Description3
В.	Project Background3
C.	DESEU Background4
II.	Objectives and Requested Information5
A.	Key Questions
III.	Submission Instructions6
A.	Accessing the RFI6
В.	RFI Schedule6
C.	RFI Coordinator6
D.	Content of Responses7
IV.	Proposal Submission and Review Process7
A.	Submission7
В.	Format and Length of the Proposal7
Atta	chment A:8

I. Introduction

A. Project Description

Delaware Sustainable Energy Utility ("DESEU") is currently seeking responses to this Request for Information ("RFI") from qualified organizations or individuals interested in providing assistance in drafting a Request for Proposal for a Value of Solar Study to analyze the Cost-Benefit of Net Metering in Delaware ("Project").

This request is in response to Governor Carney signing Senate Joint Resolution 3 (SJR 3) on February 28, 2024.

SJR 3 acknowledges "the equitable level of net metering crediting has often been tied to the performance of a cost-benefit study and analysis to properly set the value of the netmetering credit." It further directs "all electric utilities that offer net metering to solar customers are required to participate in the DESEU study and analysis."

B. Project Background

Net Metering 1.0

The current net metering policy may vary by utility but often includes retail kilowatt hour payment for excess generation on a monthly basis. Senate Bill 298 modified the net metering rules to increase the net metering cap from 5 percent to 8 percent and end monetary payments for excess generation at the annualized billing period.

Delaware Utilities

Delmarva Power

Delaware Electric Cooperative

City of Dover

Delaware Municipal Electric Corporation Members:

- <u>City of Newark</u>
- City of New Castle
- Town of Middletown
- Town of Clayton
- Town of Smyrna
- City of Milford
- Lewes Board of Public Works
- <u>City of Seaford</u>

For more information about the resolution that entails this RFI, please refer to Attachment A.

C. DESEU Background

The DESEU is a 501c(3) non-profit organization that serves Delawareans by promoting the use of affordable, reliable clean energy and energy efficiency through its Energize Delaware initiatives. Energize Delaware operates as the premier one-stop shop for connecting and empowering energy consumers with the resources to reduce costs, improve the environment and ensure energy independence for future generations.

Energize Delaware develops and implements energy efficient solutions as well as clean energy and air pollution reduction programs. These programs include funding, financing and educational programs. In addition, the DESEU provides highly valuable technical and financial services to its clients so that they can make informed decisions regarding their energy future.

Energize Delaware offers programs by fully utilizing the authority granted the DESEU by the State of Delaware to issue tax-exempt bonds, use Regional Greenhouse Gas Initiative (RGGI) funds and bank solar renewable energy credits (SREC). Energize Delaware also utilizes private sector entrepreneurial strategies.

Energize Delaware focuses on building relationships with residents and businesses so that they are motivated to use less energy, generate clean energy and reduce harmful emissions. Energize Delaware serves people of all incomes and housing styles. The organization also serves businesses, industries and institutions from all sectors. The Energize Delaware programs apply to new construction projects, the rehabilitation of existing buildings, transportation projects and innovative technologies.

Respected as an accountable, transparent, effective and nimble non-profit organization, the DESEU operates at the highest standards recognized in its industry.

II. Objectives and Requested Information

A. Key Questions

It is anticipated that, at a minimum, the response will be required to address at least some of the following questions. The response does not have to address all the questions below:

Question 1:

The timeline from Senate Joint Resolution 3 is a deadline of December 31, 2024, would this be attainable for your organization?

Question 2:

What should the design and evaluation be for the 11 unique utilities?

Question 3:

What should be included in the RFP?

Question 4:

What cost and benefit measures should be included in the value stack?

Question 5:

How do we determine the distribution system benefit of net metering for all ratepayers, which may include avoided substation upgrades, avoided transformer replacement, and reduced losses with generation closer to load?

Question 6:

With respect to the bulk power system, can avoided energy, energy market price effects including day ahead purchases, avoided capacity, avoided transmission costs, and reduced transmission losses be quantified for each utility?

Question 7:

Similar to Question 1, can reduced emissions be quantified to ratepayers?

Question 8:

If you were to bid on the subsequent RFP, what is the range of estimated cost?

Question 9:

What has been overlooked? What additional questions should be asked and/or addressed?

Question 10:

What does solar do to the value of your Home/Business?

Question 11:

What is the value of decreasing demand charges for the utility? What is the value to the business?

Question 12:

How are net metering caps going to affect Delaware's utilities and on what timeline?

Question 13:

What is the utility cost for substation and transformer upgrades to closed circuits due to high solar penetration? Are there other ways to open circuits besides substation upgrades? i.e. smart inverters?

III. Submission Instructions

DESEU at its sole discretion, reserves the right to alter the dates listed below and/or add to or remove scheduled activities.

A. Accessing the RFI

Entities with an interest in responding to this RFQ can download a PDF copy of this document online at <u>https://www.energizedelaware.org/home/rfps/</u>. Submitted questions and answers can be find at the same location..

B. RFI Schedule

Event	Estimated Date
RFI Issued	Mar 25, 2024
RFI Responses Due	Apr 15, 2024

Providers who have questions about information contained in this RFI may submit questions via email with "Solar Cost Study RFI Question" in the subject line on or before the date specified on the schedule. The Questions submitted and DESEU's responses will be posted on <u>www.energizedelaware.org</u>. All proposals must be received through email on or before the date specified on the RFQ schedule.

C. RFI Coordinator

Athena Bi 500 W. Loockerman St, Suite 400 Dover, DE 19904 Email: Athena.bi@deseu.org

D. Content of Responses

Respondents submitting a proposal shall use the following outline and criteria:

- A description of the Vendor or Provider's background and relevant experience in similar research
- Answers to the Requested Information questions.

IV. Proposal Submission and Review Process

A. Submission

Respondents must submit ALL of the following:

1. An electronic copy of the entire proposal

All proposals (electronic and paper) must be submitted to the DESEU office by 4:30PM EST on **_April 15__,2024.** Proposal received after this time will not be accepted, reviewed or evaluated.

Email the electronic copy to: <u>Athena.bi@deseu.org</u>.

Mail or Deliver the original signed paper copy to:

Delaware Sustainable Energy Utility 500 W. Loockerman Street, Suite 400

Dover, DE 19904

B. Format and Length of the Proposal

Proposal should be formatted to letter size, with one-inch margins on all sides, using a font of not less than 12 points. The suggested maximum length of the response is not more than 40 double spaced pages.

Attachment A:

Attached SJR 3 - https://legis.delaware.gov/BillDetail?LegislationId=140801