

REQUEST FOR PROPOSALS
Comprehensive Feasibility Study for a Biomass Power or CHP Facility in
Camptonville, California

October 10, 2014

INTRODUCTION

The Forest Biomass Business Center Steering Committee (Steering Committee) is a collaborative, multi-stakeholder group that has been convened by the Camptonville Community Partnership (CCP) and the Yuba Watershed Protection and Fire Safe Council to direct the redevelopment of a former sawmill site at Celestial Valley, near Camptonville, California. The Steering Committee, on behalf of CCP, is requesting proposals for technical assistance to evaluate the feasibility of a small-scale biomass power or combined heat and power (CHP) generation facility (1-3 MWe) at the mill site. The final project goals are to sustainably utilize biomass resulting from forest management and/or harvesting activities, and provide direct economic development benefits to the rural communities of the Yuba County foothills region. Co-benefits of the project include: protecting communities and private property by reducing the risk of catastrophic wildfire on adjacent natural lands and in the wildland-urban interface; protecting public health and improving air quality by reducing emissions associated with controlled fuel-management burns and potential wildland fires; improving energy self-reliance through local generation from a renewable source; and supporting forest health improvement by creating a long-term economic market that could drive future land management decisions to treat forested areas. For more information, please visit the project web site at: <http://sites.theccp.org/fbbc/>.

This project is funded through a grant from the Sierra Nevada Conservancy through the “Healthy Forests/Abandoned Mine Lands” program. Funding for the grant program is from Proposition 84, passed by California voters in 2006. These grant funds have been awarded to CCP.

PROJECT SCOPE

The Steering Committee is requesting technical assistance to evaluate the feasibility of a biomass utilization facility in Camptonville, California. The final product will be a public presentation and final report based on the following tasks.

PHASE I: Technology and Market Review

- I. Pre-Work Conference
 - Convene an initial meeting with the Steering Committee
 - Review approach and implementation schedule/ work plan for feasibility study
 - Confirm contact list and project team members
 - Review availability of existing studies and data
 - Conduct field visit of proposed site
 - Initiate information and data collection regarding existing site infrastructure
2. Perform a Technology Analysis
 - Conduct a review of technologies for biomass power or CHP. This review should match feedstock availability/characteristics, local environmental permitting requirements, site attributes and electrical/thermal load forecast with existing, commercially proven technologies.
 - Focus on technologies that optimize utilization of sustainably available resources and waste streams while generating electrical energy and possibly thermal energy.

- Consultant will utilize any existing studies relevant to this project and other projects in the region.
 - Recommend appropriate sizing of facility.
3. Develop Prioritization Matrix for Technology Selection
- For each of the systems identified in Task 2, a prioritization matrix will be generated. Key considerations when prioritizing the technologies will include:
 - i. Technology maturity (e.g., development stage, production, servicing, and guarantees)
 - ii. Energy efficiency
 - iii. Operation conditions (e.g. minimum and maximum temperatures, air filtration requirements)
 - iv. Feedstock requirements (e.g., feedstock consumption, dimensions, moisture content, ability to handle a wide variety of woody fuels and feedstock characteristics such as moisture and ash)
 - v. Operation (e.g., mode of operation, duty cycle, maintenance requirements, replacement schedule and cost, required personnel, level of automation)
 - vi. Gas cleaning and tar reforming methods (for gasification technologies)
 - vii. Capital and operating costs
 - viii. Environmental considerations (e.g., air emissions, water use, effluent and treatment system) and mitigations
 - ix. Residuals (e.g., char, ash)
 - Where possible, consultant should ask for references from each vendor to corroborate collected information. Data should also be obtained regarding company history, other product lines, and company management team.

PHASE 2: Technical and Economic Feasibility Analysis

4. Mid-Project Conference
- Convene a meeting with Steering Committee
 - Review prioritization matrix for technology selection and make recommendations.
 - Steering Committee will decide which technology to pursue for technical and economic feasibility analysis.
5. Perform a Technical Feasibility Analysis for a Biomass Power or CHP Facility
- Once a preferred set of technologies is selected by the Steering Committee, the technology vendor(s) will be contacted and specific cost estimates/details will be obtained for the following:
 - i. Equipment capital costs
 - ii. Equipment installation costs
 - iii. Annual operations and maintenance costs
 - iv. Training required for operations personnel
 - v. Site requirements
 - vi. Infrastructure requirements, including fuel storage/handling systems
 - vii. Estimated raw material supply (product and volume) needs
 - viii. Limiting factors
 - ix. Listing of potential incentives
 - Determine suitability of preferred site for the preferred technology.
 - Create layout and configuration of the proposed system. Include a flowchart, naming all steps and processes, and associated equipment or machinery. Include approximate footprint of facility (acres).

- Develop list of necessary permits for project development, contact information for permitting agencies, and application procedures. Identify potential fatal flaws (project location, timing of site activities, etc.), if any, which will prevent obtaining any of the necessary permits.
 - List actions and costs necessary to mitigate environmental impacts sufficient to meet regulatory requirements.
 - Determine developmental costs, capital investment costs, operational costs, projected income, estimated accuracy of these costs and income projections, and a sensitivity analysis with clear and explicit assumptions.
 - Include project constraints or limitations.
6. Economic Feasibility Analysis for a Biomass Power or CHP Facility
- Include information about site assessment; labor force, wages and availability; utilities; access and transportation systems; and raw material feedstock needs.
 - Analyze overall economic impact within the context of the local employment situation. Include jobs created and retained on a full-time equivalent basis, displayed by employment associated with operating the facility and supplying the facility.
 - Perform a market feasibility study, including: analysis of the market(s) for power, heat, fuel, or other energy products produced; market area; marketing plans for projected output, if needed; extent of competition for the particular target market(s); extent of competition for supply; and delivered costs.
 - Evaluate the restrictions and opportunities presented by the California bioenergy feed-in tariff (Senate Bill 1122) versus selling power to the open market or to Community Choice Aggregators. Discuss likely scenarios for the feed-in tariff auction process, including timeline, predicted starting price, etc.
 - Identify opportunities for participating in markets for carbon offsets and evaluate opportunities for providing peak load electricity to the grid at a premium rate.
 - Describe key assumptions such as sale price of energy to customers, capitalization costs, operating and maintenance costs, feedstock costs, costs to meet permitting requirements, and any other revenue and costs that may be material to evaluating the economic feasibility of the project.
 - Provide recommendations for ownership and management structures under which the local community can maintain involvement in, benefit from, and/or retain some level of ownership of the project.
 - Identify financing opportunities.
7. Perform a Facility Financial Analysis
- Determine income and cash flow for at least 36 months, or the duration of the facility's operation.
 - Describe the cost accounting system used.
 - Create a *pro forma* financial statement with clear and explicit assumptions.
8. Conduct Biomass Feedstock Assessment for a Biomass Power or CHP Facility, including:
- Feedstock location and procurement area relative to the project site, considering not only physical distance and constraints but also driving time.
 - Types of biomass fuel available and realistic pricing information based on fuel specification required by technology chosen, including explicit break-out of forest-sourced, agricultural-sourced and urban-sourced biomass.
 - Volume potentially available by ownership, fuel type, and source of biomass supply, considering recovery rates and other factors, such as local, state, and federal policy and management practices.

- Volume realistically and economically viable by ownership, fuel type and source of biomass supply, considering recovery rates and other factors, such as local, state, and federal policy and management practices.
- Detailed risk assessment of future biomass fuel supply including, but not limited to, impacts of potential local, state, and federal policy change; availability of additional fuel types; increased competition for biomass resource supply; and changes in transportation costs.
- Summary of total fuel realistically and economically available versus projected annual fuel use (i.e. a ratio usually exceeding 2:1).
- Minimum five-year biomass fuel pricing forecast for material or blend of material meeting fuel specification delivered to project site.

PHASE 3: Project Wrap-Up and Report

9. Produce Gantt Chart of Project Tasks and List of Development Milestones
 - Identify next steps and responsible parties
10. Draft Feasibility Study Report
 - Based upon information, findings and Steering Committee input assimilated in Tasks 1 through 9, generate a draft report document.
 - Draft report will be sent to the US Department of Energy's Pacific CHP Technical Assistance Partnership, or other qualified party, for a 3rd party review. Consultant will address all comments provided by the 3rd party reviewer with additional research, analysis and revisions to the draft report, as feasible.
11. Presentation of Final Report
 - Present final report to stakeholders through a meeting hosted by the Steering Committee or the Yuba County Board of Supervisors

The Steering Committee will assist with information/data collection, stakeholder and public outreach, analysis review and feedback, and any public meeting or other local logistics. The consultant should propose how project progress will be communicated to the Steering Committee on a regular basis, and how Steering Committee input will be sought at appropriate decision points. The general expectation for completion of the project is on or before April 30, 2015. The Steering Committee will consider proposals from consultants or teams of consultants to supply some or all of the technical assistance outlined above.

REQUEST FOR PROPOSAL (RFP) REQUIREMENTS

Interested parties should submit the following:

1. A cover letter with the following information: name, title, address, telephone number and e-mail address of individual(s) with the authority to negotiate and contractually bind the company.
2. Discussion of proposed approach to the above listed project scope, including any assumptions, methodologies, special resources, etc., and a timeline for the completion of the project. If relevant, include any recommendations for additional items which should be added to the project scope to help assure success.
3. List of members on the team and resumes along with a description of similar projects completed by the team.
4. Three references from similar projects.
5. An estimated budget and schedule of fees presenting contractor's hourly rates and indirect charges proposed for the project, and a date until which those rates and charges are applicable.
6. A statement of ability to meet the following minimum insurance requirements:

- *General Liability*: \$1 million combined single limit per occurrence. An additional insured endorsement applying to the CCP will be required upon contract award.
 - *Automobile Insurance*: \$1 million combined single limit per occurrence.
 - *Professional Errors and Omissions Liability Insurance*: \$1 million each occurrence/\$1 million policy aggregate.
 - *Workers Compensation*: in the legally required amount for employees engaged in the work.
7. Any additional information demonstrating capability to assist with a successful project as outlined above.

RFP EVALUATION

Each RFP will be reviewed to determine if it meets the requirements stated above. The Steering Committee will then evaluate all qualifying proposals based on the following criteria and values:

Item	Selection Criteria	Value
1	Qualifications and experience researching and evaluating biomass conversion technologies	20 pts
2	Qualifications and experience conducting technical and environmental feasibility analyses for biomass utilization projects	20 pts
3	Qualifications and experience conducting financial feasibility analyses for biomass utilization projects	20 pts
4	Qualifications and experience conducting biomass feedstock assessments	20 pts
5	Cost proposal and time line	10 pts
6	Ability to effectively communicate and involve Steering Committee as appropriate	10 pts

The evaluation committee may select firm(s) based on the above criteria, and/or may conduct oral interviews of the top-ranking firms. In the event oral interviews are conducted, final selection shall be based on the outcome of such interviews. The firm(s) selected to provide services to CCP will be expected to enter into an agreement with CCP to govern the provision of those services.

Questions about the RFP are due by 5 pm on Thursday, October 23, 2014, and should be asked through email to Chris Friedel, CCP Bioenergy Project Lead, at chris@theccp.org. Responses will be compiled and posted online at <http://sites.theccp.org/fbbc/> by 5 pm on Monday, October 27, 2014.

Deadline: To be considered, the proposal must be submitted by 5:00 pm on Thursday, November 6, 2014. *Electronic submission is requested.*

Send to:
 Cathy LeBlanc
 Executive Director
 Camptonville Community Partnership
cathy@theccp.org

Modification or Withdrawal of Submittals: Any submittal received prior to the date and time specified above may be withdrawn or modified by written request of the consultant prior to the submittal deadline.

Property Rights: Submittals received become the property of CCP and all rights to the contents therein become those of the CCP.

Amendments to Request for Proposals: CCP reserves the right to amend this request by addendum before the final submittal date.

This request does not commit Camptonville Community Partnership to award the contract, to pay any costs incurred in preparation for this request, or to procure or contract for services. CCP reserves the right to accept or reject any or all submittals received as a result of this request, to negotiate with any qualified firm or to modify or cancel in part or in its entirety the request for proposals if it is in the best interests of the CCP to do so.