

**Responses to Question – RFEP OES-2-2015 – Updated 5/20/2015**

<p>Will winning participants of the Montgomery County REC RFP be signing contracts only with the County, or will contracts potentially be signed with the individual municipalities and agencies for which the RECs are being sought?</p>	<p>Each participant will be responsible for the volume they requested and each participant will receive a separate invoice.</p> <p>The County anticipates each party will sign a separate Exhibit C Contract, but each participant may sign their own purchase agreement based on their internal needs.</p>
<p>If there is the potential for more than one counterparty, or a counterparty other than Montgomery County, would the contract still be identical to what is included as Exhibit C in the RFP?</p>	<p>Yes, see below.</p>
<p>Also, it appears some of the terms included in that Exhibit C are party-specific. Is that Exhibit C not the full contract a winning bidder would be expected to execute?</p>	<p>As the lead agency, Montgomery County (MCG) will review and accept pricing on behalf of all participants. Exhibit C will become the contract for the winning bidder(s). The County anticipates separate Exhibit C Contracts will be drafted for each counterpart or agency.</p>
<p>The RFP states multiple times that the RECs need to be MD Tier I eligible, but it also states that the county seeks to procure RECs with the highest carbon avoidance. Can you please confirm that, due to the fact that the RECs can be sourced from any e-grid sub region within the US, that the RECs do not actually have to be MD Tier I eligible? MD Tier I eligible RECs can only be sourced from the PJM footprint, or from facilities delivering power into the PJM footprint. If RECs need to meet the MD Tier I specifications <i>except</i> for the location requirements that should be clarified.</p>	<p>See amendments.</p>
<p>The delivery dates outlined in the RFP, 7/1/15 for 2016 purchases and 7/1/16 for 2017 purchases, do not make sense given the provided vintage timeframes. Those dates are indicated elsewhere as the start date of the eligible vintage, so the typical Green-e delivery dates of on or before 4/15/2017 and 4/15/2018 for 2016 and 2017 purchases, respectively, would better align with the rest of the information in the RFP.</p>	<p>See amendments</p>
<p>Unfortunately, your answer to my second question still does not make sense. The way the RFP is currently written requires RECs to be <i>delivered</i> (ie retired on a tracking system) <i>before</i> the eligible generation window starts. It is impossible to meet the RFP's requirements of delivering RECs before 7/1/2015 for vintage 2016 which must be generated between 7/1/2015 - 3/31/2017. You can't deliver/retire RECs before they've ever been</p>	<p>The County requires attestation be provided for RECs intended to be generated as stated in the RFP. The selected vendor will retire RECs at two points (see amendment).</p>

<p>generated</p> <p>The most recent version of the e-Grid emissions data (2010) did not provide data on avoided mercury figures. I've copied the relevant section from the Technical Support Document (found here, for reference: <a href="http://www.epa.gov/cleanenergy/documents/eGRID_zips/eGRID_9th_edition_V1-0_year_2010_Technical_Support_Document.pdf">http://www.epa.gov/cleanenergy/documents/eGRID_zips/eGRID_9th_edition_V1-0_year_2010_Technical_Support_Document.pdf</a>)</p> <p>3.1.4 Annual Emission Estimates for Mercury (Hg) No mercury emissions are included for year 2010 data since the previously employed estimation methods are likely to produce an overestimate of the emissions for boilers for which we have original 1999/2002 data. It is likely that air pollution control devices that affect Hg emissions have been installed on some of these boilers, but there are no Federal data available to measure their impact. Similarly, there are no currently available Federal monitored emissions data for Hg, nor any suitable Hg emission factors for estimating mercury emissions for all electric power units. EPA staff examined MATS information collection request (ICR) Hg data (ICR No. 2362.01) for potential use in eGRID. However, EPA staff determined that the data were not suitable for use in eGRID due to the variability of emission rates at each unit and the difficulty in relating the 2010 operating conditions with the different Hg emission rates reported in the ICR data for each unit. EPA may develop a new methodology for the estimation of Hg emissions in a future edition of eGRID.</p>	<p>Offset information may be provided for Mercury as available through the subregion's tracking system, e-grid, or third party verifiers. If information is not available, the submission will not be required.</p>
<p>In regards to the pricing sheets and Exhibit A, can the county provide an updated Exhibit A which indicates the quantity of CO2 lbs to be offset by this purchase rather than an approximate number of RECs needed? Without this information offerors will not know how many RECs the county is looking to buy since procurement will be based on lowest cost per pound of CO2 offset, rather than a certain number of RECs.</p>	<p>To simplify the purchasing process, the County has opted to stipulate the specific number of RECs it is interested in. We are aware that the carbon value may change depending on the origin.</p> <p>See amendment.</p>
<p>Will the winner of the RFP be notified up front on whether or not the County will purchase through 2019? Or is the offeror expected to hold pricing for the optional years with no guarantee that the county will purchase RY18 and 19 volumes? If offeror is required to hold pricing for RY18-19, when will the offeror be notified of the County's decision to buy?</p>	<p>The County and its purchasing partners, anticipate making a decision on future years based on the pricing provided by the vendor and may at its discretion enter a long term contract.</p> <p>However, payment will occur per the RFEP on a fiscal year basis.</p> <p>See amendment for payment details.</p>