



County of Fairfax, Virginia

ADDENDUM

DATE: July 11, 2019

ADDENDUM NO. 2

TO: ALL PROSPECTIVE OFFERORS
REFERENCE: RFP2000002845
TITLE: Solar Power Purchase Agreement Services
DUE DATE/TIME: **August 15, 2019 at 2:00 P.M. (REVISED)**

The referenced Request for Proposal is amended as follows:

1. The time and date set for receipt of proposals is extended to August 15, 2019 at 2:00 P.M.
2. The last date to submit questions regarding this RFP is August 8, 2019.
3. RFP ATTACHMENT D, Power Purchase Agreement Term Sheet (page 62) delete and replace with: "Renewal Periods: The County reserves the right to renew the PPA for **five (5)** additional years, one (1) year at a time or any combination thereof, if agreeable to both parties."
4. RFP ATTACHMENT D, Power Purchase Agreement Term Sheet (page 62) Shortfall Damages, delete options (1) and (3).
5. Additional clarification of Addendum 1 Q7. A system buy-out price is identified on the RFP bid sheet. Please define this.

Addendum 1. A7. (REVISED). While no system buy-out pricing is required, it is not prohibited and may be included at Offeror's discretion.

Refer to ATTACHMENT 1 of this Addendum for the answers to questions received after the pre-proposal conference held on June 17, 2019.

All other terms and conditions remain the same.

Patricia S. Wilkerson
Contract Analyst III

THIS ADDENDUM IS ACKNOWLEDGED AND IS CONSIDERED A PART OF THE SUBJECT REQUEST FOR PROPOSAL:

Name of Firm

(Signature)

(Date)

A SIGNED COPY OF THIS ADDENDUM MUST BE INCLUDED IN THE TECHNICAL PROPOSAL OR RETURNED PRIOR TO DATE/TIME OF CLOSING.

Note: SIGNATURE ON THIS ADDENDUM DOES NOT SUBSTITUTE FOR YOUR SIGNATURE ON THE ORIGINAL PROPOSAL DOCUMENT. THE ORIGINAL PROPOSAL DOCUMENT MUST BE SIGNED.

ATTACHMENT 1

Questions for the Fairfax County Government for RFP #2000002845

- Q1. Reference GENERAL CONDITIONS AND INSTRUCTIONS TO BIDDERS, Section 29. TERMINATION FOR CONVENIENCE. The Solar Provider will make a significant investment in each Project based on the Solar Provider's expectation that it will earn a return on its investment over the life of the PPA. If the PPA is terminated for convenience, the Solar Provider could experience a significant loss if it is compensated only for "completed services" and if that term is defined to mean only "energy delivered." If the County can cancel the PPA at any time without making a termination for convenience payment, Solar Providers may have difficulty financing the County's Projects leading to increased PPA rates (if the Projects can be financed at all). Will Fairfax County consider making a termination for convenience payment that compensates the Solar Provider for its lost capital investment, ITC recapture, etc.?
- A1. Yes.
- Q2. Section 5.7. Is a planning board/zoning board hearing required for each individual project? If so, in the case of the rooftops, what is required, full design set in lieu of typical site civil/plans? And, what is the process and timing for planning board/zoning board hearings (i.e. is there a publicly available schedule of meetings?) Is an attorney required to present at planning board/zoning board hearings? Would a site license, rather than a site lease, avoid the requirement for a planning board/zoning board hearing?
- A2. General information regarding zoning requirements can be found at:
<https://www.fairfaxcounty.gov/plan2build/development-process-overview>
<https://www.fairfaxcounty.gov/taxes/relief/real-estate-solar-equipment>
A site license does not require a hearing.
- Q3. Section 20. Can you provide the specific procedures for Criminal History Checks and the time estimate for each individual to be screened?
- A3. Security clearance forms can be obtained from each Host Entity. Once the form has been completed and submitted it is generally processed in less than ten business days if there are no questions. Each Host Entity will have its own process.
- Q4. Are the contractors and subcontractors required to paid in accordance with the Davis-Bacon Act or Prevailing Wage law?
- A4. In Fairfax County the Davis-Bacon Act is only applicable to federally funded public works projects.
- Q5. Reference ATTACHMENT D: Power Purchase Agreement Term Sheet. Typically, solar PPAs require the customer to purchase 100% of power produced rather than requiring the customer to purchase just 100% of the Estimated Guaranteed Output. Moreover, requiring the customer to purchase all the power produced usually benefits both parties because the customer pays lower energy costs as compared to utility rates, and the Solar Provider doesn't have to find a second purchaser for the electricity it produces. Will Fairfax County consider purchasing all power produced by the Projects?
- A5. Fairfax County will purchase 100% of the electricity that it consumes at each site even if above the estimated guaranteed output.
- Q6. PPA contracts usually allow the Solar Provider to sell the SRECs so that the SREC value may be credited to the project and thereby lower the PPA rates. Has Fairfax County projected the value it expects to receive by retaining the SRECs? Will Fairfax County consider allowing the Solar Provider to own the SRECs?
- A6. No, Fairfax County will retain control of the S-RECS unless otherwise agreed to in the PPA.
- Q7. Will Fairfax County consider a purchase option that cannot be exercised before year seven so that the Solar Provider can take full advantage of the ITC associated with the Projects?
- A7. Yes.

- Q8. Typically, performance security is only required during construction (not during project operations). For what period of time will the performance security be required? Will the performance security be reduced or eliminated after the Projects are constructed?
- A8. Prior to the start of installation of the Solar PV system and throughout the term of the PPA (including the removal period following expiration or early termination of the PPA), the Solar Provider will be required to obtain and maintain, at its cost, a decommissioning bond to remove the solar energy equipment, facilities and devices installed or placed on the Fairfax Entity property, and to restore and return such property to its original condition (excluding ordinary wear and tear). The amount of the decommissioning bond will be the total expected cost of decommissioning, as determined by a professional engineer licensed in Virginia, [plus a reasonable allowance for estimated administrative costs of the relevant Fairfax Entity (not to exceed 10% per Project)]. Such decommissioning amount will be updated every five years based on updated cost estimates. In addition to the decommissioning bond, Offerors may, in their discretion and as part of their proposal, propose other forms of performance security for consideration by the County. Any such other performance security proposed by an Offeror will be at Offeror's sole cost.
- Q9. Solar Providers are typically allowed to assign their interest in a project to a financing entity without consent or with consent that is not unreasonably withheld. Will Fairfax County consider such a provision for its Projects?
- A9. Yes, with consent that is not unreasonably withheld.
- Q10. By retaining all claims in law and equity, it sounds like Fairfax County will not agree to waive consequential damages. Typically, PPA contracts waive consequential damages so the parties won't be exposed to damages for indirect risks, such as the customer wasn't able to meet its renewable goals, or a late payment caused the Solar Provider to lose its credit line. Will Fairfax County consider waiving consequential damages?
- A10. Yes.