



Solar Co-Developer Request for Qualifications

Solar Workgroup of Southwest Virginia

Issue Date: **June 10, 2020**

Questions Due: **June 24, 2020 11:59 pm EST**

Pre-Submittal Call: **June 30, 2020 at 10:00 am EST**

Registration Required: https://us02web.zoom.us/webinar/register/WN_tgEF9ZyKQYSIUJ-K37Y1JA

Response Due Date and Time: **July 15, 2020 at 11:59 pm EST**

RFQ Website: <http://swvasolar.org/2020-rfq/>

Solar Co-Developer Request for Qualifications
Solar Workgroup of Southwest Virginia

Issue Date: June 10, 2020

Table of Contents

Executive Summary	3
Background	4
Objectives of Request for Qualifications (RFQ) and Partnership Requirements	5
Co-Development Partnership Roles and Expectations	6
Workforce Development	7
Energy Storage Development	7
Sub-Contractors	8
Co-Developer Compensation and Incentives	8
Proposal Evaluation Criteria	8
Request for Qualifications	9
RFQ Schedule	9
RFQ Submission Guidelines	10
Appendices	11
Appendix A	11
Appendix B	11
Appendix C	11
Appendix D	11

Executive Summary

This RFQ seeks proposals from solar industry developers interested in serving as a Co-Development Partner to collaborate with the SWG in developing commercial-scale solar projects in the seven coalfield counties of Southwest Virginia (Buchanan, Dickenson, Lee, Russell, Scott, Tazewell, and Wise). The Solar Workgroup of Southwest Virginia (SWG) seeks a creative, innovative and bold solar development partner to unlock solar at a successful scale.

The SWG has worked collaboratively for more than four years to open up the solar market and attract solar investments in the region. Now more than ever, Southwest Virginia is primed for solar energy development at a new and exciting level. This is a direct result of the SWG's success in achieving major policy wins in the 2020 Virginia General Assembly session, local governments' recent SolSmart regional designation, and years of local education and outreach. The SWG looks to build on its past efforts, extensive connections throughout the region, and the solar goodwill it has developed among the communities of Southwest Virginia to establish an innovative pathway for solar project development, creating new job and economic development opportunities in the region.

Through these past efforts, there is fertile ground for solar in Southwest Virginia; but challenges remain, and creative strategies are needed to fully realize solar in the region. The SWG recognizes that dedicated and concerted collaboration with an industry partner is needed to have the desired catalytic effect, working together to navigate the challenges and uncertainties that lie ahead.

Within the SWG, the Planning Team (PT) is responsible for guiding the structure and goals for the SWG, with input from numerous stakeholders. Building on the strong responses received to the May 2020 Request for Information (RFI), in this Request for Qualifications (RFQ) the SWG PT is seeking to establish a Co-Development partnership with one lead partner for future commercial-scale solar development in the region, combining the SWG's capacities for site identification and customer acquisition with the financing and project development capacities of a solar industry partner.

The goals of this Co-Development Partnership are to help the SWG achieve:

- More than 10 MW total of commercial-scale solar installations in the coalfield region by the end of 2023 (as outlined in the Solar Roadmap for Southwest Virginia¹).
- 15 new full-time solar-related jobs in, both in construction and non-construction, in SWVA by the end of 2023, as well as new opportunities for entrepreneurship and small business development.
- At least one school or municipal project installed in each of the seven coalfield counties by the end of 2023.

This RFQ asks Proposing Firms to detail their qualifications as to why they are the best partner to advance these goals, and invite and encourage May 2020 RFI respondents to build on what was shared in their initial responses.

¹ <http://swvasolar.org/solar-roadmap/>

Background

The SWG is a collaborative effort of nonprofit and community action agencies, colleges, state agencies, planning district commissions and other interested citizens and businesses seeking to develop a renewable energy industry cluster in the seven coalfield counties of Southwest Virginia. The effort was formed as a result of the 2016 Southwest Virginia Economic Forum hosted by UVa-Wise. The SWG is co-convened by the UVa-Wise Office of Economic Development & Engagement, People Incorporated and Appalachian Voices, with facilitation assistance from Dialogue + Design Associates, policy and legal analysis from Southern Environmental Law Center, program development assistance from the Department of Mines, Minerals and Energy, and technical assistance from paleBLUe dot. Additionally, several smaller committees focus on specific areas of action discussed in the Solar Roadmap including developing policy recommendations, facilitating a solar residential program, creating innovative financing models and mechanisms to build solar, and developing priority sites to serve as “ambassador” solar projects throughout Southwest Virginia. In early 2017, the Appalachian Regional Commission awarded a POWER Initiative Technical Assistance federal grant to fund the development of the Solar Roadmap of Southwest Virginia (the “Solar Roadmap”).

The mission of the SWG, as outlined in the Roadmap, is to utilize the development of solar energy as an economic catalyst in the seven-county region of far Southwest Virginia. There are four key goals:

1. Identify and develop sites that are ideal for solar development, especially solar “ambassador” projects.
2. Grow workforce development and entrepreneurship opportunities to advance solar projects and maximize local benefits.
3. Expand education and outreach in communities and with local leaders around solar benefits and opportunities.
4. Promote policy changes that will help grow the solar industry in Southwest Virginia.

The SWG was also a recipient of assistance through the U.S. Department of Energy SunShot Initiative’s *Solar In Your Community* Challenge, and has received numerous other state, federal and private foundation funding awards.

In 2019, eight Southwest Virginia governments achieved designation under the national SolSmart² program for encouraging the growth of local solar energy markets. Among these communities, Wise County achieved SolSmart Silver designation, while the others achieved SolSmart Bronze designation: Dickenson, Lee, Russell, Scott and Tazewell counties, the City of Norton and Town of St. Paul. These are the first communities in the Central Appalachian region to have applied for and received the SolSmart designation. This accomplishment makes solar cheaper and easier for solar development in Southwest Virginia, and this opportunity will be expanded through a new Department of Mines, Minerals and Energy and University of Virginia SolSmart partnership³.

The SWG identified policy changes needed to support solar development in the region, removing barriers that have hindered development to date. Over the last two years, the group has played a key role in organizing grassroots support and the political capacity for significant change in 2020 at the state level. These efforts have recently paid off through the passage of several pieces of legislation. These bills

² <https://solsmart.org/>

³ <https://drive.google.com/file/d/15NxQiU0oko6gqeyzDSwZi6u78D1RwDLW/view>

Solar Co-Developer Request for Qualifications

Solar Workgroup of Southwest Virginia

Issue Date: June 10, 2020

increase the state's net metering cap for investor-owned utilities, increase the size limitations on individual projects eligible for net metering, allow for solar Power Purchase Agreements (PPAs) in all three investor-owned utility territories, and create new requirements for Appalachian Power and Dominion Energy to purchase renewable energy sited anywhere in the state of Virginia.⁴ These legislative changes, as well as others, will pave the way for improved solar project financial viability in the region. The current regulatory landscape, including these changes, are detailed in the Appendix A (Solar Legislative and Regulatory Landscape in Southwest Virginia).

Rate design continues to be a challenge for large commercial and industrial solar projects in Southwest Virginia. Several utility rate schedules include demand charges that make solar less attractive for the customer subject to those rates. While the SWG continues to work on regulatory and policy changes needed to provide alternative rate options to commercial and industrial customers, we also seek a Co-Development Partner that can utilize energy storage to work around the challenges presented by the existing rate options. See Appendix B (Rate Design for Commercial and Industrial Customers in Southwest Virginia) for additional details.

The SWG now looks to build on its past efforts, extensive connections throughout the region, responses to the Request for Information received in May 2020, and the solar goodwill it has developed among the communities and leaders of Southwest Virginia to establish a co-development partnership with a solar industry partner for solar and solar + storage project development.

The SWG prioritizes the creation of jobs and training opportunities for SWVA residents, and seeks to partner with an entity that is committed to developing innovative approaches to ensure that development activities maximize local benefit, including local job impact, training opportunities, community education, energy cost savings and other social and financial benefits. Through the establishment of a Co-Development Partnership, the SWG will combine its capacities for site identification, customer acquisition, and public education and outreach with the financing and project management capacities of a solar industry partner.

Objectives of Request for Qualifications (RFQ) and Partnership Requirements

The SWG seeks to enter into a Co-Development Partnership to collaboratively identify, design and develop cost-effective commercial-scale solar and solar + storage installations throughout Southwest Virginia. The Co-Development Partnership must advance the SWG's goal of establishing a local solar installation workforce in SWVA.

The Co-Development Partner must be able and willing to provide the following services:

- Customer Identification, in coordination with the SWG PT
- Navigating entity procurement requirements as applicable, in coordination with the SWG PT
- Site Concept Development, in coordination with the SWG PT
- Project Pro Forma Development, in coordination with the SWG PT
- Procurement of Debt and/or Equity Financing
- Procurement of Grants and/or Rebates where applicable, with support from the SWG PT

⁴ See <https://lis.virginia.gov/cgi-bin/legp604.exe?201+ful+CHAP1193> and <https://lis.virginia.gov/cgi-bin/legp604.exe?201+ful+CHAP1188>

Solar Co-Developer Request for Qualifications
Solar Workgroup of Southwest Virginia

Issue Date: June 10, 2020

- Solar installation in coordination with local contractors

Co-Development Partnership Roles and Expectations

The Co-Development Partner will work with the SWG to collaboratively develop commercial-scale solar and potentially future solar + storage projects throughout the Southwest Virginia region with both the SWG and the Co-Development Partner sharing in the project development responsibilities. This scope of work builds off of the SWG PT's previous work at developing a region-wide portfolio of potential projects, as well as the relationships developed with local leaders and building owners. A preliminary share of the work effort is outlined below. The SWG PT envisions that this scope of work could be completed over the course of approximately 30-36 months, with an option to extend the partnership beyond that timeframe.

Work Effort	Co-Development Team Approach
Site/Customer Identification	SWG and Co-Development Partner Collaboration
Building Owner Outreach and Education	SWG/Appalachian Voices lead, Co-Development Partner support and collaboration
Site Concept Development	Co-Development Partner lead, support from paleBLUEdot
Site Financial Pro Forma (i.e., cost-benefit analysis, customer payback period)	Co-Development Partner, support from paleBLUEdot
Procure project financing (including grants, rebates, or SRECs where applicable)	Co-Development Partner, support from the SWG
Connection with Regional Workforce	SWG and Co-Development Partner (approach will depend on applicant response)
Interconnection, Net Metering, and Permitting Approval Process	Co-Development Partner
Install or Competitive Procurement of Installation Work	Co-Development Partner in coordination with local workforce partner(s)
Project Operations and Maintenance	Co-Development Partner and/or local installation company
Media and Public Relations	SWG with support/collaboration of Co-Development Partner
Legislative and Regulatory Advocacy	Appalachian Voices and SELC with support/collaboration of Co-Development Partner and SWG members

Solar Co-Developer Request for Qualifications **Solar Workgroup of Southwest Virginia**

Issue Date: June 10, 2020

The Co-Development Partner will be expected to put forth a lead contact that will be responsible for managing SWVA project development. The Partner can provide multi project leads for different phases of project development if appropriate. The Partner must also commit to weekly communication (via regularly scheduled calls and/or email updates) through the first 12 months of the partnership, and bi-weekly communication thereafter. The communication schedule can be revised by mutual agreement.

The Co-Development Partner is expected to assist the SWG in public communications about project successes, challenges, and milestones. This will include providing quotes for press releases and allowing SWG access to project sites for photographs and other media opportunities. No public statements will be issued by one partner about the other without the express written or verbal permission of the other partner in this agreement.

Appalachian Voices and Southern Environmental Law Center engage in policy advocacy at both the state and federal level. This advocacy happens both under the banner of the SWG, and independently by individual planning team organizations as appropriate. Where solar project development encounters regulatory barriers, the Co-Development Partner is expected to, at a minimum, assist in providing information to the SWG to inform proposed policy changes and/or information necessary to advance solar in Southwest Virginia. The SWG is interested in collaborating more deeply with the Co-Development partner on legislative and regulatory advocacy, but this is not required.

Consideration will be given to whether the Co-Development Partner can help building owners access energy efficiency services, but this is not a requirement of the Co-Development Partner.

The selected Co-Development Partner will be expected to enter into an MOU to formalize the partnership agreements and expectations.

Workforce Development

Through the May 2020 RFI process, the SWG identified a local construction contractor that is willing and interested in expanding into the solar and energy storage installation, operations, and maintenance business, and we will continue to reach out to contractors in the region to find additional local workforce partnership opportunities. The SWG is also engaging in conversations with local community colleges to connect local training programs and workers with solar installation and/or sales and marketing careers. We seek a Co-Development partner that can potentially provide installation services, but that is also willing to consider working with a SWVA-based contracting company to build local capacity for providing installations, operations, and maintenance, potentially as a sub-contractor. The exact arrangement and timing for collaborating with local workforce will be determined by the selected Co-Developer.

Energy Storage Development

Though it is not required, preference will be given to companies that are interested in collaborating with the SWG to provide energy storage installations in the future, understanding that solar + storage projects present more challenges particularly in the customer acquisition and site concept development phases. Solar + storage projects will likely be a future area of focus to be implemented in the later months of the partnership, to be determined by the SWG and the selected Co-Developer.

Solar Co-Developer Request for Qualifications
Solar Workgroup of Southwest Virginia

Issue Date: June 10, 2020

Sub-Contractors

Due to the innovative approach required for this partnership, the selected Co-Development Partner is permitted to use sub-contractors for the work. We envision that the Co-Development Partner will have employees in-house or long-term, committed subcontractors that can provide the necessary services outlined above in the “Co-Development Partnership Roles and Expectations” section. Sub-contractors may also be considered, at the mutual agreement of the SWG and Co-Development Partner, for tasks not currently anticipated or considered in this RFQ. The SWG anticipates that any necessary sub-contractors will be procured and managed by the Co-Development Partner, and that sub-contractors will be held to the same standards as the Co-Development partner and share the same goals for SWVA.

Co-Developer Compensation and Incentives

SWG is currently pursuing grant funding which could support the Co-Developer’s pre-development efforts. It should be noted that the grant funding is not a certainty and may not be awarded for this co-development project. Beyond these potential grant funds, if awarded, the SWG will not have funds available to support the Co-Developer in the pre-development phase or later phases. The SWG, as a co-development partner, will not receive compensation from any of the potential proceeds from these development efforts or resulting installed projects. The SWG is open to suggestions for compensation structures that will incentivize project installation (e.g., incentives for helping local building owners overcoming barriers to going solar, incentives for developing the local workforce, collaboration on grant applications to support the co-developer approach, etc.). We welcome ideas for such incentives from the selected Co-Developer, so long as these ideas do not rely on funds from the SWG (unless the aforementioned possible grant funds are received).

Proposal Evaluation Criteria

Final selection will be based upon Proposal evaluation, References, and Proposing Firm Interview. For the shortlisting of the Proposing Firms for an interview, the SWG Selection Committee will evaluate all proposals based on the SWG Selection Committee’s perception of each Proposal’s merit. The SWG Selection Committee will evaluate all Proposing Firm proposals received based on the following criteria:

Criteria	Weight
Responsive and Complete Proposal Submission	Required
Demonstrated success installing at least 5 commercial-scale projects of at least 50 kW each	Required
NABCEP certification	Required
Ability to effectively install projects in Virginia as demonstrated from experience in the	10 points

Solar Co-Developer Request for Qualifications
Solar Workgroup of Southwest Virginia

Issue Date: June 10, 2020

state or other relevant experience and expertise. (Proposing Firms without experience in Virginia should clearly state how they will adapt to working in the state.)	
Willingness to work collaborative through policy barriers as demonstrated through past engagement in policy advocacy or other engagement.	5 points
Plan and ability to collaborate to meet SWG local workforce goals	10 points
Demonstrated experience providing financing to customers though PPAs, loans, and other financing tools	10 points
Demonstrated experience acquiring grants for customers	5 points
Operation and Maintenance Support	10 points
Customer Service as demonstrated by positive references and sufficient capacity to manage client relationships	10 points
Demonstrated knowledge of regulatory/policy framework in Virginia	10 points
Willingness and ideally demonstrated success to collaborate to find innovative solutions to economic and financing barriers	10 points
Discretionary consideration: Experience installing projects in Southwest Virginia	N/A
Discretionary consideration: Ability to connect building owners with energy efficiency services	N/A

Request for Qualifications

RFQ Schedule

The schedule for this RFQ is as indicated below. It may be modified or changed at the discretion of the SWG PT, but notification will be provided to potentially interested groups and posted on the RFQ website: <http://swvasolar.org/2020-rfq/>. An addendum will be issued in the event of any scheduling changes.

Project Milestone	Date/Time
Issue Date	June 10, 2020
RFQ Questions and Optional Letters of Intent to Apply Due (electronic submission only to chelsea@appvoices.org)	June 24, 2020 11:59pm EST
Pre-Submittal Call (optional)	June 30, 2020 10am EST

Solar Co-Developer Request for Qualifications
Solar Workgroup of Southwest Virginia

Issue Date: June 10, 2020

Register: https://us02web.zoom.us/webinar/register/WN_tgEF9ZyKQYSIUJ-K37Y1JA	
Response Due Date (electronic submission only to chelsea@appvoices.org)	July 15, 2020 11:59pm EST
Video interviews if needed	Late July or early August 2020
Announcement of Partner Selected	Week of August 3, 2020
Co-Development Launch Call	Week of August 10, 2020

All questions and answers will be posted to the RFQ website here: <http://swvasolar.org/2020-rfq/>

Questions and answers will also be discussed on the Pre-Submittal zoom call (registration required): https://us02web.zoom.us/webinar/register/WN_tgEF9ZyKQYSIUJ-K37Y1JA

Letters of Intent To Apply are optional but required if the Proposing Firm wants to ensure it receives answers to all questions submitted to the SWG PT and/or updates to the RFQ.

RFQ Submission Guidelines

Proposing Firms are to complete the Response Form (Appendix C), the Proposing Firm Qualification Statement (Appendix D) and a cover letter and return via email only. All submissions must be made by the Response due date and time identified in the RFQ Schedule. Email submissions to:

Chelsea Barnes, Appalachian Voices: chelsea@appvoices.org

A note to Proposing Firms who provided information during the RFI phase: We will only consider the information provided in the applications included in responses to this RFQ; we will not consider the information provided in the RFI responses when evaluating applications in response to this RFQ. However, many of the questions are duplicated from the original RFI, and you are welcome to simply copy and paste answers from your RFI response, or update information where needed.

Appendices

Appendix A

Solar Legislative and Regulatory Landscape in Southwest Virginia (available at http://swvasolar.org/wp-content/uploads/2020/06/Appendix-A_-VA-Solar-Policy-Context-for-RFQ.pdf)

Appendix B

Rate Design for Commercial and Industrial Customers in Southwest Virginia, available at http://swvasolar.org/wp-content/uploads/2020/06/Appendix-B_-Rate-Design-in-SWVA-Final-June-2020.pdf)

Appendix C

Proposing Firm Response Form, available at
<http://swvasolar.org/wp-content/uploads/2020/06/Appendix-C-2020-RFQ.docx>

Appendix D

Proposing Firm Qualification Statement, available at
<http://swvasolar.org/wp-content/uploads/2020/06/Appendix-D-RFQ.docx>