

Cape & Vineyard Electric Cooperative, Inc.
Software Subcommittee
Open Session Meeting Minutes
Friday, January 10, 2014

The Cape & Vineyard Electric Cooperative, Inc. Executive Committee and Software Subcommittee met on Friday, January 10, 2014 at 9:00 a.m. for a Pre-bid Meeting as advertised in the "Billing and Tracking Software and/or Management Services" RFP followed by a meeting in Executive Session in Conference Room 11/12, Barnstable Superior Courthouse, 3195 Main Street, Barnstable MA 02630

PRESENT WERE:

John Checklick, President/Director, Falmouth
Charles McLaughlin, V. President/Director, Barnstable
Stephan Wollenburg, Executive Member/Director, Cape Light Compact
Peter Cabana, Executive Member/Director, Dukes County
E. Mark Zielinski, Treasurer/Director, Barnstable County
Chuck Hanson, Director, Brewster
Joseph Bayne, Director, Eastham

COUNSEL & STAFF PRESENT:

Liz Argo, CVEC Special Projects Coordinator

The pre-bid Meeting on January 10, 2013 as advertised in the "Billing and Tracking Software and/or Management Services" RFP was attended by vendors : *Michael Stone, Suntility Electric/Paul Gromer, Peregrine Energy Group/ Doug Stevenson, Energy Options/Shaela Collins, Rich May, Alex Patterson, WRPA Patterson Associates/Zac Bloom, Competitive Energy Services.*

The following is a copy of the Pre-bid meeting minutes posted by the Barnstable County procurement officer on the Barnstable County website at <http://purchasing.barnstablecounty.org/services/index.php?page=bids>

Cape and Vineyard Electric
Request for Proposals for a consultant to Develop or Supply a Billing and Tracking
Computer Based Solution and/or to Supply Comprehensive Management Services.

Pre-Bid Conference
January 10, 2014
Rooms 11/12
Superior Courthouse
3195 Main St.
Barnstable, MA

Meeting Minutes

Vendors Present: Michael Stone, Suntility Electric/Paul Gromer, Peregrine Energy Group/
Doug Stevenson, Energy Options/Shaela Collins, Rich May, Alex Patterson, WRPA Patterson
Associates/Zac Bloom, Competitive Energy Services

REVIEW OF HANDOUTS (ATTACHED)

Addendum 1

Project Overview

Round 1 Allocation Scenario

Q. Does CVEC include all towns?

A. CVEC is 20 members including most of the towns on the Cape & the towns of Edgartown, Oak Bluffs, Tisbury, & West Tisbury on the Martha's Vineyard. All of the PV systems for CVEC PV Initiative Round 1 & 2 will be associated with its own fixed PPA. The PV systems represent a full range of Net Metering applications; from actual full BTM Net Metering to totally Virtual Net Metering with a stand-alone meter and full allocation off-site. Some systems will even allocate to both host town and other town's accounts. All 29 PV contracts are fixed PPA's of varying amounts.

Q. Data flow on #7 – How will the consultant get the information?

A. Consultant will need to be able to interface with NSTAR

Q. Are you basing payments on the developer's meters or NSTAR's meters?

A. The monthly PPA costs are based on calculations using the developer's revenue grade meters.

Q. Is there a margin of error?

A. 1% - 2% is named in the contract.

Q. Is NSTAR cash out a physical payment?

A. Yes, it's a check.

Round 2 Allocation Scenario

7 Correction – CVEC will bill towns for full monthly benefit, not half as stated

Q. Who is billed for excess?

A. Bill will be sent to user town

Q. Is that currently in the contract?

A. Yes. Each user has its own PPA price

Q. Who is the owner?

A. CVEC

Q. Does CVEC have liability for the developer?

A. Yes

There are two administrative adders – One for CVEC members and one for non-members

Q. Is there a distinction on the general ledger?

A. Yes

Q. #7 – Is there a separate bill for revenue sharing?

A. 2 bills

Round 2 Cash-out Scenario

Q. Are there any "PILOT" (payment in lieu of taxes) payments that relay from town to town?

A. That is to be determined. Any adjustment will take place in #8

Q. Do the developers take all the S-RECs?

A. Yes

Round 1 Cash-out Scenario

In Round 1 there is no revenue-sharing arrangement

Additional Questions:

Q. Do you have any projects that are operational that you are already receiving credits for?

A. Yes. The CVEC-7 consisting of 750kW located on schools and DPW bldgs in 6 Cape towns. All roof mounts. All behind the meter except for Eastham where there is an allocation of excess to a town account.

Q. Are they all on same billing cycle? (Billing by NSTAR with credits showing)

A. No. This is a consideration and may present a challenge.

Q. Are dates between you, towns and the contractor contractual?

A. Yes. CVEC recognizes that the contract dates for billing and payment may need adjustment because of NSTAR cycles.

Q. Are towns all on same fiscal year? Budget cycle?

A. Yes. Fiscal year is July 1 through June 30 for all towns. Budget cycles are now through the spring.

Q. Are you all on same fiscal year audit wise? Annually?

A. CVEC is also July 1 – June 30. Our audit is done by the County on the same cycle.

Q. Clarify your request for training for staff and board members

A. Minimally CVEC would like the Treasurer and single Staff person to be trained.

Q. Clarify p5. Request for non-proprietary or subscription

Do you want to develop a program to sell to CVEC to use or a program that a company would own and sell to you to use?

A. As stipulated in the qualification criteria in the RFP, CVEC will give preference to a non-proprietary solution that can integrate with retail, commercially available platforms, such as, for example, systems like Excel, Access and Quickbooks. However, the criteria do not reject a proprietary, subscription based solution.

At 10:25am the Pre-bid meeting was completed and the vendors were excused and the Software Subcommittee meeting was adjourned.

Handouts:

**COUNTY OF BARNSTABLE
PURCHASING**

**DEPARTMENT OF FINANCE
SUPERIOR COURT HOUSE
P.O. BOX 427
BARNSTABLE, MASSACHUSETTS 02630**

Phone: (508) 375-6637

Fax: (508) 362-4136

Email:

odavis@barnstablecounty.org

Elaine Davis
Chief Procurement Officer

ADDENDUM NO. 1

Barnstable County Purchasing Department
PO Box 427
Barnstable, MA 02630

DATE ISSUED: December 20, 2013
TO: All Bidders of Record
SUBJ: CAPE & VINEYARD ELECTRIC COOPERATIVE, INC. (CVEC)
NET METERING AND BILLING CONSULTING SERVICES/SOFTWARE
REQUEST FOR PROPOSAL

ADDENDUM NO. 1

Changes to RFP Documents

CVEC is seeking a software program and possible management services. If awarding the management services, the award may be to the same vendor supplying the software or a separate contract may be awarded to a different vendor to provide the management services.

Rule for award: The contract(s) will be awarded to the responsive, responsible bidder or bidders offering the most advantageous proposal(s) taking into consideration price and all evaluation criteria set forth in the proposal for a software program and/or software management services. The contract may be awarded to one vendor to provide a software program. The same vendor or a second vendor may be awarded the contract to provide software management services if it is determined that those services are necessary and financially feasible.

Elaine Davis
Chief Procurement Officer

**CAPE AND VINEYARD
ELECTRIC COOPERATIVE, INC.
BILLING AND TRACKING RFP**
Pre-Bid Meeting
January 10, 2014

- PROJECT SUMMARY**
- 11 TOWN/VILLAGES, DISTRICTS
 - 25-30K TYPICAL MW SIZE
 - 10-15% PERCENT
 - 24 PROJECTS
 - 21 MW (100% PV)
 - 24 MW AT (LOCATIONS TO BE DETERMINED BY THE BIDDERS)
 - 24 MW (20% PV)
 - 2 MW (20% PV)

PV PROJECT DATA

- CVCC DATA**
- 2013 MEMBER MUNICIPAL LOAD DATA
 - MEMBER MUNICIPAL LOAD CLASSIFICATION
 - 2013 TOTAL LOADS

NET METERING

- UTILITY WILL DECIDE ON ALLOCATION OR CASH-OUT OF CREDIT VALUE WHEN THE CONSTRUCTION SCHEDULES ARE AVAILABLE
- HOW TO FULLY OPTIMIZE THE PROGRAM FOR CREDIT VALUE AND TO MINIMIZE THE RISK
- ALLOCATION OF NET METERING CREDIT ACCOUNTS DETERMINED BY CVCC VIA NET METERING
- CASH-OUT

**UTILITY
ALLOCATION OR
CASH-OUT ?**

**FILLING THE MUNICIPAL LOAD
ACCOUNT "BUCKETS"**

- CALCULATED TOTAL KW-HR PRODUCTION FOR EACH PROJECT (= "BOTTLE")
- ADD UP UNLIMITED (BOTTLE) ACCOUNTS FIRST
- NEXT PROJECT ACCOUNTS NEXT
- REMAINDER OF CVCC MEMBER ACCOUNTS
- UNLIMITED BOTTLE ACCOUNTS
- CVCC MEMBER WITHOUT PROJECTS
- ALLOCATED AS PERCENT OF PROJECT PRODUCTION

METHODOLOGY



Cape Vineyard Electric Cooperative

~ Monthly Transaction and Reconciliation List ~

**CVEC/Town/NSTAR Transactions to be Executed and Tracked
In Round 1 Allocation Scenario**

Background: There is no administrative adder in Round 1 and no "revenue-sharing" activity.

1	Town Leases or Sub-Leases Site to CVEC for PV System.	
2	CVEC contracts with Developer to have Developer Finance, Build, Own & Operate PV systems on Town sites. CVEC contracts to buy power from Developer at PPA price, per kilowatt hour of production, on a monthly basis.	
3	At end of month, NSTAR posts Net Metering Credit allocations to Identified Town accounts based on Schedule Z. Schedule Z directs allocation based on predetermined percentages of each systems' monthly PV production matched to account usages.	
		ACTION needed
4	Contractor bills CVEC for total monthly PV production at PPA price (per kWh of production). [On or before 10th of month].	Verification of kWh & PPA price
5	CVEC bills individual host Towns for individual system's monthly PV power production at PPA price (per kWh of production). [Billed by 15th of month. Payment required within 21 days].	CVEC bills Host Towns
6	CVEC pays Developer for monthly PV power at PPA price (per kWh of production). [Billed by 15th of month. Payment required within 21 days].	CVEC pays Developer
7	CVEC verifies NStar allocation of monthly Net-Metering credits from PV production against specified Town accounts according to Schedule Z directions from CVEC.	Verification of NSTAR NMC value & Number of kWh
8	After verification of monthly NStar Crediting for PV electricity to Town accounts, any adjustments to Schedule Z are flagged and, where necessary, new Schedule Z's are submitted to NStar.	Adjustment (if necessary) to NSTAR Schedule Zs



Cape Vineyard Electric Cooperative

~ Monthly Transaction and Reconciliation List ~

CVEC/Town/NSTAR Transactions to be Executed and Tracked in Round 2 Allocation Scenario

Background: Some systems will produce more power than a host Town can take. The extra power from those systems is considered "excess". Other CVEC members will provide offtaking of this "excess" through a Net Metering credit allocation.

1	Town Leases or Sub-Leases Site to CVEC for PV System.	
2	CVEC contracts with Developer to have Developer Finance, Build, Own & Operate PV systems on Town sites. CVEC contracts to buy power from Developer at PPA price, per kilowatt hour of production, on a monthly basis.	
3	NSTAR posts Net Metering Credit Allocations to Identified Town accounts based on predetermined percentages of systems' monthly PV production (based on kWh of production).	
		ACTION needed
4	Contractor bills CVEC for total monthly PV production at PPA price (per kWh of production). [On or before 10th of month].	Verification of kWh & PPA price
5	CVEC bills individual host Towns for total individual system's monthly PV power production at PPA price per kWh of production. [Billed by 15th of month. Payment required within 21 days].	CVEC bills Towns
6	CVEC bills Towns for Administrative Adder based on System's total monthly PV production. [Billed by 15th of month. Payment required within 21 days].	CVEC bills Towns
7	CVEC bills any third party Towns who are receiving "excess" allocated Net Metering credits through NSTAR Schedule Z allocation ("revenue-sharing"). "Revenue-sharing bill" to third party town is for half of the monthly benefit (Benefit being the allocated kWh X NMC, minus the allocated kWh X PPA with Administrative Adder).	CVEC Invoices Towns taking "Excess" allocated NMC
8	CVEC pays host Town "revenue-sharing" benefit as identified above.	CVEC pays Host Town
9	CVEC pays Developer for monthly PV power at PPA price (per kWh of production). [Billed by 15th of month. Payment required within 21 days].	CVEC pays Developer
10	CVEC verifies NStar allocation of monthly Net-Metering credits from PV production against specified Town accounts according to Schedule Z directions from CVEC. Allocation includes applying predetermined power deemed "excess" against specified CVEC member-Town accounts.	Verification of NSTAR NMC value & Number of kWh
11	After verification of monthly NStar Crediting for PV electricity to Town accounts, including those Towns receiving "excess", any adjustments to Schedule Z are flagged and, where necessary, new Schedule Z's are submitted to NStar.	Adjustment (if necessary) to NSTAR Schedule Zs
12	CVEC records monthly Income from Administrative Adder.	Record Admin Adder in Running Account



Cape Vineyard Electric Cooperative

~ Monthly Transaction and Reconciliation List ~
CVEC/Town/NSTAR Transactions to be Executed and Tracked
In Round 2 Cash-out Scenario

Background: Cash-out restricted to systems 1 MW and over.

1	Town Leases or Sub-Leases Site to CVEC for PV System.	
2	CVEC contracts with Developer to have Developer Finance, Build, Own & Operate PV systems on Town sites. CVEC contracts to buy power from Developer at PPA price, per kilowatt hour of production, on a monthly basis.	
		ACTION needed
3	NSTAR sends Net Metering Cash-out to an identified bank account as per Lockbox Agreement between CVEC & Developer's financier.	Verification of kWh & NMC value
4	Contractor bills CVEC for each System's total monthly PV production at PPA price (per kWh of production). [On or before 10th of month].	Verification of kWh & PPA price
5	CVEC bills Towns for each System's total monthly PV production at PPA price (per kWh of production). [On or before 15th of month].	CVEC bills Towns
6	CVEC bills Towns for Administrative Adder based on System's total monthly PV production. [On or before 15th of month].	CVEC bills Towns
7	Towns send payment to CVEC lock-box for each System's total monthly PV production at PPA price (per kWh of production). [Billed on or before 15th of month. Payment due within 21 days].	Towns remit payment to Lock-box
6	Towns send payment to CVEC for Administrative Adder based on System's total monthly PV production. [On or before 15th of month. Payment due within 21 days].	Towns pay CVEC
8	CVEC calculates the difference between every Town System's NMC from prior month's NSTAR Cash-out and every Town System's PPA costs from prior month's bill, which will be sent as the net benefit to the Towns. (There may be tax reimbursements to be calculated at this time as well).	Calculation
9	CVEC instructs bank to release funds from Lockbox account with which CVEC pays host Towns net benefit as identified above.	CVEC pays Host Towns
10	CVEC instructs bank to release funds from Lockbox account with which CVEC pays Developer for each Town System's monthly PV power at PPA price (per kWh of production). [Billed by 10th of month. Payment required within 21 days].	CVEC pays Developer
11	CVEC records monthly income from Administrative Adder.	Record Admin Adder In Running Account



Cape Vineyard Electric Cooperative

~ Monthly Transaction and Reconciliation List ~
**CVEC/Town/NSTAR Transactions to be Executed and Tracked
 in Round 1 Cash-out Scenario**

*Background: Cash-out restricted to systems 1 MW and over. All but one R1 system is over 1MW.
 There is no Administrative Adder in Round 1 transactions and no "revenue-sharing"
 activity.*

1	Town Leases or Sub-Leases Site to CVEC for PV System.	
2	CVEC contracts with Developer to have Developer Finance, Build, Own & Operate PV systems on Town sites. CVEC contracts to buy power from Developer at PPA price, per kilowatt hour of production, on a monthly basis.	
		ACTION needed
3	NSTAR sends Net Metering Cash-out to an Identified bank account as per Lockbox Agreement between CVEC & Developer's financier.	Verification of kWh & NMC value
4	Contractor bills CVEC for each System's total monthly PV production at PPA price (per kWh of production). [On or before 10th of month].	Verification of kWh & PPA price
5	CVEC calculates the difference between every Town System's NMC from prior month's NSTAR Cash-out and every Town System's PPA costs from prior month's bill, which will be sent as the net benefit to the Towns. (There may be tax reimbursements to be calculated at this time as well).	Calculation
6	CVEC instructs bank to release funds from Lockbox account with which CVEC pays host Towns net benefits as identified above.	CVEC pays Host Towns
7	CVEC instructs bank to release funds from Lockbox account with which CVEC pays Developer for each Town Sytem's monthly PV power at PPA price (per kWh of production). [Billed by 10th of month. Payment required within 21 days].	CVEC pays Developer

