



Request for Proposals – Non-Pipeline Solutions

Response to RFP Questions from Bidders February 7, 2019

To All Prospective Bidders:

Based on feedback received from RFP recipients, National Grid has prepared the below Q&A. Please note that, prior to the close of the January 31, 2019 deadline for questions, in response to early inquiries National Grid issued an email to all Bidders to clarify its intent in issuing the RFP for Non-Pipeline Solutions. We believe that the content of that January 29, 2019 email answered many of the questions which we have received and, in such cases, will refer Bidders back to National Grid's email for the response.

- I. Submission of Offers, Awarding Procedures and Contracting Process
 1. **Will National Grid require receipt of approvals from its applicable state regulatory agencies to move forward with a project resulting from this RFP?** In most cases, regulatory approval will be required; however, this will be determined by the state in which service is provided and the contractual terms.
 2. **Should all Bidders for all project types utilize the form Attachment C to submit offers by March 4, 2019?** Yes. Bidders should submit a completed Attachment C containing their company information and any additional information they are able to provide at this time about their capabilities. Bidders may also attach to the completed Attachment C any additional materials about their company, including introductory presentations and scopes of proposed projects.
 3. **Does National Grid anticipate that its need for non-pipeline alternatives will be completely satisfied through this solicitation process?** No. National Grid expects that, following completion of this process, it will continue to consider non-pipeline alternatives that further the goals establish herein.
 4. **Does National Grid have a preference in pricing structures when evaluating proposals?** No. National Grid has no preferred pricing structures. Parties may propose alternative pricing structures within their proposals.
 5. **If a vendor has been in negotiations with National Grid prior to the issuance of this RFP, are they still expected to submit a proposal on March 4, 2019?** National Grid's intent in issuing this RFP was not to slow any progress it has already made in developing non-pipeline alternatives to meet demand. Nevertheless, all parties should submit a response to this RFP which may be limited to vendor qualifications.
 6. **Does National Grid already have an approved budget to begin development of the projects identified through this RFP?** No. National Grid does not have a

budget explicitly linked to this solicitation; however, believes it will be able to fund all projects selected in this process.

- 7. Can National Grid provide any further information related to evaluation of proposals?** Because of the breath of this solicitation, National Grid has not provided detailed criteria for project evaluation; however, National Grid expects to apply the following criteria: ability to satisfy a portion of National Grid's peak day gas requirements; a project's ability to mitigate the need for upstream pipeline or on-system infrastructure projects; cost; feasibility/constructability of the proposed project; and other benefits a project might provide to National Grid and its customers.
- 8. Can a proposal be submitted singularly or in partnership with another vendor?** Yes.
- 9. Please provide the necessary contact information for National Grid's credit group.** Bidders wishing to address questions or concerns related to financials may contact Tatiana.Gamarra@NationalGrid.com.

II. Siting

- 1. Is the zip code listing provided with the RFP a comprehensive list of all locations where proposed projects will be considered?** The zip code listing provided with the RFP was a comprehensive listing of all zip codes within National Grid's service territory. Bidders are not precluded from proposing projects outside of this listing where a means of transporting such incremental supplies into National Grid's territories are contemplated.
- 2. Will National Grid be providing Bidders with a map identifying areas and levels of priority for potential projects?** No. In its RFP, National Grid has provided Bidders with a listing of all zip codes that are within our service territory to help all Bidders identify future opportunities where projects may occur. Bidders that are in the process of developing projects for renewable sources of incremental supply may identify a proposed location. For distributed solutions including CNG and LNG, National Grid will provide additional site-specific information as needed at a location in subsequent RFPs.
- 3. How many installations and projects does National Grid intend to pursue?** As National Grid stated in its RFP, it does not anticipate that any one proposal will be able to meet all its customer need and, therefore, anticipates selection of multiple proposals resulting from this RFP. National Grid has not established any limit on the number of proposals that may be deemed suitable to award.
- 4. Does National Grid have any potential injection sites for this project?** With respect to distributed energy solutions, National Grid has utilized these types of services in the past at multiple properties, including National Grid's properties at Glenwood Landing, NY and Cumberland, RI. National Grid is currently evaluating various other locations throughout its service territories and will make public these locations and future need through forthcoming site-specific RFPs.

5. **Will site-specific information in a Bidder's proposal be treated as confidential?** Bidders submitting proposals containing sensitive information and terms are encouraged to contact National Grid to execute a non-disclosure agreement.
6. **Will National Grid support property acquisition and permitting requirements?** National Grid's role in site acquisition and receipt of necessary permits will be contingent on the type of solution pursued and will be determined on a case by case basis.

III. Demand

1. **What is the desired in-service date for projects resulting from this RFP?** As National Grid states in the RFP, it will evaluate and consider all offers from an experienced contractor that successfully demonstrate an ability to reduce National Grid's reliance on pipeline projects as early as the heating season commencing November 1, 2019.
2. **Can National Grid provide any information regarding the size, flow rate and operating pressures of the pipelines where service is required?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.
3. **Will National Grid require an injection facility to be available 24 hours per day?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.
4. **How many consecutive days should an injection facility be prepared to serve?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.
5. **How does National Grid intend to schedule/dispatch LNG, CNG or RNG injection stations?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.
6. **Does National Grid require redundancy at an injection site?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.
7. **Will National Grid consider proposals to inject gas into an interstate pipeline?** Bidders may propose solutions, including those that National Grid has not yet identified, that will assist National Grid in alleviating supply constraints in its service territories.

8. **Is service required year-round or on a seasonal basis?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.

IV. Operations

1. **Will National Grid assist with design, engineering, permitting and construction or operation of projects resulting from this RFP?** With respect to development and operation of sites for distributed energy solutions, National Grid will work with project vendors to ensure that all operations and equipment meet or exceed National Grid's safety and operational requirements; copies of our most current procedures to which vendors are expected to adhere to were incorporated as exhibits to the RFP. Additional information regarding National Grid's expectations of a contractor will be communicated in forthcoming site-specific RFPs.
2. **Does National Grid require the presence of technicians at the project site?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.

V. Project Duration

1. **What is National Grid's preferred project term?** Respondents offering solutions for renewable resources should propose a project term commensurate with desired project financing. With respect to solutions for distributed energy solutions, National Grid has historically viewed these projects as temporary solutions until a permanent solution able to meet customer demand can be developed. As part of this RFP process, National Grid is looking at the long-term feasibility of these installations in lieu of pipeline alternatives.
2. **Does National Grid prefer temporary/mobile equipment or fixed, long-term infrastructure?** This will be determined on a project specific basis and detailed in subsequent RFPs. See National Grid's January 29, 2019 email with respect to Distributed CNG/LNG.

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Subject: National Grid - RFP - Non-Pipeline Solutions
Categories: Red Category

To All Prospective Bidders:

In response to our January 22 email and the referenced RFP, we have received several inquiries and concerns regarding a prospective bidders' ability to respond to the RFP by March 4, 2019 with indicative pricing information. We recognize that the RFP was broad in nature and that prospective bidders may be limited in their ability to respond without further specifics from the Company on project locations or desired utilization. For this reason, the Company provides the following clarification:

Incremental Supply from Renewable Sources

These types of projects may enable the Company to reduce its need for incremental upstream pipeline capacity and will assist the Company in achieving its environmental goals. The Company intends to consider proposals offering incremental gas supply from renewable sources that can be delivered directly to its system and welcomes proposals in all jurisdictions. Parties should submit proposals by the date set forth in the RFP.

Distributed CNG/LNG

The Company has utilized these types of services in the past and expects such utilization to increase in the future. However, the Company recognizes that it will be difficult for parties to make proposals of this type without specific information such as: location, flow rate, required pressure, duration of service, and other parameters. For this reason, the Company has determined that it will conduct site-specific RFPs for these types of services. Bidders wishing to be considered for future work of this type need not submit specific proposals on March 4, but rather should provide the Company with their business and contact information, as well as an explanation of general capabilities, services they are able to offer, and qualifications as detailed in the accompanying Bid Sheet, Attachment C. To the extent the ability to offer these services may be limited to a specific location or jurisdiction within the Company's territory, respondents

should also include this information. To assist the Company in moving forward with identifying potential solutions, prospective bidders able to offer any information on peak demand reduction including limitations of project equipment, project lead times or available pricing information should include so with their completed Bid Sheet. Those vendors who submit a completed Bid Sheet by the March 4, 2019 deadline will be considered for future site-specific RFPs.

Other Solutions

The Company has a history of supporting non-pipeline alternatives to satisfy its customers' needs and will continue to do so. This RFP is intended, in part, to make parties aware of the Company's commitment to non-pipeline alternatives and to elicit creative solutions.

For your ready reference, below is a link to the RFP issued January 10, 2019.

https://www9.nationalgridus.com/energysupply/current_procurement.asp

We thank you for your interest in our RFP process.

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