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BID SOLICITATION AMENDMENT MODIFICATION DE LA DEMANDE DE SOUMISSIONS

The referenced Bid Solicitation is revised in this document; unless otherwise indicated, all other terms and conditions of the Bid Solicitation remain the same.

La demande de soumissions citée en référence est modifiée dans ce document; sauf indication contraire, les modalités de la demande de soumissions demeurent les mêmes.

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ENVIRONNEMENT ET CHANGEMENT CLIMATIQUE CANADA

Title – Titre
Study on Cost of Hydrogen Production for Power Generation in Canada

EC Bid Solicitation No./SAP PR No. - N° de la demande de soumissions EC / N° SAP PR	**Amendment No. - N° de modif.**
5000075825	*006*

Date of Bid Solicitation (YYYY-MM-DD) – Date de la demande de soumissions (AAAA-MM-JJ)
2023-10-31

Bid Solicitation Closes (YEAR-MM-DD) - La demande de soumissions prend fin (AAAA-MM-JJ)	**Time Zone – Fuseau horaire**
at – à 2:00 P.M. **on – le 2023-12-08**	Eastern Standard Time (EST)

F.O.B – F.A.B
Destination

Address Enquiries to - Adresser toutes questions à
Carolyne Chénier carolyne.chenier@ec.gc.ca

Delivery Required (YEAR-MM-DD) – Livraison exigée (AAAA-MM-JJ)
2024-03-31

Destination of Services / Destination des services
National Capital Region (NCR)

Security / Sécurité
There is no security requirement associated with this requirement.

Amendment 006

This amendment 006 is raised to:

a) Answer question 10 & 11;

b) Amend Section 4.4.1

a) Questions and Answers

Q1: The RFP requires the proponent's team to have at least one "Project Engineer resource". Would ECCC please clarify whether a Canadian engineering license (P.Eng., P.L.Eng., etc.) is required for such resource? Or this resource can be a professional that does not hold a Canadian engineering license but has sufficient engineering experiences relevant to the proposed work.

A1: The Project Engineer must meet the academic requirement of having a university degree in engineering. Canadian engineering license (P.Eng.) is not mandatory.

Q2: We understand cooperate reference contracts are required to demonstrate bidder's experience. For each team member in the proposed project team (Team Lead, Project Engineer, Project Financial Analyst), can individual CVs and references (previous employers and projects) be used in lieu of corporate reference contracts to demonstrate his/her relevant experiences? Or is the requirement that each team member's experiences must be demonstrated in the corporate reference contracts submitted?

A2: For each team member in the proposed project team (Team Lead, Project Engineer, Project Financial Analyst), individual CVs and references (previous employers and projects) may be used in lieu of corporate reference contracts to demonstrate his/her relevant experiences.

Q3: Would ECCC please confirm the cost analysis will exclude the cost of hydrogen conversion (e.g., ammonia, liquid H2), transportation (e.g., truck, pipeline), and power generation end-use (e.g., H2-fired boilers, solid oxide fuel cells) downstream of the hydrogen production plant gate?

A3: ~~The cost analysis will include cost of hydrogen conversion (e.g., ammonia, liquid H2), and transportation (e.g., truck, pipeline) of hydrogen from hydrogen production facility exit gate to the power generation (e.g., H2-fired boilers, solid oxide fuel cells) facility gate downstream of the hydrogen production plant gate.~~

Q4: Do you have a budget in mind?

A4: There is no defined budget and no mandatory financial criteria associated with this requirement.

Q5: To support assessing and placing the best possible resources on this project. Is there an alternative criterion that ECCC will consider for the Education Competency criterion that is based on experience and capability - particularly for the "Team Lead" and "Financial Analyst" positions where PhD education is not necessarily as relevant to the position requirements?

A5: The education criteria for each resource have been removed from the Point Rated Criteria

Q6: RM2 requires a proposed project engineer, which implies the costing exercise will need to be at a detailed and specified project level. Can ECCC explain the required or desired costing details for hydrogen production?

a. Is the expectation a component level analysis?
b. Are elements of the supply chain for hydrogen production, storage and transport required?

A6: Storage and transportation elements are not required to be considered. Only production element is to be considered.

Q7: If a detailed engineering lens is not required, is a techno-economic analysis sufficient relying on public and pre-existing data available to cost major hydrogen value chain elements, such as electricity source costs, electrolyzer costs, compression costs, storage type and formation cost, cost of CCS technologies, etc?

a. Major production and handling component costs are typically available for economic analysis purposes. Is an analysis that provides ECCC with a levelized cost per m3 of hydrogen for conceptual technologies deployed in specific provinces sufficient?
b. In this case, reliance on engineering expertise would not seem required. Can mandatory and rated requirements be adjusted to streamline and broaden the participation of potential proponents?

A7: An analysis that provides ECCC with a levelized cost per m3 of hydrogen for conceptual technologies deployed in specific provinces would generally be sufficient. However, any unique insight brought in by the Project Engineer will add value to the analysis. Thus, it is not necessary to adjust the mandatory and rated requirements.

Q8: The resource mandatory requirements for the project team lead states
"The proposed Team Lead (TL)/ Project Manager (PM) must have at least fifteen (15) years of professional experience including in PM role in the last twenty (20) years from the date of bid closing"
However, the maximum points are available for the technical criteria only require 5 years in the area of expertise under RR1.
Is it possible for a proposal to be suitable with a team lead having 5+ years and not the 15 if the experience is more relevant.

A8: Through another amendment minimum experience required for the TL/PM may be reduced from
"*at least fifteen (15) years of professional experience including in PM role in the last twenty (20) years from the date of bid closing*"
to
"at least ten (10) years of professional experience including in PM role in the last fifteen (15) years from the date of bid closing"

In view of our expectation that TL/PM would bring in solid techno-economic perspective garnered through years of professional experience, we are not in favor of reducing the experience requirement for TL/PM to only 5+ years. Some exceptional professionals with shorter length of formal professional experience may demonstrate exceptional maturity but that is probably not the rule. Solicited experience requirement is not exclusively hydrogen focused thereby allowing some flexibility.

Q9: This RFP still has a contradicting clause, i.e. it states that the work must be completed by March 31, 2024 but at the same time, the schedule foresees 19 weeks of work, which will take the project into April 2024.

Please can you confirm which of the two applies, i.e. whether the winning team will be able to submit the final report after March 31, 2024.

A9: Our current contention is to receive bids and subject them to the bid evaluation process and select the winning bidder. We will have a couple of options to resolve any potential conflict between the 19 weeks work schedule and the project completion timeline of March 31, 2024. We may ask the winning bidder if they can deliver the work within a compressed schedule and provide the final deliverable before March 31, 2024. If the answer is 'no' then with a management approval, we would go for an amendment to convert this into a biannual contract with contract completion date entering into the next fiscal year.

Q10: Could you please confirm the ratio between technical and price? Section 4.4.1 of the RFP (p.14) states that the split is both 70-30 and 80-20

A10: The RFP section 4.4.1 has been amended to reflect the ratio of 70-30.

Q11: In section 2.2 of the annex A statement of work (p.33), you state hydrogen production costs should include "hydrogen production and storage including transportation of raw materials for hydrogen production". You have then stated in answers to questions that "Storage and transportation elements are not required to be considered"

A11: The intent of section 2.2 of the Annex A Statement of Work (p.33) is the following:

- The contractor is not required to determine the costs of any activities relating to the finished product (hydrogen in this case) once it departs the production facility exit gate. For example, the cost of transportation of hydrogen produced from the hydrogen

production facility exit gate up to the point of use (like in a power plant) would remain outside the scope of the contractual work.

- Cost components that the contractor would consider, for example, include transportation and storage of raw materials for hydrogen production, hydrogen production activities, and hydrogen storage, if any, within the hydrogen production facility boundaries.

b) Amend Section 4.4.1

Delete:

4.4.1 Highest Combined Rating of Technical Merit (70%) and Price (30%)

1. To be declared responsive, a bid must:
    a. comply with all the requirements of the bid solicitation; and
    b. meet all mandatory criteria; and
    c. obtain the required minimum of ~~70~~ points overall for the technical evaluation criteria which are subject to point rating.
    The rating is performed on a scale of ~~100~~ points.
2. Bids not meeting (a) or (b) or (c) will be declared non-responsive.
3. The selection will be based on the highest responsive combined rating of technical merit and price. The ratio will be ~~80 %~~ for the technical merit and ~~20%~~ for the price.
4. To establish the technical merit score, the overall technical score for each responsive bid will be determined as follows: total number of points obtained / maximum number of points available multiplied by the ratio of ~~80%.~~
5. To establish the pricing score, each responsive bid will be prorated against the lowest evaluated price and the ratio of ~~20%~~.
6. For each responsive bid, the technical merit score and the pricing score will be added to determine its combined rating.
7. Neither the responsive bid obtaining the highest technical score nor the one with the lowest evaluated price will necessarily be accepted. The responsive bid with the highest combined rating of technical merit and price will be recommended for award of a contract.

Insert:

4.4.1 Highest Combined Rating of Technical Merit (70%) and Price (30%)

1. To be declared responsive, a bid must:

a. comply with all the requirements of the bid solicitation; and

b. meet all mandatory criteria; and

c. obtain the required minimum of 29 points overall for the technical evaluation criteria which are subject to point rating.
The rating is performed on a scale of 47 points.

2. Bids not meeting (a) or (b) or (c) will be declared non-responsive.
3. The selection will be based on the highest responsive combined rating of technical merit and price. The ratio will be 70% for the technical merit and 30% for the price.
4. To establish the technical merit score, the overall technical score for each responsive bid will be determined as follows: total number of points obtained / maximum number of points available multiplied by the ratio of 70%
5. To establish the pricing score, each responsive bid will be prorated against the lowest evaluated price and the ratio of 30%.
6. For each responsive bid, the technical merit score and the pricing score will be added to determine its combined rating.
7. Neither the responsive bid obtaining the highest technical score nor the one with the lowest evaluated price will necessarily be accepted. The responsive bid with the highest combined rating of technical merit and price will be recommended for award of a contract.