



January 07, 2025

ADDENDUM NUMBER: Four (4)

TITLE: (RFP) Market Test for Long-Term Firm Dispatchable Capacity and Energy Resources

JEA RFP NUMBER: 1411846048

RESPONSE DUE DATE: March 4, 2025

TIME DUE: 12:00 PM EST (noon)

THIS ADDENDUM IS FOR THE PURPOSE OF MAKING THE FOLLOWING CHANGES OR CLARIFICATIONS:

1. **Question:** What transmission upgrades are planned for JEA between now and 2030 that a potential respondent would need to be aware of? Should the projects outlined in JEA's Capital Projects Meetings (i.e. 5-year transmission plan) be assumed to be completed in the respondents bid?

Answer: The publicly listed projects can be considered as complete in the timeline communicated to the Board.

2. **Question:** In the minimum requirements, the RFP states "The Respondent certifies that along with the Response for the generation resource(s), the Respondent has submitted detailed plans and schedules for transmission interconnection, including submission into the interconnection queue, and the implementation of any required transmission upgrades, and the associated transmission service(s) for the power to be delivered to JEA service territory in compliance with all the state and federal regulations." How should respondents document their response to satisfy this requirement. Will it be sufficient to document the submission of a pending TSR to satisfy this minimum requirement?

Answer: Yes, it is sufficient to document the submission of a pending TSR to satisfy this minimum requirement at the time of RFP submission.

3. **Question:** With respect to JEA's transmission import capacity, the transmission addendum states "JEA will analyze each Response for impacts to JEA's current capabilities, and if remedies are required to preserve current capabilities, JEA will estimate the cost of those remedies and add the appropriate cost to the Response". How will JEA determine the necessary project, relevant capacity thresholds and project costs? And when will JEA do so.

Answer: JEA will estimate costs associated with transmission upgrades, consistent with the description provided in Appendix B – Transmission Interconnection and Delivery Considerations, necessary for delivery of power based on Responses received within this Solicitation, as applicable. Such costs will be incorporated into the economic evaluations performed to evaluate the Responses prior to Final Selections. JEA's assessment of transmission system capabilities, improvements, and associated costs will be studied on a case-by-case basis and completed during the Market RFP evaluation period.

4. **Question:** Will emissions from any new gas compression required to serve a build/own/transfer be included in the environmental assessment?

Answer: For purposes of this Solicitation, the environmental-related assessment is laid out in Appendix J – Evaluation Methodology and Scorecard. Any new gas compressors required to operate a proposed facility will be expected to comply with all applicable regulatory requirements.

5. **Question:** If JEA fulfills its needs with a Power Purchase Agreement (PPA) from the market, how much upstream/interstate/PGS system gas would be avoided? Would such an avoided cost be factored into the present value of the self-build versus proposed alternatives?

Answer: JEA will reflect all costs associated with natural gas delivery for the self-build option in the analysis of its self-build option. Any resulting cost or avoided cost identified during analysis of Responses received in response to the Solicitation shall be analyzed and applied based on the specific natural gas delivery requirements for the self-build option and proposed projects.

6. **Question:** When the evaluator compares power supply proposals to JEA's self-build option, will it be assumed that the self-build unit will be restricted to a 40% capacity factor to meet EPA carbon reduction rules? Or will there be a scenario with and without the EPA rules? If multiple scenarios, how will the present value of these be combined for comparison to the proposed market alternatives?

Answer: As indicated in Appendix J – Evaluation Methodology and Scorecard, evaluations of the self-build option and Responses received in response to the Solicitation will be performed for two scenarios related to emissions of carbon dioxide – one which reflects compliance with the EPA's May 2024 guidelines for greenhouse gas emissions from electric generating units, and one scenario in which such regulations are not in place. To the extent the EPA Rule is adjusted, vacated, or otherwise not applicable, the scoring may be adjusted to reflect the new circumstances. For purposes of the evaluation within this Solicitation, JEA's compliance strategy for its self-build resource will be to limit the capacity factor to 40%.

7. **Question:** To the extent JEA determines that a response fails to meet one of the minimum requirements, will respondents be given an opportunity to cure any such deficiency? How long will such a cure period be?

Answer: It is JEA's intent that to submit a response, a Respondent must meet all minimum requirements at the time of submitting a response. In cases where there is ambiguity in how a Respondent meets a minimum requirements, Respondents will be given [5] days to clarify their response to cure a deficiency in their Response from the date which the Respondent is notified of such deficiency. Since Respondents are required to meet all minimum requirements, JEA reserves the right to classify a proposal as non-conforming if the Respondent does not meet a number of minimum requirements.

8. **Question:** Can JEA provide a forecast of the self-build dispatch profile on an hourly basis for the first five years of service (2031-2035)?

Answer: Please see file titled "1411846048 Self Build Dispatch_2031-2035 - Addendum 4.xlsx" for JEA's estimate of annual dispatch information for JEA's self-build option, including annual hours of operation, annual number of starts, and annual capacity factor. Information is included for two scenarios – one which reflects compliance with the EPA's May 2024 guidelines for greenhouse gas emissions from electric generating units, and one scenario in which such regulations are not in place. Note that the referenced results were for demand and energy forecasts and fuel forecasts current at the time of prior analysis, and will be updated for evaluation of the JEA Reference project and all Responses from this RFP.

9. **Question:** Based on the latest version of Appendix D (the response input sheet), it appears that if sellers were to submit multiple offers, they would do so here. Is this the proper format for submitting multiple offers or should those be submitted separately?

Answer: If Respondents are submitting multiple Responses, each Response must include the requested information outlined in Section 17 of the Solicitation..

- Appendix C - Minimum Requirements Form
- Appendix D – Response Submission Form
- Redlines of Appendix E Term Sheets
- Appendix F – Respondent Questionnaire
- Appendix L – Respondent Certification Form
- Proposed Terms and Conditions for O&M Agreement, if applicable

Appendix D is structured in a manner that the information associated with multiple Responses can be included within a single Appendix D submission. Each Response must include all required information requested within this Solicitation.

- 10. Question:** What is the process and timeline for JEA to assess and incorporate its own transmission upgrade costs into market alternatives?

Answer: JEA will estimate costs associated with transmission upgrades, consistent with the description provided in Appendix B – Transmission Interconnection and Delivery Considerations, necessary for delivery of power based on Responses received within this Solicitation, as applicable. Such costs will be incorporated into the economic evaluations performed to evaluate the Responses prior to Final Selections. JEA's assessment of transmission system capabilities, improvements, and associated costs will be studied on a case-by-case basis and completed during the Market RFP evaluation period.

- 11. Question:** Are there added benefits or evaluation points for proposals that can deliver earlier than the specified Commercial Operation Date?

Answer: JEA's evaluation will consider potential economic benefits for Responses that propose to deliver power earlier than the required Guaranteed Commercial Operation Date by evaluating the Response based on when power delivery will begin.

- 12. Question:** If a proposal includes assets that would be constructed inside City of Jacksonville / Duval County limits, will the benefit of incremental property taxes be factored into the bid evaluation process?

Answer: JEA's evaluation will be performed from the perspective of JEA's system economics and will not include consideration of incremental property taxes that the City/County may realize.