

1  
2  
3  
4  
5  
6  
7  
8  
9

<b>NH Renewable Portfolio Standards: 2020</b>					
<b>Calendar Year</b>	<b>Class I *</b>	<b>Class I Thermal</b>	<b>Class II</b>	<b>Class III</b>	<b>Class IV</b>
2021	11.40%	1.8%	0.7%	8.00%	1.5%
2022	12.30%	2.0%	0.7%	8.00%	1.5%

\*Class I is the gross requirement which includes Class I Thermal. The net Class I requirement less the Class I Thermal Carve-Out requirement for 2021 is 9.6%, and 10.3% for 2022

Schedule JMP-4 RPS Compliance Costs Estimates incorporates the latest RPS requirements shown here.

**VII. CONCLUSION**

**Q. Does this conclude your testimony?**

**A. Yes.**

**DE 21-041 – Unifil Energy Systems, Inc.**

**Default Service RFP  
Bid Evaluation Report**

Small Customers (100%): December 1, 2021 – May 31, 2022  
Medium Customers (100%): December 1, 2021 – May 31, 2022  
Large Customers (100%): December 1, 2021 – May 31, 2022

*RFP Issue Date: August 31, 2021*

Filing Date: October 1, 2021

Unitil Energy Systems, Inc. (“UES”)  
Default Service RFP  
Bid Evaluation Report

*Table of Contents*

*Introduction*..... 3  
*Solicitation Process*..... 4  
*Selection of Winning Bidders*..... 5

## Unitil Energy Systems, Inc. Bid Evaluation Report

### ***Introduction***

On Tuesday, August 31, 2021, UES announced that its Request for Proposals (“RFP”) for Default Service (“DS”) supplies for the period beginning December 1, 2021 was available. In accordance with UES’s DS supply proposal as approved by the Commission in Order No. 25,397 (“the Order”), UES issued this RFP to obtain fixed monthly price offers to supply one-hundred percent (100%) of the small and medium customer groups for the six-month period beginning December 1, 2021. In addition, UES also sought variable monthly prices to supply one-hundred percent (100%) of the G1, or large customer default service group, for a six-month period beginning December 1, 2021. The RFP sought monthly adders (which would be fixed for the month, but could vary by month) that would be added to the real-time locational marginal price to determine the wholesale cost.

The RFP issued on August 31, 2021, was consistent in form and substance to the prior RFP issued by UES on March 2, 2021. On September 16, 2021, UES filed with the Commission a redlined version of the current RFP, marked to show changes from the RFP issued on March 2, 2021. A copy of the RFP documents issued to the market on August 31, 2021, including the Proposal Submission Form, the proposed Power Supply Agreement (“PSA”), the proposed PSA Amendment, and Non-Disclosure Agreement are attached to the petition as Schedule JMP-2.

UES received bids from qualified suppliers who competed to serve the load requirements. The winner of the six-month small customer (Non-G1) default service requirement, the medium customer (Non-G1) default service requirement, and the large customer (G1) default service requirement was Nextera Energy Marketing, LLC (“Nextera”). This supplier offers the best overall value for the service requirements. The default service power supply prices obtained by UES are the result of a competitive solicitation and are

reflective of current market conditions. This Bid Evaluation Report (“Report”) describes UES’s solicitation process and its selection of the winning bidders.

UES’s comparison of bids, which is confidential and for which UES seeks protective treatment as described in the cover letter and motion for protective treatment accompanying this filing, is included in Tab A to this Report. Details of the market response, including bid prices, and certain non-price considerations and selection rationale, are also included in the Tab A materials.

### ***Solicitation Process***

UES issued its request for proposals on Tuesday, August 31, 2021 to 19 suppliers and brokers. The RFP was also distributed to all members of the NEPOOL Markets Committee and the Participants Committee. As a result, the RFP had wide distribution throughout the New England supply marketplace.

The RFP documents and accompanying data files were provided to interested parties via the Company’s RFP website. The RFP described the specifics of UES’s DS, the related customer-switching rules, the form of power service sought, and the evaluation criteria. The RFP documents included a Proposal Submission Form, a proposed Power Supply Agreement (“PSA”), proposed PSA Amendment for use by suppliers who are currently serving load or have previously served load, a Non-Disclosure Agreement, and various data files.

To gain the greatest level of market interest in supplying the loads, UES provided potential bidders with appropriate information, including along with the RFP, UES provided historical hourly loads and daily capacity tag values for UES’s DS customers for the period from January 1, 2015 through August 15th, 2021. UES also provided an Excel spreadsheet containing historic retail monthly sales and customers reports from January 1, 2015 through July 31, 2021. The monthly reports detail by customer rate class the monthly retail billed kWh sales and the number of customers receiving DS and competitive generation supply. Also provided to potential suppliers was class average load shape (8760 hours) data and distribution loss factors associated with each rate class.

Lastly, UES provided Bid Sheets with estimated monthly volumes expected to be purchased under default service for the term during which service was sought. As described in the RFP, UES used these estimated monthly loads to evaluate and weigh competing bids in terms of price. In the RFP, UES refers to these estimated loads as the “evaluation loads.” The RFP makes clear that the supplier’s obligation is for actual loads and is not in any way limited by the RFP’s use of the evaluation loads.

Throughout the solicitation, UES contacted potential bidders, responded to bidder questions, researched bidder qualifications and actively participated in maintaining bidder interest through regular telephone and electronic communications. UES did not discriminate in favor of or against any individual potential supplier who expressed interest in the solicitation, but endeavored to assist each interested bidder in their understanding of the transaction sought via the solicitation.

On September 14, 2021, UES received proposals from respondents that included detailed background information on the bidding entity, proposed changes to the contract terms and indicative pricing. UES reviewed the proposals and worked with the bidders to establish and evaluate their creditworthiness, their extension of adequate credit to UES to facilitate the transaction, their capability of performing the terms of the PSA in a reliable manner and their willingness to enter into contractual terms acceptable to UES. UES negotiated with all potential suppliers who submitted proposals to obtain the most favorable contract terms. All bidders were invited to submit final bids.

On September 28, 2021, UES received final pricing from bidders and conducted its evaluation. UES selected and notified Nextera that they were the winner of the small, medium, and large default service requirements. All other bidders were notified that they were not selected.

### ***Selection of Winning Bidders***

UES based its selection of the winning bidders on both quantitative and qualitative criteria. Indicative bids were compiled and ranked based upon weighted average prices using the evaluation loads that were issued to bidders and assessed for any outliers. UES

coordinated with bidders to obtain the best non-price terms each bidder was willing to offer and to establish confidence in each bidder's ability to perform. Final bids were again ranked based on the weighted average prices using the evaluation loads. In addition to the bid price and ability to meet credit requirements, UES also performed a qualitative review of each bidder's ability to provide default service during the service period, including the following:

- The bidder's past experience in providing similar services to UES;
- The bidder's past experience in providing similar services to other companies in New England and other regions;
- The bidder's demonstrated understanding of the market rules related to the provision of Default Service;
- The bidder's demonstrated understanding of its obligations under the proposed Power Service Agreement;
- Whether there have been any past or are there any present events that are known that may adversely affect the bidder's ability to provide Default Service.

UES has significant prior direct experience and working relationships with all of the suppliers who participated in the RFP. For newer suppliers, UES seeks input from references in order to verify the capabilities of the supplier, as well as performing an internal review of the new suppliers' financials for creditworthiness. The comparison of bids, which is confidential and which includes materials documenting UES's rationale for its selection of the winning bidders, is contained in Tab A.