

## Request For Information (RFI) for Energy Generation and/or Storage at Naval Base San Diego (San Diego)

**31 August 2016**

*This is not a Request for Proposals (RFP).*

This Request for Information (RFI) is part of a portfolio of four RFI's including Naval Base Coronado, Naval Base San Diego, Marine Corps Base Camp Pendleton, and Naval Weapons Station Seal Beach detachment Norco. Respondents may respond to one or multiple RFIs in the portfolio.

Respondents are encouraged to provide responses for the installations which best serve market needs and project finances, and respondents are encouraged (but not required) to combine RFI/installation responses to achieve economies of scale.

This Request for Information (RFI) seeks to identify interest and sources for a long-term partnership to achieve energy security and resiliency, consistent with the Department of the Navy's priorities for energy security and energy independence.

The Department of the Navy (DON) seeks create a long-term partnership to develop energy generation and/or storage at Naval Base San Diego (San Diego), compatible with the installation operational mission.

Naval Base San Diego is the principal homeport of the Pacific Fleet, consisting of 46 Navy ships, one Coast Guard cutters, seven Military Sealift Command logistical support platforms, several research and auxiliary vessels. As the Navy's premier Pacific Fleet surface force installation, Naval Base San Diego (NBSD) provides comprehensive fleet support for 54 home ported ships and over 150 tenant commands. Naval units based at NBSD have played a major role in the Global War on Terrorism and the Navy's efforts to relieve suffering and build partnerships through disaster relief and humanitarian outreach deployments. Many of the ships stationed at NBSD, including the hospital ship USNS Mercy (T-AH 19), have taken part in disaster relief missions and conducted humanitarian missions such as Pacific Partnership and Continuing Promise. NBSD has served as an ambassador for the Navy and nation, hosting successful port visits with ships from various countries.

Naval Base San Diego has identified two non-contiguous individual parcels totaling approximately 5 acres for potential energy generation and/or storage facilities. These parcels comprise all of the DON property available for this use, to include any necessary shading, buffers, stand-offs, or lay-down areas. A map of the sites is included as Attachment 1 to this notice. The installation is served by San Diego Gas & Electric. The base load is approximately 35MW, ship load is approximately 19.3 MW, and Peak load is approximately 40MW.

The DON will review and incorporate the information received from this RFI as appropriate to perform a National Environmental Protection Act (NEPA) Environmental Analysis (EA).

The DON will consider opportunities to host the private development of energy generation and/or storage facilities, in accordance with Title 10, United States Code § 2667 lease authority, and is seeking information on developments that would generate power and/or storage for sale to the grid. The proposed project will be on-base generation for off-base consumption (i.e. – utility purchase or private offtaker). At this time, the DON does not intend to purchase energy from a proposed project.

In lieu of cash rents for a potential lease, the DON may seek in-kind consideration in the form of emergency/back-up generation from the proposed project, for use only in the case of a utility grid outage. Legal and physical access to the energy asset positions the DON as an offtaker only during times of grid outage, at mutual benefit to both the DON and the developer.

Other in-kind considerations, such as microgrid infrastructure to enhance energy security, are highly desirable.

The following objectives have been set for this project:

- Entering into a long-term lease with a responsible party who will provide good stewardship over the property;
- Successfully integrating development activities with cultural resources and environmental policy management requirements compatible with the mission of the Installation;
- Complying with all National Environmental Policy Act (NEPA) and Environmental Condition of Property Report and Checklist (ECP) requirements;
- Employing the best commercial practices to the benefit of both the DON and the Lessee, and enhancing energy security and resiliency for the Installation in accordance with Title 10, United States Code § 2924.

Specifically, San Diego seeks to accomplish the following goals:

- Physical and legal access to the energy asset and improvements to the base electrical grid that allow such access only in times of grid outage.
- Energy redundancy and security for mission critical assets.
- Complete or progress towards a micro-grid infrastructure that would allow full energy security and independence in times of grid outage.
- Reduced outage occurrences and/or durations
- Increased resiliency to include islanding and critical load supply during an outage, infrastructure redundancy, controls and automation, back-up generation.

The specific information the DON seeks at this time is:

1. Responses to the information presented:
  - a. Name and brief description of company

- i. Capability and pertinent experience
    - ii. Financial capacity to develop and construct an energy asset.
  - b. The energy and storage technologies that maximize the land opportunity and benefits to San Diego.
  - c. The size and capacity of the energy generation and/or storage asset that maximizes the land opportunity. Describe what type of arrangement is envisioned for third party offtake. If a combination or other arrangements are envisioned, provide discussion. Provide discussion on the following:
    - i. Constraints and capabilities of transmission access and capacity that affect the opportunities at San Diego. Indicate proposed approach and timeline for obtaining an Interconnection Agreement under SCE and CAISO procedures.
    - ii. If a merchant generation asset is envisioned, discuss market opportunities in detail. If a contract for power is envisioned, discuss counterparty credit quality and the maturity / firmness of relevant discussions
    - iii. If a storage asset is envisioned, discuss available markets and income streams and a strategy for maximizing revenues. Discuss risks and opportunities associated with the proposed technology with regards to the current market or prospective markets.
    - iv. Indicate the timeframe a potential development at San Diego that would maximize the land opportunity. Discuss the factors that are used to determine that timeframe, and if applicable, note the drivers for an expedited time frame (e.g. tax incentives, etc).
    - v. Incentives (State and Federal, etc.) and their application to capital investment costs, operations & maintenance, etc.
    - vi. Discuss the lifetime of the technology and the performance trends across the lifetime.
  - d. Discuss the project development timeline along with any external factors influencing the project's success.
  - e. Describe any innovative and/or new conceptual ideas and technologies for the sale of power and/or storage.
  - f. Other risks and opportunities, including impacts to the San Diego mission, and any other information helpful to the DON to formulate a strategy for the land opportunity.
  - g. Discuss the benefits of the proposed asset for the installation's energy security posture.
    - i. Would the proposed technology be integrated with the installation's electric distribution system? If so, how?
    - ii. What potential benefits to the resiliency of the electric distribution system at the installation could be realized by the proposed technology? How can the proposed technology improve the reliability, availability, and maintainability of installation's electric system?
    - iii. Please explain the potential benefits to installation's energy security as a result of a proposed technology.

2. Suggestions/comments to allow for improved responses:
  - a. Indicate what information in addition to that provided in the text and in Attachment A would be helpful in determining the opportunities and risks, e.g. site survey, technical/load information, etc.
  - b. The DON is considering expanding the portfolio approach utilized by this RFI to include future RFPs that allow respondents to aggregate multiple installations/sites into a single project award. Please comment on potential efficiencies and/or issues of this approach, and comment on the drawbacks or benefits of this approach.
  - c. Other suggestions to improve a future Request for Proposals, specifically how the DON can structure future RFPs to generate shared benefits to both the DON and energy developers.

All information submitted will be considered confidential. It is not mandatory to submit a response to this RFI to participate in a formal RFP process in the future. However, it should be noted that information gathered through this notice may significantly influence how the DON engages in such a process. The desired goal of the DON for this notice is to solicit maximum industry participation, which allows the DON to formulate a concise strategy in a timely manner and maximize project concept viability for both the DON and developers.

An Industry Day will be held on **Tuesday 13 September at San Diego.**

**The Industry Days for both Naval Base San Diego and Naval Base Coronado will be held on 13 September. Respondents must report as outlined below to visit either (or both) Naval Base San Diego and Naval Base Coronado.**

Please register for Industry Day by **17:00 EST on 6 September 2016** by emailing the following information to Darren Newton at [Darren.Newton1@navy.mil](mailto:Darren.Newton1@navy.mil) :

Company Name

Name(s) of personnel attending (limit 2 per company)

Email Addresses

Phone Number

Please submit questions regarding the Industry Day Darren Newton at [Darren.Newton1@navy.mil](mailto:Darren.Newton1@navy.mil).

**Participants must report to Coronado Pass & Decal Parking Lot (Third Street and Alameda Boulevard) by 08:00 to gain access to the installation.** All participants must bring a valid form of government ID.

The Industry Day will follow the following format:

- Introductory Session to review opportunity and goals
- Brief Site Tours (no pictures)

- Private Sessions with each developer - Upon arrival in the morning, each developer will have the opportunity to sign-up for a private time slot with the DON, to share any private/proprietary ideas/comments in an individualized, non-group setting. This is intended for incoming information and ideas - DON will not formally answer questions during this period.
- No Q&A sessions - all questions must be submitted via email, and will be answered via a public posting on FedBizOpps.

Submit questions regarding this RFI to John Baxter at [john.w.baxter@navy.mil](mailto:john.w.baxter@navy.mil). All questions must be submitted by **08:00 EST on Monday 26 September 2016**. DON intends to answer questions via a public posting on FedBizOpps prior to the close of this RFI.

The response to this notice is due **08:00 EST on Monday 17 October 2016**. Email responses to John Baxter at [john.w.baxter@navy.mil](mailto:john.w.baxter@navy.mil). Please use the subject line "Response to San Diego RFI". If respondents are submitting responses to more than one RFI in the portfolio, please list all applicable installations in the subject line. Limit responses to 10 pages, and limit file sizes to 5MB, per installation/RFI in this portfolio.

Respondents are advised that data submitted to the Government in response to this solicitation may be released to contracted non-Government advisors for review and analysis. Contracted non-Government contracted advisors are required to sign a Non-Disclosure Agreement specific to this RFI, and are subject to civil and criminal penalties associated with any release of information pursuant to FAR 3.104. These advisors may be required to provide advice within their area of expertise regarding submission strengths, weaknesses, inadequacies, risks, and deficiencies.

If the respondent has any objection to a contracted non-Government advisor having access to its proposal information, the respondent shall notify the Government immediately and provide grounds and justification for its objections. The contracted non-Government advisors are:

Booz Allen & Hamilton

Note: The companies listed above may not assist or participate in preparation or submission of any proposal associated with this RFI.

This is a Request for Information (RFI). This RFI shall not be construed as a RFP or as an obligation on the part of the Government. The Government does will not award a contract on the basis of this request or otherwise pay for the requested information. Respondents will not be notified of the results of this market research. However, relevant information will be used to increase the viability of future RFPs. The Government reserves the right to cancel this notice at any time.

# Attachment A – Project Sites at Naval Base San Diego

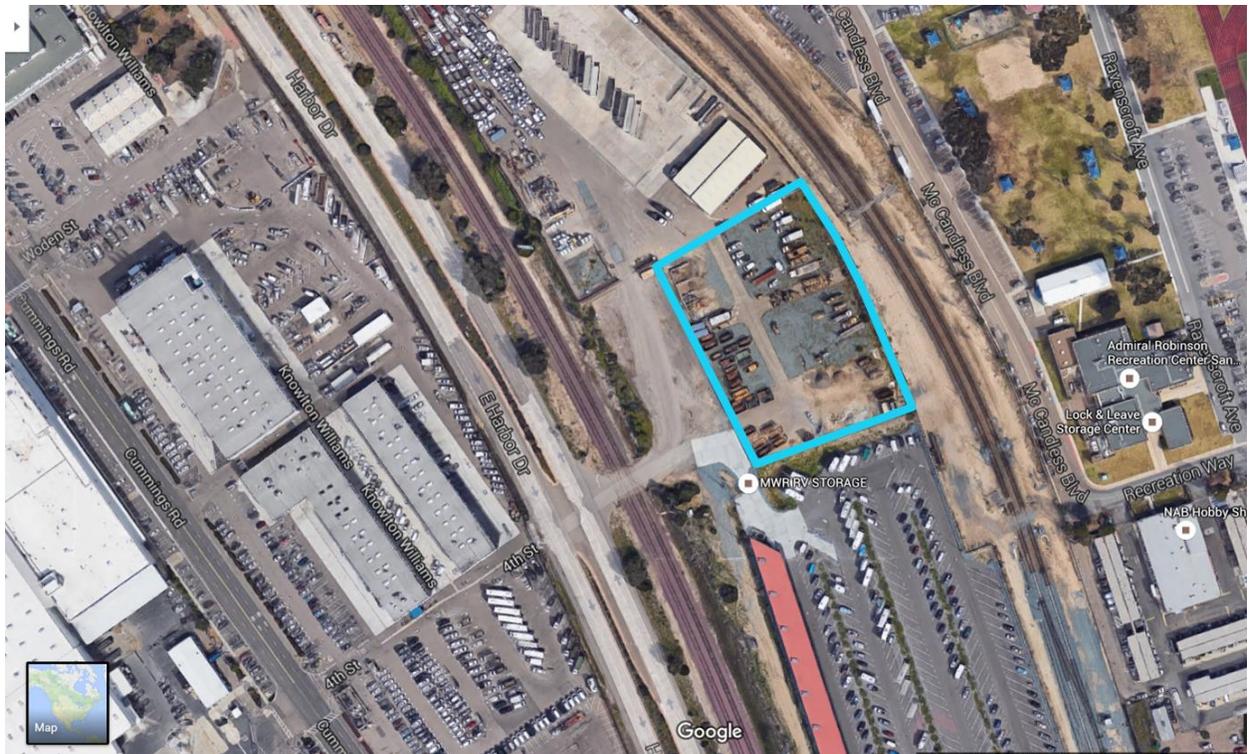


-  Alt 1 - Existing plant (2.11 acres)
-  Alt 2 - Proposed alternate plant location (2.97 acres)
-  SDG&E interconnection station and NBSD Cummings Rd substation
-  NBSD Vesta Rd substation



 Alt 1 -Existing plant  
(2.11 acres)

 NBSD Vesta Rd  
substation



Alt 2 - Proposed alternate plant location (2.97 acres)