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Request for Proposals

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Assessing the Economic Impacts of Developing the Port of Sheet Harbour Into an Offshore Wind Hub

RFP Release Date: February 1, 2021

Proposal Due Date: February 12, 2021 (5 pm AST)

Contact

Sven Scholtysik, Research Manager

sscholtysik@oera.ca

1001-1690 Hollis Street Halifax, Nova Scotia, B3J 1V7

T: 902-430-7257

www.oera.ca





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1. Introduction

OERA is an independent, not-for-profit research organization that funds research aimed at reducing risk and encouraging the sustainable development of Nova Scotia's energy resources. OERA supports research into renewable energy technologies, cleantech initiatives and geoscience by facilitating collaborative, made-to-order teams of experts. This Request for Proposals (RFP) is issued by OERA in the context of a collaborative program funded by the Nova Scotia Department of Energy and Mines. This work supports the Province's broad energy policy objectives related to climate change, inclusive economic development, and the sustainable development of Nova Scotia's energy resources.

2. Context

Many jurisdictions have set ambitious greenhouse gas (GHG) emission reduction targets for the future. The pathway to reaching these important milestones will include a portfolio of decarbonization strategies, one of which is the decarbonization of electricity generation and subsequent electrification of end-uses. Electrification will increase the total and peak electricity demand in coming decades. Investments in the electricity generating system will help satisfy additional electricity demand related to end-use electrification.

Currently, multiple OSW projects off the Northeast US are under development. The OSW capacity in the US is forecast to grow significantly in the next decade with approximately 11 GW already contracted to be installed over the next years. This trend in OSW capacity increase will grow the OSW supply chain in the US and has already positively affected opportunities for Canadian companies. With its proximity to the Northeast US, Nova Scotia and its existing hydrocarbon and renewables supply chains could benefit from OSW sector growth in the US. For example, in April 2020, Halifax Harbour was selected to stage the Dominion Energy Project, a two turbine 12 MW OSW project off the Virginia coast. This activity involved multiple Nova Scotian companies and supported the local economy in the early days of COVID 19.

An important asset to the OSW industry is a viable port that meets strict industry standards and is positioned in a geographically favourable location. Sheet Harbour, located along the Eastern Shore of Nova Scotia, has the unique opportunity to use its port's competitive advantage and become an integral part of the US OSW supply chain. Using the port of Sheet Harbour to act as one of the logistical hubs for the US OSW industry would likely have beneficial implications for Nova Scotian businesses that are able to provide services to the OSW industry. It is important



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for the Province to understand the extent of the potential economic benefits that such a development would create.

OERA is therefore requesting the submission of proposals for a report that identifies the opportunities for Nova Scotian companies and quantifies the economic impacts of using the port of Sheet Harbour as a logistical hub for the US OSW industry

3. Scope of Work

The scope of work consists of three primary tasks:

Task 1: Information Review and Data Gathering

Task 2: Assessment and Analysis

Task 3: Reporting

The final deliverable will focus on an assessment of the potential economic benefits of using the port of Sheet Harbour as a logistical hub and laydown area for US OSW projects. The final deliverable must cover the following topics, although the report structure can be defined by the proponent.

1. Context

- a. Current state of the OSW industry in the Northeastern US

The report should provide information on the current activity in OSW development in the Northeastern US focussing on the currently contracted projects. This section should clearly identify the major ongoing OSW projects and participating companies, as well as the capacity and expected project schedule (incl. expected construction volume by year) of OSW developments for which lease agreements have been signed.

- b. Northeastern US Port assessment

The report should identify and describe the ports key to developing Northeastern US OSW and assess the existing infrastructure, identifying possible challenges or constraints that prevents their use at full capacity. The report should comment on ongoing and planned investment strategies in these ports. In addition, this section should forecast the availability of Jones Act compliant vessels for the Northeastern



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US and assess whether US port capacity can serve the expected construction schedule.

c. OSW supply chain in NS

Drawing on existing information and additional research, the report should analyze the economic benefits realized through the Dominion Energy project staged in Halifax Harbour and comment on the direct benefits that may be achieved with activities related to the use of the port of Sheet Harbour as an OSW logistical hub.

2. Economic effects analysis – Sheet Harbour

This main part of the report should quantify and describe the economic effects for the OSW supply chain in Nova Scotia under the consideration of three scenarios. The scenarios are to be defined in the proposal and should assume that the port of Sheet Harbour is used for shipping a certain percentage (e.g., 5%, 10%, and 15%) of the number of turbines necessary to reach the maximum OSW capacity for which lease agreements have been signed in the Northeastern US. The author of the report is responsible to define the methodology for determining the actual percentages used in the report. The report should compare the three scenarios regarding local infrastructure and supply chain requirements.

4. Deliverables

Upon project completion, the proponent will provide:

- (1) A report that presents the findings of Tasks 1 and 2. Both a draft version and final version are required with the opportunity for the review committee to recommend reasonable changes to the draft version for inclusion by the proponent in the final version before the project ends.
- (2) A presentation (in PowerPoint) to the review committee to accompany submission of the draft version of the report. The presentation will review the project and its main findings.



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5. Timelines

The proponent is expected to host regular project status meetings via video conference. OERA will host the kickoff meeting. The following timeline outlines OERA's expectations with respect to timing.

RFP release date:	February 1, 2021
Proposal due date:	February 12, 2021 (5 pm AST)
Project kickoff:	February 19, 2021
Final report:	March 31, 2021 (latest)

6. Funding

Funding available for this project is capped at a maximum of CAN \$ 40,000 including taxes. Proposals that exceed this amount will not be considered. Note that proposals will be rated first in terms of experience/team/work plan and second in terms of value. Please include hourly rates in the proposal.

Please note that OERA reserves the right not to proceed with project award.

7. Proponent Qualifications

The successful applicant must have proven experience in economic analysis. Experience with the analysis of OSW developments is beneficial. Knowledge of the local industrial base is beneficial. Proposals should explain the experience and qualifications of the project team and provide references where available (both literature and previous clients).

Proposal Requirements

- The proposal should be concisely worded with clearly described objectives, methods, budget, schedule, and deliverables. Maximum 15 pages excluding appendices, title page, and cover letter. Please assemble all components into a single PDF document.
- The proposal should include a description of the Respondent's organization and its relevant experience with similar projects. The Respondent must also describe the relevant work experience of the key staff assigned to this project and their roles on the project. This material should be summarized in the body of the RFP and can be presented in more detail, if needed, in the appendix.



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- Please provide a project organizational chart showing the role and reporting hierarchy of project partners, and reporting lines to the OERA review committee.
- A single electronic document is sufficient. Please ensure the proposal or cover letter is signed by an officer or equivalent with authority to bind the Respondent to the statements made in the proposal.
- The electronic copy should be uploaded in PDF format to the OERA-FTP site available at <https://oera.sharefile.com/r-r1bc3aa2e6eb64015a6a6a9bbda975ad1>: The file name should include an abbreviated form of the proponent's name.

8. Questions and Clarifications

OERA will accept content-related questions from interested applicants on an ongoing basis until 5 pm AST February 5, 2021. A Q&A page will be available on the OERA website <https://oera.ca/opportunities/request-proposals/rfp-assessing-economic-impacts-developing-port-sheet-harbour>. The names and organizations of those submitting questions will remain anonymous; only the question and OERA's response will be posted. Interested parties are encouraged to check the Q&A page for updated information and/or clarifications that may help in completing their proposal. The Q&A page will only be available if content-related questions have been received.

Please submit your questions by email to Sven Scholtysik (sscholtysik@oera.ca).



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9. Evaluation

This project will be administered through OERA. As shown below, proposals will be quantitatively evaluated against a set of criteria.

Factor	Weight
Experience and Knowledge: Qualifications, experience and capabilities of the company and delivery team; demonstration of local knowledge relevant to this study.	30%
Project Plan, Approach and Methodology: Proponent demonstrates an understanding of the project service requirements and has outlined a clear and effective work plan. Proposal describes the objectives, methodology, milestones and deliverables, and a sound approach in undertaking this project. Communication format and frequency between the proponent and OERA are clearly described.	50%
Proposal Presentation and Organization: Proponent describes an achievable schedule with well-defined milestones and demonstrates the ability to complete the work on or before the desired completion date. The project will offer good value for the proposed budget. The budget is clear, complete, and well-described. The proposal includes all RFP requirements, demonstrates attention to clarity, grammar, presentation, and comprehensibility.	20%
Total:	100%