



REQUEST FOR PROPOSAL

NWRFP-22-06

Contracts for the Sale and Transfer Of Low Carbon Fuel Credits

Closing Time:

Thursday, May 12, 2022
3:00 PM, Local Time, Vancouver BC

Closing Location:

upload to https://fileshare.newwestcity.ca/filedrop/purchasing_submissions

Further requests for information :

Purchasing: Patrick Shannon, SCMP
Purchasing Manager

Email: nwpurchasing@newwestcity.ca

| | | |
|------------------------------------|--|-------|
| PROPONENT NAME | | |
| Street Address: | | |
| City Province Postal Code | | |
| Contact Name: | | |
| Telephone number: | | Fax: |
| Email | | Date: |
| Signature: by authorized signatory | | |

By my signature above, it shall be understood that I have read, understood and accept the requirements outlined in the Request for Proposal; we hereby propose to supply the Services in accordance with the Request for Proposal and as outlined in this Form of Proposal.

CORPORATION OF THE CITY OF NEW WESTMINSTER

PART 1

RFP PROCESS & GENERAL REQUIREMENTS

1.0 GENERAL INFORMATION

- 1.1** The City of New Westminster is seeking one (1) or more suppliers to manage contracts that enable the sale and transfer of low carbon fuel credits (“LCFC”) on behalf of the City. The supplier(s) will be qualified to manage the marketing, sale, and transfer of the credits for one (1) year with possible four (4) one (1) year extensions. Refer to Part 2 – BUSINESS REQUIREMENTS for an in-depth scope of work.
- 1.2** The City of New Westminster is the first city in Western Canada and is located at the centre of Metro Vancouver. Just 20 km from downtown Vancouver, the City has both major transportation routes and railways running through its boundaries.
- 1.3** This is a request for proposals, and not a call for tenders or request for offers and no contractual obligations shall arise between the City and a Proponent upon the Proponent’s submission of a Proposal to the City.
- 1.4** The city, at its discretion, reserves the right to;
- a) select a Proposal that deviates from the requirements of this RFP;
 - b) modify this RFP at any time.
- 1.5** Proponents will be solely responsible for their own expenses incurred in connection with this RFP, including in preparing and submitting a Proposal and in any subsequent negotiations with the City.
- 1.6** This RFP shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 1.7** The City reserves the right to negotiate with the lead Proponent deemed to provide the best overall value and such negotiations may include, but are not limited to:
- a) Changes to the requirements or Scope of Work proposed by the Proponent;
 - b) Price; and
 - c) Specific contract details as deemed reasonable for negotiations by the City.

2.0 COVID-19 GLOBAL PANDEMIC

- 2.1** Due to the COVID 19 global pandemic, the City may be required or decide not to proceed with the Work or to terminate any contract prior to the Work commencing. If this occurs, the City will only pay for actual costs incurred by the Proponent.
- 2.2** In submitting a Proposal, the Proponent acknowledges the presence of the COVID-19 virus in Canada and other jurisdictions. The Proponent also acknowledges the consequences and “Known Impacts” of the COVID-19 Pandemic existing as of the date of this Request for Proposal, and said “Known Impacts” have been accounted for by the Proponent within the schedule and pricing.

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3.0 PROPOSAL INSTRUCTIONS

- 3.1** Proposals should be submitted electronically in one (1) Adobe (PDF) file with Subject “NWRFP-22-06 Submission” in the Subject to https://fileshare.newwestcity.ca/filedrop/purchasing_submissions
- 3.2** The City will receive Proposals at the location and time indicated on the title page of this Request for Proposal.
- 3.3** It is the Proponent's responsibility to ensure that the City receives its Proposal prior to the closing time indicated on the title page of this Request for Proposal. The City does not accept facsimile or other unsealed Proposals.
- 3.4** Requests for clarification or further information must be made in writing only to the individual identified on the first page of this RFP. The City intends to respond to enquiries that it, in its sole discretion, considers relevant to this RFP. The City intends to respond only to those relevant written enquiries received at least ninety-six (96) hours prior to the closing time. The City will record enquiries and post written responses on its website at <https://www.newwestcity.ca/business-and-economy/doing-business-with-the-city/request-for-bids-and-proposals-open>

4.0 CONTRACT REQUIREMENTS

- 4.1** The City expects that the term of any Agreement negotiated between the City and a Proponent will be for an initial term of one (1) year with an additional four (4) one (1) year renewal terms at the sole discretion of the City.

5.0 OWNERSHIP OF PROPOSALS AND FREEDOM OF INFORMATION

- 5.1** All documents submitted with your Proposal will become the property of the City, and as such shall be subject to the disclosure provisions of the *BC Freedom of Information and Protection of Privacy Act (FOIPPA)* and *Community Charter*. A Proponent may stipulate in their Proposal that a portion(s) of their Proposal that contains confidential information and is supplied to the City in confidence. However, under FOIPPA, the City may nevertheless be obligated to disclose all or part of a Proposal in response to a request made under the Act, even if the Proponent has stipulated that part of their Proposal is supplied in confidence. The Proponent should review Section 21 and other provisions of FOIPPA in order to gain a better understanding of the City's disclosure responsibilities under the Act.

6.0 INSURANCE, PERMITS AND LICENSES

- 6.1** The successful Proponent will, without limiting its obligations or liabilities and at its own expense, provide and maintain throughout the Contract term, the following insurance with insurers licensed in British Columbia in forms acceptable to the City:
- a) Commercial General Liability Insurance protecting the City, for an amount of five million dollars (\$5,000,000) naming the City as additional insured;
- 6.2** The successful Proponent may be required to obtain a City of New Westminster or MetroWest Inter-Municipal Business license prior to commencement of work.

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7.0 **LIVING WAGE EMPLOYER**

- 7.1 Effective January 1, 2011, the City of New Westminster became a “Living Wage Employer”. As such, the City has established a [Living Wage Policy](#) that requires all firms that are contracted by the City to provide services on City premises, to pay their employees, who perform said service on City property, a Living Wage as calculated by the Living Wage for Families Campaign. The current living wage rate for Metro Vancouver is \$20.52 per hour, assuming the employer provides no benefits.
- 7.2 In order to determine an employee’s hourly rate with benefits the Living Wage for Families has created a Living Wage Calculator to assist with this determination. Please access the following website to determine your compatibility.
http://www.livingwageforfamilies.ca/living_wage_calculator
- 7.3 The City includes in all its competitive bid documents a Declaration referencing the City’s expectations with regards to compliance of the Policy (attached as Appendix A). **Completion and submission of the Declaration is required prior to Contract award.**
- 7.4 In evaluating submissions, the City intends to rely on the Declaration provided by a Respondent and shall have no obligation or duty to investigate the truthfulness of the Declaration. Please review the City’s [Living Wage Page](#) for further information.

8.0 **EVALUATION AND SELECTION PROCESS**

- 8.1 The City will evaluate all submitted valid Proposals. The City will not necessarily accept any or all Proposals. The object of the evaluation and selection process is to identify the Proposals that, in the City’s opinion offers the best value for the services requested.
- 8.2 The City will evaluate the outlined requirements, and only those deemed by the City to have the right experience, capabilities, and methodology will have their price evaluated.
- 8.3 Proposals will be evaluated based on the following criteria:

| Evaluation Criteria | Weighting |
|----------------------------|------------------|
| Methodology | 20 |
| Experience | 25 |
| Proponent Profile | 20 |
| Cost | 25 |
| Value Add | 5 |
| Social and Sustainability | 5 |
| Total | 100 |

- 8.4 The City, at its discretion, may request any or all of the Proponents to present their proposals and/or interview with the City’s Selection Committee. Note that any information provided by Proponents in their proposals or discussed in presentations/interviews may be incorporated into any Contract with the Proponent.
- 8.5 The City advises all Proponents that the process for evaluation/interview and finalizing the lead/winning proponent may take 2 – 3 months.

CORPORATION OF THE CITY OF NEW WESTMINSTER**9.0 NEGOTIATIONS**

- 9.1** The award of a contract may be subject to negotiations with the lead Proponent that is deemed to provide the best value to the City. Such negotiations include, but are not limited to, the following:
- a) Changes to the requirements or Scope of Work proposed by the Proponent
 - b) Price; and
 - c) Specific contract details as deemed reasonable for negotiations by the City
- 9.2** If a written contract cannot be negotiated within fourteen (14) days of notification with the lead Proponent, the City may, at its discretion at any time thereafter, terminate negotiations with the lead Proponent and either enter into negotiations with the next qualified Proponent or cancel the RFP or negotiate with another supplier.



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PART 2

BUSINESS REQUIREMENTS AND SCOPE OF WORK

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1.0 **BACKGROUND**

- 1.1 The BC Low Carbon Fuel Standard (LCFS) is one of the Province's most successful emission reductions policies. This policy requires fuel suppliers that manufacture or import transportation fuels into British Columbia to meet increasingly stringent carbon intensity reduction targets for their products.
- 1.2 To meet compliance requirements, fuel suppliers have the option of purchasing low carbon fuel credits through the credit market this policy establishes. Through the New Westminister Electric Utility, the City of New Westminister creates low carbon fuel credits by supplying electricity as low carbon transportation fuel in multiple applications.
- 1.3 The City of New Westminister has accumulated 62,333 validated low carbon fuel credits. The City anticipates that it will create additional validated credits on an annual basis.
- 1.4 See Appendix B for additional information about the LCFC program and the credits accrued by the City.

2.0 **BUSINESS REQUIREMENTS & SCOPE OF WORK**

- 2.1 The City is requiring the services of an experienced organization to manage the transfer of current and future low carbon fuel credits that the City generates.
- 2.2 The City acknowledges that there are multiple ways of managing the transfer of low carbon fuel credits and are open to receiving a variety of proposals in response to this RFP (e.g. from a broker or direct purchase).
- 2.3 The Scope of Work includes:
- a) **Transfer of Accrued Credits:** The City is looking for a Proponent(s) that can provide all services associated with the transfer process for the City's accrued credits. The methodology proposed should outline a proposed strategy for going to the market.
 - b) **Reporting:** The City is required to provide an annual report by March 31 of each year for the transfer of credits that occurred during the previous calendar year. The City would expect the Proponent(s) that are selected to manage this process and provide the City with all pertinent information to meet these requirements. Outline how you would manage this.
 - c) **Transfer of Future Credits:** The City will continue to create credits annually. This contract may be extended annually (up to four times) to facilitate the transfer of these credits. The response to this proposal should outline an approach for future transfers.
- 2.4 The City is interested in advancing the transfer of its currently accrued credits over the summer, so that the process is complete by early fall.

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3.0 SUBMISSION REQUIREMENTS

3.1 Proposals should be concise and directed to the requirements of this RFP. Proposals should be a maximum of 10 (ten) pages. All proposals must include and clearly identify:

- a) **Cover Page:** Front page of this RFP with the required Proponent information filled out and signed (not included in page count).
- b) **Executive Summary:** Include a brief history of the firm, overview of overall ability and expertise, and experience in providing the deliverables identified in this RFP.
- c) **Methodology:** Provide an overview of how you propose to work with the City on obtaining best value, and to facilitate the transfer of credits. Proposals should also outline the role of the proponent and of the City (noting that the City is only looking to provide oversight to this process). Responses should include answers to the following questions:
 - 1) Considering the quantity of credits previously accrued by the City, as outlined in this RFP, what would be your strategy for going to the market?
 - 2) What timeline do you propose, and what are the key milestones?
 - 3) How do you manage the fluctuation of credit value?
 - 4) How would you communicate to the City?
 - 5) What would be your approach to going to the market in future years, given the quantity of credits the City creates annually and the uncertainty of future market value?
- d) **Experience:** Demonstrate your understanding for the Renewable and Low Carbon Fuel Requirements Regulation, and the LCFC transfer process. In addition, provide two (2) examples of where you have facilitated the transfer of credits. Provide the following information for each example:
 - 1) Quantity of credits
 - 2) Who from your staff was involved
 - 3) Process you followed to obtain best value for the organization
 - 4) Your methodology on transferring the credits (i.e. broker fee, direct transfer, other)
 - 5) What would you do differently
 - 6) How did you meet any local, provincial or federal reporting requirements
 - 7) Other

Experience working with a municipality is not required but is considered an asset.

- e) **Proponent Profile:** Provide a brief bio of each team member who will be assisting with this work, including their role and experience (provide full resumes as an Appendix to your response). The summary of experience should include but not be limited to:
 - 1) Years of DIRECT experience
 - 2) What projects they worked on, indicated if this was with your organization or another

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- f) **Cost:** Based on the methodology proposed (e.g. direct purchase, broker), please outline the financial impact to the City, accounting for all fees and/or value offered per credit. You may provide more than one (1) response to this question (all prices must be in CDN Dollars).

| Broker | |
|---------------------------------------|-----------------|
| Broker Fees | Indicate your % |
| Other Costs | |
| Direct Purchase/Transfer | |
| Credit Price | |
| Other Costs | |
| Other | |
| Indicate any other option and pricing | |

- g) **Value Add:** Provide a description of your organization’s unique expertise and successes; what sets your firm and proposed team apart from other organizations with respect to this project?
- h) **Social and Sustainability:** Explain your social and sustainability policies and practices. Explain how your company addresses anti-racism, diversity, inclusion, and equity. Explain how your company promotes sustainability (locally and in your operations), i.e. do you have a carbon footprint reduction plan? How do you manage waste in your facility or on a job-site?
- i) **Living Wage Declaration:** As per Part 1, section 7 (not included in page count).
- j) **References:** Complete the attached table of references below (not included in page count)

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REFERENCES

Please provide three (3) references for companies whom your organization has completed work of a similar magnitude and nature in the past five (5) years. The City of New Westminster may be used as a reference, if work of a similar nature has been provided to the City.

| Reference 1 | |
|--|--|
| Company Name and Address | |
| Contact Name | |
| Telephone Number | |
| Email address | |
| Brief Description of services provided | |

| Reference 2 | |
|--|--|
| Company Name and Address | |
| Contact Name | |
| Telephone Number | |
| Email address | |
| Brief Description of services provided | |

| Reference 3 | |
|--|--|
| Company Name and Address | |
| Contact Name | |
| Telephone Number | |
| Email address | |
| Brief Description of services provided | |

- 1.1** The City reserves the right to contact the references to confirm the nature and performance of the work provided by the Proponent. The City reserves the right to seek a reference from sources other than those provided by the Proponent.



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APPENDIX A

DECLARATION – LIVING WAGE EMPLOYER

CORPORATION OF THE CITY OF NEW WESTMINSTER



DECLARATION – LIVING WAGE EMPLOYER

I, _____ as a duly authorized signing officer of

Company: _____

Address: _____

_____, confirm that all employees and sub-contractors under our contract with the City as outlined below, are paid not less than the “Living Wage” as calculated by the Living Wage for Families Campaign.

I understand that this requirement extends only to those employees and sub-contractors’ employees that perform work while on City premises and property for durations in excess of one continuous hour per occasion.

I understand that the City will conduct audits if and when notification of breach of this compliance is received by the City. I understand that in the event any breach of this declaration is found to be true, the City reserves the right to cancel its contract without penalty at any time once said authentication of the breach is made.

Contract Name: _____

Authorized Signatory:

Dated:



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APPENDIX B

ADDITIONAL INFORMATION

CORPORATION OF THE CITY OF NEW WESTMINSTER

Low Carbon Fuel Standard Overview

The BC Low Carbon Fuel Standard (LCFS) is one of the Province's most successful emission reductions policies, achieving significant reductions in air pollution from the transportation sector. This policy requires fuel suppliers' products to comply with increasingly stringent carbon intensity reduction targets as outlined by the [Renewable & Low Carbon Fuel Requirements Regulation](#). Anyone who manufactures transportation fuel in BC, or imports it into the province, is considered a fuel supplier and must comply with the regulation. To meet their compliance requirements, fuel suppliers can choose to purchase low carbon fuel credits (LCFCs) through the credit market that the Regulation establishes. For more information on the BC LCFS, visit the Provincial website by clicking [here](#).

Credit Market

Low carbon fuel credits or debits represent the difference between the carbon intensity of a given transportation fuel and the current low carbon fuel requirements for that fuel class. Credits can be retained by Part 3 fuel suppliers for future compliance years or traded with other fuel suppliers. Part 3 fuel suppliers who wish to transfer validated credits to other fuel suppliers must apply for approval by submitting a Credit Transfer Proposal online in the Transportation Fuels Reporting System.

Credit market reports are published monthly and quarterly. The reports include information on the number of credit transfers, volume of credits transferred, and credit prices. The quarterly reports also include a summary of credits generated and debits incurred in each compliance year. More information on the credit market, including market reports, can be found on the Provincial website [here](#).

City of New Westminister Context

The City of New Westminister (the City) is a registered Part 3 fuel supplier and creates LCFCs through the New Westminister Electric Utility (NWEU). The NWEU is not its own entity; the City is the owner of the NWEU and all its assets. The NWEU, on behalf of the City, sells electricity to both residential and commercial customers. Therefore, through this ownership model, the City supplies electricity as low carbon transportation fuel in four (4) different applications. These applications include:

- 1) SkyTrain Propulsion
- 2) Public Electric Vehicle Charging
- 3) Municipal Fleet Electric Vehicle Charging
- 4) Residential Electric Vehicle Charging

Through the City's participation in the LCFS, the City has accumulated 62,333 validated credits. The City has additional credits pending validation from the Province, and anticipates that it will continue to create LCFCs on an annual basis.

Reporting Requirements

As a Part 3 fuel supplier, the City is required to submit its annual compliance reports and supporting documentation by March 31st for the previous calendar year. This includes documentation required for validating the creation of new credits, and for facilitating credit transfers. More details regarding the reporting of low carbon fuel credit transfers can be found in Provincial [Information Bulletin RLCF-013](#) and Provincial [Information Bulletin-003](#).

For a full list of Provincial Information Bulletins, please visit the Provincial website [here](#).