

## REQUEST FOR INFORMATION #2023-038

### Renewable Liquid Biofuel and Environmental Attributes For Addition to Campus Central Steam Plant:

University of Maine (Orono)

#### Addendum #1

This addendum is being issued to provide respondents with answers to questions provided to the Bid Administrator pursuant to the RFI.

1. When it comes to generating Renewable Identification Numbers (RINs) for renewable fuel, it is critical that the University of Maine sign an affidavit saying each load of fuel delivered will be used strictly for heating people and places of work for their staff/employees. Can you please confirm that the either UMaine will sign such an affidavit thus allowing us to generate/claim RINs or UMaine will allow the fuel to be shipped with intact RINs and they will separate their RINs and obtain compensation for such transactions?

**The University is aware of this requirement and believes that it will be able to sign an affidavit.**

2. By using this fuel for heating conditions, it will also be eligible for alternative fuel IRS tax credits totaling \$0.50 per gallon. Will UMaine require the fuel be transferred with the IRS credit intact and they claim the credit or do they prefer us separate out the tax credit?

**The University does not pay taxes and has a preference the prospective providers monetize such a credit, unless it is easily transferrable or available via a direct pay provision. For the purposes of this RFI, it is sufficient to simply recognize this incentive and specify how it factors into pricing information provided.**

3. For UMaine to claim thermal renewable energy credits (TRECs), I assume they will need to be approved through their Public Utilities Commission. Also, our fuel will need to qualify as a renewable fuel... also approved through either their PUC or Department of Environmental Protection. Is the University willing to go through the process of becoming approved to be able to produce TRECs and hiring a private consultant to account for the amount of TRECs they will claim?  
**If TREC qualification and monetization is not of interest to the RFI respondent, please indicate as such in your response. However, the University expects TRECs will likely be an important aspect of maximizing financial benefits associated with a liquid biofuel and qualification is likely to require significant coordination between UMaine and any renewable fuel provider.**

4. Please explain the term used in the RFI document - "Environmental Attributes".  
**This represents the ability to claim any and all environmental benefits from the product, including reductions in carbon emissions. The University intends to own the right to any and all such claims. Tax credits and RINs are not included in Environmental Attributes.**
5. Could the university provide some guidance as to how 'renewable' the fuel should be. What is the expected GHG percentage saving?  
**The purpose of this RFI is to better understand the landscape of available options – the University has not specified a specific percentage saving, only that it should offer an improvement over conventional fossil fuels.**
6. Regarding usage variance - will the university provide buffer storage during low usage periods or is the supplier expected to provide this?  
**The University will consider owning and providing storage and welcomes any advice or input here. If specific pricing or aspects of your response are contingent upon specific storage capacity, please indicate this in your response.**
7. Could you provide more information on the contractual structure for supply. e.g. would the university agree to a "take-or-pay" type contract.  
**The University is attempting to better understand options available for current and future renewable liquid biofuel purchases. The University has not determined a specific contractual structure – that is the type of decision it hopes this RFI will help to inform. Noting, however, that the University is interested in the ability to hedge a long-term price.**
8. Would the university agree to the supply contract being assigned to or administered by an intermediary established distribution company?  
**Yes, assuming they meet any University-required qualifications.**
9. What provisions or assurances does the university expect on the part of the supplier to ensure reliability of supply?  
**This will be determined by the ultimate contract. For the purposes of this RFI, any assurances that a respondent is able to offer should be noted.**
10. Is natural gas the back-up fuel to ensure reliability of fuel supply?  
**The University has not made final decisions, but it is likely that natural gas and #2 oil will be backup fuels.**
11. Has the university determined what guarantees of product quality/performance should be expected from the supplier.  
**This will be determined by the ultimate contract. For the purposes of this RFI, please indicate what is available under your current and expected future offerings.**
12. Does the boiler replacement program include modification of the on-campus fuel offloading, storage and supply systems?  
**Yes, this is being considered in the study – however, please indicate any specific infrastructure requirements in your response.**
13. Can we please set up a call for the purpose of clarifying a number of points on this RFI?  
**The University is not open to phone calls at this time, but would be open to following up with respondents to discuss details. If aspects of your response are uncertain because of lack of specificity, please note this in your submission to the University.**

14. The proposal calls for renewable liquid biofuel, yet the amount of contract volume is expressed in MMBTu of natural gas usage. How many gallons of heating oil (renewable liquid biofuel) are you planning on using annually?

**The volume in the RFI is listed in MMBtu of energy demand. The University expects that the btu content of fuels may differ per gallon, which will influence the number of gallons needed to meet campus energy demand.**

15. While this RFP does not include it, presumably there may be a desire to use renewable liquid biofuel for diesel powered vehicles. If that is the case, what are those annual volumes? Understanding this dynamic better may allow us to reduce costs over larger delivery volumes.

**At this time the University is only looking at options and volume associated with the central steam plant but if you are able to offer incentives associated with on/off road diesel use please explain this option in your response.**

10/28/2022