

**Evaluation of Proposals Received on  
April 22, 2024 in Response to a Request For Proposals  
For a Solar Energy Project Developer to Develop a Municipal  
Community Solar Automatic Enrollment Project and to Enter  
into a Master Performance Agreement with  
the Township of Manchester**



**Prepared for:  
The Township of Manchester**

**By:  
The Township of Manchester Proposal Evaluation Team**

**Dated:  
June 7, 2024**

Evaluation Report  
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## **1. Introduction and Executive Summary**

On March 15, 2024, the Township of Manchester (Manchester or Township) issued a Request for Proposals (RFP) for the purpose of retaining the services of a solar developer to develop a community solar project for the Township as part of the New Jersey Board of Public Utilities' (BPU) Community Solar Program. The impetus for this RFP is the Township's desire to participate in the BPU's Community Solar Program (CSEP), which would provide affordable and discounted renewable energy to low-and-moderate income residents of Manchester.

The Community Solar Program (CSEP) was established as part of New Jersey's 2018 Clean Energy Act. CSEP is a policy initiative in New Jersey which allows customers that are unable to host a solar project (due to cost, space limitations, property ownership issues, etc.) to reap the benefits of solar energy, including lower costs on their electric bill. Historically, LMI customers have been disproportionately excluded from the benefits of solar energy, effectively preventing those most in-need of financial support from saving through solar energy. Under the CSEP, these populations can now enjoy the benefits of solar energy too, as CSEP allows the solar facility to be located remotely from the resident or "subscriber", so their particular housing situation as a renter or in a multi-unit dwelling is no longer an obstacle.

The Township's LMI residents (or "subscribers") will enjoy savings on their cost of electricity as the electricity generated from the solar project is credited to each resident/subscriber's electric utility bill. With respect to the savings, it is as if the solar project was located at the resident/subscriber's home even though there is no physical connection between the project and the residence. This also means no new infrastructure is needed and the customer still receives service from JCP&L.

In order to efficiently enroll subscribers to the Program, CSEP includes provisions for municipalities to develop programs under an "auto-enrollment" process, whereby a municipality may enroll LMI customers on an "opt-out" basis. This means the subscriber is automatically enrolled in the Program while still retaining the right to remove themselves from the Program at any time and without penalty. Auto-enrollment provides a hassle-free experience for the residents, who will see their same utility bill, just now with the addition of the savings achieved through the Manchester Community Solar Program.

Under the program design established by the BPU, customer savings are determined relative to a "bill credit" established by the BPU within the JCP&L tariff. All participating customers receive the bill credit; the solar project developer is compensated for the development and operation of its project as a percentage of the bill credit. The amount

compensated to the developer will always be less than the subscriber's bill credit, so the subscriber will receive guaranteed savings. For example, if the bill credit is 15 cents per kwh and the solar developer provides 20% savings, then the customer will save 3 cents on every kwh consumed and the solar developer will realize payment of 12 cents per kwh.

The RFP issued by Manchester resulted in the submission of two proposals, one from Solar Landscape and one from HESP. The Solar Landscape proposal included eleven rooftop systems all within fifteen miles of Manchester, as required by the BPU, representing 11.35 MW of capacity. Each included significant levels of percentage savings to participating customers. HESP proposed one project of 0.71 MW, also with significant savings to participating customers.

The Evaluation Team, composed of representatives of the Township and its consultant, Gabel Associates, evaluated the proposals in accordance with the evaluation criteria included in the RFP, including a detailed analysis of financial benefits, assessment of design and approach, consideration of the Respondents' experience and capability, conformance with BPU requirements, and commercial factors (risks).

Based upon the consensus ranking performed by the Evaluation Team, Solar Landscape's response received the highest score. Importantly, Solar Landscape's proposal offers the opportunity for significant savings for participating residents. The projects recommended for award would provide discounts of 21.02% or 26.02% from residential utility costs, an estimated \$49,344 annually (and \$5,921,388 over the fifteen year term) in savings to an estimated 1,290 residents of the Township. Accordingly, this would be a significant step forward for the Township in reducing electric bills for those residents most in need while also furthering clean energy development in the State.

In consideration of the factors further detailed in this Report, the Evaluation Team recommends that the Council issue a resolution that; a) awards to Solar Landscape as the highest ranked Respondent, b) authorizes the Business Administrator to sign the MPA with Solar Landscape once finalized and, c) directs the Township staff and Gabel to work with Solar Landscape to implement a successful Community Solar program on behalf of the Township.

## **2. Overview of the RFP**

By resolution on February 12, 2024, the Township Council authorized an RFP to identify a solar developer or developers to develop a solar project at the developer's site and enter into a Master Performance Agreement (MPA) with the Township to participate in the BPU's community solar process. If a designated Project is not already a BPU approved project, the Township will file an application for the project into the BPU's application process. The RFP allows for competitive procurement to designate a solar developer to fulfil these needs in accordance with N.J.S.A. 40A:11-4.1(j), N.J.S.A. 40A:11-15(44), and a fair and open process under the New Jersey Local Unit Pay-to-Play Law, N.J.S.A.19:44A-20.4 et seq.

The Successful Respondent will own the solar project. The Township will take responsibility for establishing the subscriber group and managing the subscriber group for the life of the term of the Master Performance Agreement, with such activities to be managed by the Township's contractor, Gabel Associates. Under the provisions of the RFP the Township has no liability for shortfalls in enrollment or customer volume. The Successful Respondent is responsible for maintaining the solar project and for producing solar energy for the subscriber group.

As set forth in the RFP, the Successful Respondent and the Township will enter into a 15-year MPA under which the Township will select and aggregate LMI customers, who will purchase solar energy from the Project. The Township has chosen to pursue a Project that will serve exclusively LMI residents.

To evaluate proposals, the Township organized an evaluation team comprised of Administration personnel and supporting legal and energy professionals (collectively, "Evaluation Team") composed of Carl Block, Business Administrator, Teri Giercyk, Clerk, and personnel of Gabel Associates: Pamela Frank, Senior Vice President, Andrew Conte, Vice President, Loren Altshuler, Vice President, and Belle Gabel, Senior Associate.

Pursuant to N.J.S.A. 18A:18A-4.5(d), the Evaluation Team performed a collective evaluation and proposal ranking and drafted this consensus-based Evaluation Report for consideration by the Council in order to make an award decision. Evaluation of the proposals was based on point-ranking in a variety of categories, including financial benefits, technical design and approach, Respondent experience, and other factors as defined in the Evaluation Matrix included in the RFP, as follows:

<b>CATEGORY</b>	<b>EVALUATION FACTOR</b>	<b>WEIGHTING</b>
<b>Financial Benefits</b>	<b>Value of Benefits</b>	<b>33</b>
<b>Design &amp; Approach</b>	<b>Design Strategy &amp; Technical Approach</b>	<b>8</b>
	<b>Other Benefits</b>	<b>5</b>
<b>Respondent's Experience &amp; Capability</b>	<b>Proposal Team Experience</b>	<b>10</b>
	<b>Financial Capability</b>	<b>7</b>
<b>Commercial Factors</b>	<b>Commercial Terms</b>	<b>7</b>
<b>CSEP Requirements</b>	<b>Ability to Successfully Register for the CSEP</b>	<b>30</b>
<b>Total Proposal</b>		<b>100</b>

### 3. Responses to the RFP

On April 22, 2024, The Township received proposals from two Respondents that propose to provide demonstrable savings to participating LMI customers:

- HESP<sup>1</sup> proposed that the Manchester Community Solar Program take energy from a 0.71 MW rooftop solar facility to be located in Lakewood, New Jersey. For this project, HESP proposed to provide subscribers with a 32% discount. This project is not currently accepted into the NJBPU Community Solar Program but will be registering into the next Community Solar Registration window (the timing of the next Community Solar Registration window is at this point unknown). HESP has confirmed that with or without award from the Township it will be registering the project into the CSEP, subject to NJBPU review and approval.
- Solar Landscape proposed that the Manchester Community Solar Program take energy from a selection of 11 rooftop solar facilities with a total capacity of 11.35 MW. All proposed projects are already awarded into the CSEP. The discount offered to the subscriber varies among these 11 proposed projects with 6,787 kw of project capacity at a 26.02% discount and 4,558 kw at a 21.02% discount. The specifics of the proposed project are in the following table:

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<sup>1</sup> On April 22, 2024, the proposal provided by HESP was delivered to the Township in a timely manner consistent with the requirements of the RFP, so it is accepted for review, but the proposal was not discovered until after the proposal opening concluded.

<b>Address</b>	<b>City</b>	<b>DC Size KW</b>	<b>Discount %</b>
<b>1070 Route 9</b>	Howell	892.7	21.02
<b>1338-1342 Hooper Ave</b>	Toms River	1137.4	21.02
<b>2350 Route 34</b>	Manasquan	836.2	21.02
<b>3464 US-9</b>	Freehold	768.9	21.02
<b>925 Route 70</b>	Bricktown	925.5	21.02
<b>1005 Route 70</b>	Bricktown	468.6	26.02
<b>163 County Line Rd</b>	Jackson	428.4	26.02
<b>1930 Route 88</b>	Brick	2290.2	26.02
<b>935 Burnt Tavern Blvd</b>	Bricktown	1792.3	26.02
<b>939 Atlantic City Blvd</b>	Bayville	938.2	26.02
<b>96 Brick Blvd</b>	Brick	871.7	26.02

#### **4. Evaluation: Mandatory Elements**

As provided for in the Request For Proposals For a Solar Energy Project Developer to Develop a Municipal Community Solar Project with the Township of Manchester, dated March 15, 2024, Proposers are required to submit the following documents:

- Appendix B-1: Proposal Option 1 – Quotation Form
- Appendix B-2: Respondent Information/Cover Letter
- Appendix B-3: Agreement for Proposal Security in Lieu of Proposal Bond OR Appendix B-4: Proposal Bond
- Appendix B-5: Ownership Disclosure Statement
- Appendix B-6: Non-Collusion Affidavit
- Appendix B-7: Consent to Investigation
- Appendix B-8: Statement of Respondent’s Qualifications
- Appendix B-9: Acknowledgement of Receipt of Addenda
- Appendix B-10: Affirmative Action Compliance/Mandatory EEO Language
- Appendix B-11: Disclosure of Activities in Iran or Belarus/Russia
- Appendix B-12: Proposal Checklist
- Appendix B-13: Political Contribution C. 271
- Total Amount of Uncompleted Contracts Form DPMC701
- Business Registration Certificate

Both proposers, Solar Landscape and HESP, satisfied the Mandatory Elements of the RFP.

## 5. Evaluation: Financial Benefits

The evaluation of the Financial Benefits carries a weighting of seven (33) points in the evaluation.

Financial Benefits were evaluated based on a review of the “Value of Benefits”; specifically, estimated savings to Manchester’s participating residents. Under BPU rules, participating customers receive a “Bill Credit” set by the BPU on their monthly electric bill. Applying the discount proposed by a Respondent to the Bill Credit determines the level of savings that customers will receive through participating in the Program. These estimated savings, as described below, form the basis for determining the number of points to be awarded to each proposal for this evaluation category.

To calculate the estimated savings for the Community Solar subscribers, Gabel Associates prepared an analysis of the Community Solar Bill Credit based on individually metered residential customers. Most Manchester residents are on JCP&L’s residential “RS” rate tariff, which has a Bill Credit level as set by the BPU. To determine savings, the solar price to be charged is to be set as a fixed percentage as compared with the Bill Credit for each customer. For example, if a developer were to propose a savings percentage of 20%, then Community Solar subscribers would pay the developer 80% of the monthly credit received on their JCP&L utility bill; with the remaining 20% maintained by customers as savings.

There are 12 projects proposed, for a total of 12,061 KW. Based on average customer usage, it is estimated that approximately 1,373 residential customers can be served by the Program, if all proposed projects be selected for award. The precise number of customers will be further defined during program implementation when there is information on actual usage of participating customers. Savings analysis was performed for each proposed project based on the average annual usage per resident.

The following Economic Analysis Summary Table provide the results of this estimated customer savings analysis:

### **HESP**

Project Address	System Size (kW)	Average No. of Residential Participants YR 1	Average Annual Per Customer Savings	Estimated 15 Yr. Savings Per Participant	Annual Savings (%)	Average Annual Project Savings	Total of 15 Years of Annual Savings	15 Year NPV Project Benefits at 7%	Scoring at 75% NPV Benefits, 25% Ann. Svgs Percent
770 Vassar Ave, Lakewood, NJ	711	81	\$ 407	\$ 6,104	32.0%	\$ 32,922	\$ 493,836	\$ 301,723	
<b>Total HESP</b>	<b>711</b>	<b>81</b>	<b>\$ 407</b>	<b>\$ 6,104</b>	<b>32.0%</b>	<b>\$ 32,922</b>	<b>\$ 493,836</b>	<b>\$ 301,723</b>	<b>10</b>

## Solar Landscape

Project Address	System Size (kW)	Average No. of Residential Participants YR 1	Average Annual Per Customer Savings	Estimated 15 Yr. Savings Per Participant	Annual Savings (%)	Average Annual Project Savings	Total of 15 Years of Annual Savings	15 Year NPV Project Benefits at 7%	Scoring at 75% NPV Benefits, 25% Ann. Svgs Percent
193 Route 88 Brick	2,290	277	\$ 331	\$ 4,963	26.0%	\$ 91,544	\$ 1,373,162	\$ 838,972	
935 Burnt Tavern Road Bricktown	1,792	202	\$ 331	\$ 4,963	26.0%	\$ 66,816	\$ 1,002,237	\$ 612,345	
939 Atlantic City Boulevard, Bayville	938	105	\$ 331	\$ 4,963	26.0%	\$ 34,723	\$ 520,844	\$ 318,224	
96 Brick Blvd Brick	872	99	\$ 331	\$ 4,963	26.0%	\$ 32,699	\$ 490,492	\$ 299,680	
1005 Route 70 Bricktown	469	51	\$ 331	\$ 4,963	26.0%	\$ 16,886	\$ 253,289	\$ 154,754	
163 County Line Road Jackson	428	46	\$ 331	\$ 4,963	26.0%	\$ 15,076	\$ 226,145	\$ 138,170	
1338 Hooper Ave Toms River	1,137	133	\$ 267	\$ 4,009	21.0%	\$ 35,419	\$ 531,278	\$ 324,599	
925 Route 70 Bricktown	925	100	\$ 267	\$ 4,009	21.0%	\$ 26,686	\$ 400,286	\$ 244,566	
2350 Route 34 Manasquan	836	99	\$ 267	\$ 4,009	21.0%	\$ 26,544	\$ 398,161	\$ 243,267	
1070 Route 9, Howell	893	97	\$ 267	\$ 4,009	21.0%	\$ 25,906	\$ 388,597	\$ 237,424	
3464 US Route 9 Freehold	769	84	\$ 267	\$ 4,009	21.0%	\$ 22,460	\$ 336,895	\$ 205,835	
<b>Total Solar Landscape</b>	<b>11,350</b>	<b>1,292</b>	<b>\$ 309</b>	<b>\$ 4,632</b>	<b>24.3%</b>	<b>\$ 49,344</b>	<b>\$ 5,921,388</b>	<b>\$ 3,617,837</b>	<b>31</b>

The Evaluation Criteria contains thirty-three points for Value of Benefits. The proposal with the highest NPV project benefits and subscriber Annual Savings % is awarded the full 33 points for Value of Benefits, and the remaining projects are awarded points in proportion to their savings NPV and relative to the proposal with the largest level of financial benefits. The scoring of financial benefits considered both the total estimated benefits to all participating customers for each proposal and the percentage savings to each customer.

Based on the evaluation of Financial Benefits the HESP received a score of 10 points and Solar Landscape received a score of 31 points in this category.

## 6. Evaluation: Design and Approach

The evaluation of the Design and Approach section carries a total weighting of thirteen (13) points in the evaluation. There are two subsections to this section:

- Design Strategy and Technical Approach (8 points)
- Other Benefits (5 points)

Each of these areas will be discussed and reviewed with a score to each Respondent's Proposal.

### **a. Design Strategy and Technical Approach**

The evaluation of the Design Strategy and Technical Approach carries a weighting of eight (8) points in the evaluation. The RFP required the solar system proposed not to exceed 5MW and be sited on a BPU-approved location (roof top, canopy, etc.) in compliance with BPU requirements. Each Respondent was evaluated on system size, system production, major system components, construction schedule, status of permitting, construction contractor, and operations and maintenance contractor.

#### ***HESP***

HESP proposed that the Manchester Community Solar Program take energy from a 0.71 MW rooftop solar facility to be located on a warehouse in Lakewood, New Jersey. The address of the roof mounted solar array is 770 Vassar Ave., Lakewood, NJ 08701.

HESP's proposed project is within 15 miles of the Township of Manchester as required by the BPU. The system size is 711.2 kW DC and would produce an estimated 850 MWh of electricity in year one.

The project proposed by HESP does not currently have confirmation that the roof can structurally support the addition of solar. The proposal indicates that the structural evaluation is ongoing.

At this point HESP has not received Conditional Approval from JCP&L for interconnection, however, HESP has reviewed JCP&L's solar hosting capacity map and there appears to be sufficient capacity on the circuit to host this project.

Furthermore, this project is not currently accepted into the NJBPU Community Solar Program. HESP plans on registering into the next Community Solar Registration window however the timing of the next Community Solar Registration window is at this point unknown. HESP has confirmed that with or without award from the Township it will be registering the project into the CSEP, subject to NJBPU review and approval.

Regarding the schedule for HESP's project, HESP estimates that project entitlement, including community solar acceptance, interconnection approval, and local building and electrical permits to take between three and six months. HESP expects construction to be completed within two months afterwards.

However, there is a risk that HESP will not be able to complete this project within an acceptable timeframe because the project does not have its approvals necessary for

construction and operation as a community solar project. Specifically, this project does not have a JCP&L interconnection approval and has not been acceptance into the BPU Community Solar Program. The next CSEP round has not been announced.

Accordingly, for the “Design Strategy and Technical Approach” criteria, HESP has earned 4 out of 8 points.

### ***Solar Landscape***

Solar Landscape proposed that the Manchester Community Solar Program take energy from a selection of 11 rooftop solar facilities with a total capacity of 11.35 MW. All 11 locations are within JCP&L territory and within 15 miles of the border of Manchester, as required by BPU.

The discount offered to the subscriber varies among these 11 proposed projects: 6,787 kw at a 26.02% discount and 4,558 kw at a 21.02% discount.

Regarding the schedule for Solar Landscape’s projects, the proposed projects are all estimated to be complete and with Permission to Operate in October or November of 2024.

All 11 locations have been accepted by the NJBPU into the CSEP, which eliminates the need to apply, the risk of rejection, and the time it will take to apply into the CSEP. The permit applications for these locations are currently being processed. The Interconnection Application for 1070 Route 9, Howell, 3464 US-9, Freehold, and 925 Route 70, Bricktown is pending approval and is still in the Engineering Study phase. The anticipated Project Completion date for these two projects could also be delayed due to interconnection issues. The remaining 9 projects have obtained Conditional Approval for their Interconnection Applications.

Furthermore, seven of the eleven projects have not completed a full structural review, which is on-going. Resolution of these reviews could lead to project delays or cancellation of individual projects, a risk that should be recognized. However, even if a number of projects are delayed or canceled, the remaining projects will provide significant benefits.

Typically, solar development and construction takes approximately 10-12 months to complete, depending on the system size. Therefore, given the progress already made, the anticipated project completion deadline (October or November 2024) provided by Solar Landscape appears reasonable but still carries the risk of delays from un-anticipated interconnection requirements or typical construction delays.

Based upon the above, Solar Landscape received a score of 7 points in this category.

## **b. Other Benefits**

The evaluation of the “Other Benefits” of the Proposals carries a five (5) point weighting.

### ***HESP***

HESP’s Proposal included an offer for HESP to buy 5 Level 2 electric vehicle (EV) chargers for select locations in the Township of Manchester as another benefit to their Proposal. The addition of 5 EV chargers will benefit Manchester as public charging can improve the local air quality, provide convenient power to EV owners in the Township, and inspire others to adopt EVs.

It is important to distinguish that HESP will provide the chargers, but the Township will still have to make the necessary infrastructure updates to serve the chargers, and infrastructure updates can be costly and time consuming.

The Evaluation Team awarded HESP with 2 points out of the 5 possible points for the Other Benefits portion of the evaluation.

### ***Solar Landscape***

Solar Landscape did not provide “Other Benefits” as part of their Proposal. The Evaluation Team awarded Solar Landscape with 0 points out of the 5 possible points for the Other Benefits portion of the evaluation.

## **7. Evaluation: Respondent’s Experience and Capability**

The evaluation of the Respondent’s Experience & Capability section carries a total weighting of seventeen points (17) in the evaluation. There are two subcategories to this category:

- Proposal Team Experience (10 points)
- Financial Capability (7 points)

### **a. Proposal Team Experience**

The evaluation of the Proposal Team Experience carries a weighting of ten (10) points in the evaluation.

## ***HESP***

HESP Solar is a limited liability solar project development company with over a decade of experience financing, developing, and operating solar projects in the Northeast United States. It has experience in all phases of project development including development and finance; design and permitting; interconnection and incentive approvals; and construction, operation, and maintenance.

In the past twelve years, HESP Solar has successfully developed more than 450 projects totaling over 160 MW of solar power capacity. HESP currently has 42 MW of solar projects in various stages of development and construction in New York, New Jersey, Connecticut, Massachusetts, Maryland and Washington, DC. HESP has installed over 10 MW of community solar projects at over 100 sites in New Jersey and the District of Columbia, including the recent completion of a 2.0 MW project in the Township of Pittsgrove, New Jersey. It has an additional 8.2 MW of community solar capacity in various stages of development and construction.

The Evaluation Team awarded HESP 8 out of 10 points in this category.

## ***Solar Landscape***

Solar Landscape has experience in all phases of project development including development and finance; design and permitting; interconnection and incentive approvals; and construction, operation, and maintenance. To date, Solar Landscape has deployed more than 400 megawatts of solar projects on 70 million square feet of commercial rooftops. The company has built more than 200 commercial solar projects and has the largest community solar portfolio in the US, including a 60-70% market share of New Jersey's Community Solar Energy Program.

The Evaluation Team awarded Solar Landscape 9 out of 10 points in this category.

### **b. Financial Capability**

The evaluation of the Financial Capability carries a weighting of seven (7) points in the evaluation.

## ***HESP***

HESP Solar has financial partners to provide construction debt and permanent financial solutions for its projects. HESP Solar also has its own balance sheet capital to invest in

this and other solar projects. In the past 12 years, it has financed and completed \$300,000,000 in solar projects and has never failed to secure financing for any project. HESP intends to stay on as owner and operator of the system for the life of the contract. HESP has successfully financed solar projects using debt and tax equity structures with various large financing counterparties and has engaged with several parties interested in financing this project.

A review of the financial statements provided by HESP disclosed no material financial issues of concern. The company uses accepted approaches to project financing which present no material concerns and provides a solid basis for financing.

The Evaluation Team awarded HESP Solar 5 out of 7 points in this category.

### ***Solar Landscape***

Solar Landscape has raised over \$1 billion in capital investment. It has a group of three financial institutions as regular sources of capital. Solar Landscape has successfully financed solar projects using debt and tax equity structures with various counterparties.

A review of the financial statements provided by Solar Landscape disclosed no material financial issues of concern. The company uses accepted approaches to project financing which present no material concerns and provides a solid basis for financing.

The Evaluation Team awarded HESP Solar 6 out of 7 points in this category.

## **8. Evaluation: Commercial Factors**

The Commercial terms of the proposals carry a weighting of seven points in the evaluation. This criterion is included to evaluate exceptions or out-of-the-norm conditions that a Respondent includes in its Proposal that materially impact the commercial relationship between the Proposer and the Township.

### ***HESP***

HESP included the following comment on the Master Performance Agreement:

“HESP welcomes the opportunity to participate in this innovative program but has some reservations about the risk allocation reflected in the draft Master Performance Agreement. As HESP understands the proposed structure, HESP

would not be responsible for acquisition or management of subscribers, but would take the payment risk of those subscribers, and would be providing an output guarantee to those same subscribers. HESP is certainly comfortable providing reasonable output guarantees, but is not yet comfortable that subscription revenues would be reliable, nor does it understand what recourse it would have if they are not.”

At the Respondent Interview, HESP’s issue of concern was addressed. The Evaluation Committee explained that subscription revenues would be reliable based on consolidated billing to be implemented in January 2025 and the Township’s approach to identifying and securing subscribers. HESP is satisfied with this answer and agrees to disregard the above comments.

The Evaluation Team awarded HESP Solar 6 out of 7 points in this category.

### **Solar Landscape**

On its Quotation Form of the RFP, Solar Landscape included several qualifying comments:

*i) Solar Provider reserves the right to allocate output from all of the proposed solar projects included in Attachment 1 of this Quotation Form to subscribers before the Local Unit's Program begins. After the Local Unit's Program begins, Solar Provider reserves the right to allocate up to 20% of output of all of the proposed solar projects in Attachment 1 of the Quotation Form to subscribers.*

*ii) Solar Provider reserves the right to adjust the System Sizes (kW) included in Attachment 1 of this Quotation Form pending confirmation from the Local Unit on the number of eligible low and moderate income individually metered residential accounts eligible to enroll in the program.*

*iii) In Articles 2.7 and 2.8a of the proposed Form of Master Performance Agreement, Solar Provider clarifies that Participating Accounts subject to a commercial rate tariff are eligible to enroll in the Program, but at a lower priority than low and moderate income residential accounts and all other residential accounts.*

*iv) In Article 2.8c, of the proposed Form of Master Performance Agreement, Solar Provider clarifies that Participating Accounts that are master metered affordable housing providers are eligible to enroll in the Program, but at a lower priority than low and moderate income residential accounts and all other residential accounts.*

On points (i) and (ii), Solar Landscape has concerns about the timing of consolidated billing. If consolidated billing, expected to commence by January 1, 2025, is delayed, so

is the automatic-enrollment provision. In the case of this delay, Solar Landscape wishes to maintain an avenue to sell the electricity generated to subscribers outside of the Manchester Community Solar Program.

In the Respondent Interview Solar Landscape said it is amenable to creating a “protocol” for the Township to report the number and expected usage of the LMI residents it will be serving by a set date to ensure Solar Landscape will not be left with more generation than off takers once the system goes on-line.

Solar Landscape requested MPA amendments (iii) and (iv), because it does not want to serve commercial load. This is because under BPU rules commercial customers receive a lower bill credit than individually metered residential customers, which would mean less revenue for Solar Landscape (and reduced total savings to customers). The Township intends to serve individually metered residential LMI customers since this provides the greatest level of savings. This priority was indicated by the Township during the RFP process, so the latter two exceptions are not a material concern.

The Evaluation Team awarded Solar Landscape 6 out of 7 points in this category.

## **9. Evaluation: CSEP Requirements**

The ability to fulfill CSEP Requirements carries a weighting of 30 points in the Evaluation.

Proposals are evaluated on their ability to fulfil CSEP requirements based on:

- Adherence to CSEP Rules, Regulations, and Board Orders. Among others, this includes BPU provisions around project size (maximum of 5 MW DC); project location (within 15 miles of the Township and within the JCP&L territory); and project siting (not allowed on open green space).
- Project status: The status of the development of the project indicates the project’s ability to fulfill CSEP Requirements. The project may be approved by BPU and operational; approved by BPU and in pre-construction; or the project may not yet be approved by BPU. Projects which have already attained BPU approval have at least met the minimum requirement to register to the CSEP.
- Completion of Section C of Appendix B-1: This form repeats the information required by BPU for Application into the CSEP. If the Respondent has already registered into CSEP, they will have this information. If the project is not registered

into the CSEP, they need to prove they will be able to provide the information for successful registration into a future CSEP round.

### ***HESP***

HESP proposed a 0.71 MW system on a rooftop in Lakewood without BPU approval. The HESP proposal does adhere to the rules and regulations of the CSEP, since the project is located on a rooftop, within JCP&L territory, within 15 miles of the Township, and below 5 MW.

This project is not currently accepted into the NJBPU Community Solar Program but will be registering into the next Community Solar Registration window (the timing of the next Community Solar Registration window is at this point unknown).

However, at this time, HESP's project has not yet received preliminary Interconnection Approval. According to the rules of the CSEP application the project is required to obtain preliminary Interconnection Approval before applying to the Program.

There is also uncertainty around HESP's proposed project being accepted into the CSEP. If the JCP&L capacity block is oversubscribed the BPU registration process turns to competitive "tie-breaker" process where projects will be ranked in the order of the project's proposed discount on the bill credit, starting with the highest discount, until the capacity is filled. If the tie breaking process is initiated and the discounts offered by HESP aren't competitive their project has the risk of not being accepted into the CSEP.

Furthermore, in Section C of Appendix B-1 provided by HESP in its proposal, the Proposer is unable to answer fully because "The structural review process for this project is ongoing."

The Evaluation Team awarded HESP Solar 2 out of 30 points in this category.

### ***Solar Landscape***

The Solar Landscape's proposed projects adhere to the rules and regulations of the CSEP (since each project is located on a rooftop, within JCP&L territory, within 15 miles of the Township, and below 5 MW) and, most importantly, have already been accepted by the BPU. Since all projects already have BPU approval, Manchester would not need to apply into the CSEP. The fact that these projects do not need to apply to the CSEP eliminates the risk of rejection and the time it would take to enter into the BPU's CSEP application process.

The Evaluation Team awarded Solar Landscape 30 out of 30 points in this category.

## **10. Recommendation**

Based on the scoring of the Evaluation Criteria included in the criteria provided in the RFP, Solar Landscape earned a score of 89 points and HESP earned a score of 37 points. This scoring is detailed in the matrix included in Section 12.

The project proposed by HESP Solar was found by the Evaluation Team to not be mature enough for the Township to make a commitment at this time, but HESP is encouraged to re-propose to any future solicitations for these services. Accordingly, HESP Solar is not recommended for award.

Based upon the consensus ranking performed by the Evaluation Team, Solar Landscape's response received the highest score. Importantly, Solar Landscape's proposal offers the opportunity for significant savings for participating residents. The projects recommended for award would provide discounts of 21.02% or 26.02% from residential utility costs, an estimated \$49,344 annually (and \$5,921,388 over the fifteen year term) in savings to an estimated 1,290 residents of the Township. Accordingly, this would be a significant step forward for the Township in reducing electric bills for those residents most in need while also furthering clean energy development in the State.

In consideration of the factors further detailed in this Report, the Evaluation Team recommends that the Council issue a resolution that:

- a) awards to Solar Landscape as the highest ranked Respondent,
- b) authorizes the Business Administrator to sign the MPA with Solar Landscape once finalized and,
- c) directs the Township staff and Gabel to work with Solar Landscape to implement a successful Community Solar program on behalf of the Township.

## 11. Solar Proposal Summary Table

	<b>HESP</b>	<b>SOLAR LANDSCAPE</b>
<b>Systems</b>	One project on rooftop in Lakewood	Proposing 11 projects
<b>BPU Approval</b>	No	All BPU approved
<b>Geography</b>	Within 15-mile limit	Within 15-mile limit
<b>MW</b>	0.71 MW	11.35 MW
<b>Discount</b>	32% discount	21.02% - 26.02% discount

## 12. Proposal Ranking Evaluation

<b>CATEGORY</b>	<b>EVALUATION FACTOR</b>	<b>WEIGHTING</b>	<b>SOLAR LANDSCAPE SCORE</b>	<b>HESP SCORE</b>
<b>Financial Benefits</b>	<b>Value of Benefits</b>	<b>33</b>	<b>31</b>	<b>10</b>
<b>Design &amp; Approach</b>	<b>Design Strategy &amp; Technical Approach</b>	<b>8</b>	<b>7</b>	<b>4</b>
	<b>Other Benefits</b>	<b>5</b>	<b>0</b>	<b>2</b>
<b>Respondent's Experience &amp; Capability</b>	<b>Proposal Team Experience</b>	<b>10</b>	<b>9</b>	<b>8</b>
	<b>Financial Capability</b>	<b>7</b>	<b>6</b>	<b>5</b>
<b>Commercial Factors</b>	<b>Commercial Terms</b>	<b>7</b>	<b>6</b>	<b>6</b>
<b>CSEP Requirements</b>	<b>Ability to Successfully Register for the CSEP</b>	<b>30</b>	<b>30</b>	<b>2</b>
<b>Total Proposal</b>		<b>100</b>	<b>89</b>	<b>37</b>