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Marine Renewables Canada
Request for Proposals:
Opportunities for Atlantic Canada Industrial Supply
Chain in US Northeast Offshore Wind
Developments

RFP Release Date: April 23, 2019

Proposal Due Date: May 10, 2019

Contract Manager

Amanda White, Operations Director

Marine Renewables Canada

P.O. Box 34066, Halifax, NS, B3J 3S1

Phone: (902) 717-0716

Amanda@marinerenewables.ca



Context

After nearly two decades of development in Europe, the offshore wind industry is poised to sweep into American waters. In February 2019 several European energy giants, including Royal Dutch Shell, EDF, Equinor and Orsted, bid to build New York's first offshore wind project, with a decision due this spring. Other plans are moving forward, from Virginia to New Hampshire. Other ambitious projects have been announced for US states bordering the Great Lakes and there is acceleration of interest in offshore wind developments for the Pacific Coast off California. In total, states have sanctioned nearly 17,000 megawatts of offshore wind power. This increase is almost as large as Europe's entire offshore wind market. The US is a greenfield site for wind developers, with local companies present, but most lacking experience in the field. Ports may be inadequate to handle all the work. For global energy firms these are big risks, but they could be more than offset by the potential rewards.

Canada does not have an offshore wind project in place. However, many of the required skills, goods and services requirements for the US and, ultimately, Canadian developments can be found in this country's ocean tech, marine and offshore oil and gas supply chain sectors.

Other factors threaten to push up costs of offshore wind in the US. The region has no big turbine manufacturers, so firms must pay to transport parts from Europe. The *Jones Act* prevents the US from using European ships that are specially designed to install turbines. No such US ship yet exists. There are insufficient ports to handle the heavy components needed for turbines and the *Jones Act* inadvertently may provide a commercial opportunity for Canadian ports to act as transport hubs.

Marine Renewables Canada (MRC) is the national industry association representing the offshore wind sector. In conjunction with the ocean tech sector and the governments of Canada and Nova Scotia, MRC hosted a day long symposium in February 2019 to explore opportunities and the interest of the supply chain in Canada in exploiting niche opportunities in US offshore wind projects. The session attracted 80 separate firms from across the offshore and ocean tech spectrums. There is obvious interest and expertise in Canada that could be applied to offshore wind – next steps are needed to ensure Canada explores and secures this opportunity.

Overview and Objective

In conjunction with the Atlantic Canada Opportunities Agency (ACOA), and the Nova Scotia Department of Energy and Mines, MRC intends to engage a consultancy to conduct a study, ascertaining the realistic commercial opportunities for Canadian firms in the US offshore wind development market and align those with the capacity and competitive capabilities of the Atlantic Canadian service and supply chain. The study will provide specific actionable advice that can improve the chances of commercial success by Atlantic Canada industrial supply chain participants to capture contracts on commercial terms in support of the development of the US Northeast Offshore Wind sector.



The study will entail applying a competitiveness assessment matrix framework developed during a previous MRC Consultancy project from 2018 (made available to the successful bidder) to a priority list of supply chain categories that have a critical mass locally. This will result in an in-depth understanding of the competitive advantages and binding constraints at a category level. For the work to have value, the consultant needs to identify and provide evidence in support for conclusions on which sectors have realistic opportunities and which should not participate in such bidding due to either internal deficiencies or an overabundance of US-based firms with the required capabilities.

Scope

This work will:

1. Determine and describe the genuine prospects for Canadian-based supply chain firms with demonstrated commercial advantages and proven experience in offshore related construction and steady state operations to capture contracts, primarily on US Eastern seaboard offshore wind developments.
2. Demonstrate how and why any such identified Canadian firms or sectors would have commercial success.
3. Identify the economic opportunities and needed capabilities as well as provide insight into regulatory and non-regulatory barriers such companies / and / or sectors of the Canadian supply chain would need to be aware of in seeking contract captures and provide insight into the needed pathway to align or overcome such encumbrances. This would need to include practical advice on licensing, movement of goods and / or workers, labour law, US protectionist legislation, trade agreements, health and safety requirements, etc.
4. Examine and justify conclusions on the role of Canadian ports in such US offshore wind developments with respect to costs, US legislation, etc.

The successful respondent will be a recognized expert company or consortium with experience in the economics and project management of offshore wind construction and the cascading supply chain below Tier Ones. The work must identify key challenges and hurdles and provide a reasonable framework for long-term public-sector investment, with timelines and measurable results.

Deliverables and Timing

Week 1 (May 20-24): Project initiation WebEx: slide deck outlining the project plan and timelines.

Week 7 (July 8-12): Presentation of Results.

Week 8 (July 15-19): Draft Report.

Week 10 (July 19-August 2): Final Report incorporating comments to Draft Report.



The project is expected to begin by May 20, 2019 and must be completed by August 2, 2019.

Proposal Requirements

1. The proposal should be concisely worded with clearly described objectives, methods, timelines and outcomes. The budget must include a cost-task breakdown showing staff utilization by person and task, along with hourly or daily rates.
2. The proposal should include a brief description of the Respondent's company and its relevant experience with similar projects. The Respondent must also describe the relevant work experience of the staff assigned to this project and their roles on the project. Please refrain from including excessive corporate or biographical information, including CVs.
3. Familiarity with the Nova Scotia and Canadian marine renewables industry, along with knowledge offshore wind development sequences is required.
4. This funding is open to non-Canadian entities as well as project teams consisting of Canadian and non-Canadian partners. Funding cannot be used for travel costs.

Budgetary Guidelines & Payment Schedule

The total project cost should not exceed \$40,000 CAD (before tax).

Payment will be made upon the proponent submitting invoices with supporting documentation in a form satisfactory to Marine Renewables Canada.

Payment schedule is as follows:

- 25% upon signing of contract
- 50% upon submission of draft study
- 25% holdback paid upon satisfactory completion of the project

Application

The contracting organization for this RFP is Marine renewables Canada. A single electronic document is sufficient. Please include:

- One (1) Cover Letter** –signed by an officer or equivalent with signing authority to bind the Respondent to the statements made in the proposal.
- One (1) Proposal**– As described above.

The electronic copy in WORD and/or PDF format to be sent to Amanda White, Operations Director at Marine Renewables Canada via email at amanda@marinerenewables.ca **no later than Friday, May 10, 2019, 11:59pm ADT.**

Questions and Clarifications

Marine Renewables Canada will accept questions from interested applicants. All questions should be directed to Amanda White, Operations Director at Marine Renewables Canada via email at amanda@marinerenewables.ca or phone at (902) 717-0716

Evaluation

Proposals will be quantitatively evaluated against a set of criteria by the Project Management Committee (PMC). A weighting table is provided below. Applicants are expected to demonstrate fair value for money but please note that the lowest cost proposal will not necessarily be selected.

Criteria	Value	Score
Significant knowledge of the Atlantic Canadian and Canadian marine renewable energy sector and its strengths and capabilities; Note 1: Significant knowledge is defined by breadth and depth of knowledge Note 2: Must score at least 10/15	15	
Knowledge and understanding of the supply chain involved in an offshore wind development project	10	
Knowledge of the developing US offshore wind industry	10	
Network of contacts within the marine renewable energy sector throughout Canada and the US (globally is also an asset);	15	
Demonstrated ability to successfully complete similar projects	10	
Quality of Proposal		
Demonstrated understanding of the Project, its objectives and metrics for evaluation	10	
Completeness and suitability of approach	10	
Recognition of conflicts of interest and any problems, and creativity of solutions offered	5	
Identification of in-market partners or collaborators (if/where deemed necessary)	5	
Layout, organization and readability of proposal	5	
Cost ** (in Canadian Dollars)	5	
TOTAL	100	