



# MINISTRY OF ENERGY, MINES AND LOW CARBON INNOVATION

Request for Proposals

## LOW CARBON FUEL STANDARD CREDIT PRICE FORECAST

<b>Opportunity ID:</b>	204722
<b>Issue Date:</b>	September 19, 2024
<b>Closing Date and Time (Pacific Time):</b>	October 17, 2024 at 17:00 PST

### Delivery of Submissions

**Submissions must be submitted using one of the following delivery methods:**

**BC Bid Electronic Submission:** Submit an electronic Submission using BC Bid. Submissions must be in accordance with the requirements set out in the process rules of the subject RFP. Only pre-authorized electronic bidders registered on the BC Bid system can make an electronic submission using the BC Bid system.

**Or**

**Email Submission:** Submit a Submission by email. Submissions by email must be submitted to the email address specified below in accordance with the email submission instructions set out in the process rules for the subject

19 January 2024

RfX. Include the opportunity description and ID in the subject line of the email.

#### Official Contact

Samuel Leroux, Economist  
Samuel.leroux@gov.bc.ca

Enquiries related to this RFP may only be directed in writing to the Official Contact using the "enquiries" interface, if available, or the email address identified on the "opportunity details" tab. Information obtained from any other source is not official and should not be relied upon. Other information and rules regarding enquiries are set out in the "process rules" tab or within the attached RfX documents.

**Enquiries Deadline:** Refer to the "overview" tab within BC Bid. Suppliers should send questions to the Official Contact before this time. Questions received after the deadline may not be answered.

#### Supplier Meeting

A supplier meeting will not be held.

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## 1. Summary of the Opportunity

The project will require that the Proponent develop a model to forecast the Low Carbon Fuel Standard (LCFS) credit price through to 2030 and beyond (to at least 2040). The model will employ an advanced statistical forecasting methodology such as regression analysis or machine learning, and have the ability to conduct scenario analysis so that key assumptions can be varied, tested, and compared. The model will be able to identify the key factors that most significantly affect the credit price.

The successful Proponent will work with Low Carbon Fuels Branch (LCFB) staff to develop the model and provide oversight on key assumptions in the model design.

Key evaluation metrics for the project include:

- The data used to inform the model.
- The forecasting method employed: the Proponent must clearly describe the forecasting methodology and justify its validity.
- Explains how scenario analysis will be implemented in the model, including uncertainty analysis on key parameters.
- Provides estimations on the accuracy of the approach.
- Provides a variable significance ranking that explains which variables are most influential in determining the credit price forecast.
- Demonstrates a comprehensive understanding of the B.C. fuel market, the LCFS, and the broader fuel industry.

The model should be designed to be responsive to changes in underlying data to ensure that results are updated when independent variables are changed. Results should be presented using one or more formats: excel, online model, R script, PPT and/or others.

Further details as to the scope of this opportunity and the requirements can be found within this RFP.

## 2. RFP Process Rules

### 2.1 Definitions

Throughout this RFP, the following definitions apply (and the singular is interchangeable with the plural). Some definitions contain cross references to other defined terms of like meaning that may be found in BC Bid.

**“Addenda”** means all additional information regarding this RFP including Amendments to the RFP. The “Addenda” menu tab is located on the left margin of the specific opportunity in the BC Bid application. Suppliers may need to select and set the symbol denoted as “>>” to reveal the menu tab items.

**“Amendment”** means a change to the RFP that results in posting an updated version of the RFP requiring Proponents to submit a new Proposal to the RFP as amended. Amendments will be noted in the amendment reason section of the “Overview” menu tab located on the left margin of the specific opportunity in the BC Bid application. Suppliers may need to select and set the symbol denoted as “>>” to reveal the menu tab items.

**“BC Bid”** means BC Bid located at <https://www.bcbid.gov.bc.ca>.

**“Business BCeID”** means a password ID that is required if a Proponent intends to prepare and submit Proposals electronically using BC Bid. See <https://www.bceid.ca/> for more information.

**“Closing Date and Time”** means the closing time and date for this RFP as set out in the “RFx general information” section of the “overview” menu tab; and as initially set out on the cover page to the RFP.

**“Closing Location”** means, as applicable, the hard copy delivery location; email address; or BC Bid for the submission of Proposals as indicated in the “delivery of submissions” section of the “overview” menu tab; and as initially set out on the cover page to the RFP.

**“Contract”** means a written agreement executed by the Province and the Contractor as a result of this RFP.

**“Contractor”** means the successful Proponent to the RFP who enters into a Contract with the Province.

**“Enquiries Deadline”** means the preferred cut-off date for supplier questions set out on the “overview” tab within BC Bid. Supplier questions received after this date, if applicable, may not be answered.

**“Government Electronic Mail System”** means the electronic mail system of the Province.

**“Issue Date”** means the date the RFP was posted to BC Bid as set out in the “RFx general information” section of the “overview” menu tab; and as initially set out on the cover page to the RFP.

**“Ministry”** means the Ministry of Energy, Mines and Low Carbon Innovation issuing this RFP and includes the Province.

**“must”, or “mandatory”** means a requirement that must be met in order for a Proposal to receive consideration.

**“Official Contact”** means the individual named on the “opportunity details” menu tab for the RFP serving as the official RFP contact person for the Province; and as initially set forth on the cover page of this RFP.

**“Proponent”** means a single legal entity with the legal capacity to contract (excluding its parent, subsidiaries or other affiliates) or natural person with the legal capacity to contract, that submits a Proposal, (see also “You” and “Your”).

**“Proposal”** means a written response to the RFP and includes the information and documentation, if any, required by the applicable Response Form(s), including the Appendix B – Proposal Response Form and if required, the Appendix C Submission Declaration Form that is submitted by a Proponent (see also “Submission”).

**“Province”** means His Majesty the King in right of the Province of British Columbia and includes the Ministry.

**“Request for Proposals” or “RFP”** means this solicitation process described on BC Bid, including any attached or referenced appendices, schedules or exhibits and as may be modified in writing from time to time by the Province by Addenda.

**“Response Form”** means the Appendix B: and any other document that is required to be submitted, if any, as part of a Proposal, including, if applicable, the Submission Declaration Form.

**“RFx”** has the same meaning as RFP as the term may appear in BC Bid, the Submission Declaration Form or BC Bid pop-up advisories associated with submitting a Proposal.

**“should”, “may” or “weighted”** means a requirement having a significant degree of importance to the objectives of the Request for Proposals.

**“Submission”** as used in the Submission Declaration and within BC Bid and its pop-up advisories related to this RFP has the same meaning as Proposal.

**“Submission Declaration Form”** means the form so identified and named in the RFP for use with Proposals submitted by email or hard copy delivery if such submission methods are allowed by the RFP.

**“Tax Verification Letter”** means a letter issued by the Province’s Ministry of Finance to verify that a Proponent meets its applicable B.C. corporate income tax filing obligations and provincial sales tax (PST) filing and payment obligations, which may be required to be produced by a Proponent as a condition of Contract finalization, as described in Section 2.28.

**“You”** and **“Your”** as used in the Submission Declaration Form and any pop-up advisories related to this RFP has the same meaning as Proponent.

## **2.2 Acceptance of Terms and Conditions**

Submitting a Proposal indicates acceptance of all the terms and conditions set out in the RFP, including all appendices, Addenda and these RFP process rules.

A Proposal must be signed by a person authorized to sign on behalf of the Proponent with the intent to bind the Proponent to the RFP and to the statements and representations in the Proponent’s Proposal:

- a) For Proposals submitted by a Proponent with a Business BCeID that is registered to submit its Proposal electronically through BC Bid, clicking the “I Agree and Submit” button that follows the pop-up advisory associated with Proposal submission constitutes the signature of the Proponent and is acceptable without additional signature. By submitting its Proposal electronically through BC Bid, the Proponent is agreeing to the terms and conditions of the RFP.
- b) For Proposals submitted by hard copy to a physical address or Proposals submitted by email, Proponents must complete and submit the Submission Declaration Form that is available for download and located in the “RFx documents” section of the “overview” menu tab for the RFP.

## **2.3 Submission of Proposals**

- a) Proposals must be received before the Closing Date and Time at the Closing Location using one of the permitted submission methods specified on the cover page of this RFP or as may be set out in the “delivery of submissions” section of the “overview” menu tab of this RFP. Proposals must not be sent in a manner not authorized by the RFP, except in the circumstances set out in the paragraph g) in this section below. The Proponent is solely responsible for ensuring that, regardless of the submission method selected, the Province



receives a complete Proposal, including all attachments or enclosures, before the Closing Date and Time.

- b)** For electronic submissions (BC Bid or email), the following applies:
- i)** The Proponent is solely responsible for ensuring that the complete electronic Proposal, including all attachments, is received before Closing Date and Time;
  - ii)** The maximum size of any attachment uploaded to BC Bid electronically, is required to be 500 MB or less;
  - iii)** The maximum size of each email attachment is required to be 20 MB or less (Proponents are solely responsible for ensuring that email Proposal submissions comply with any size restrictions imposed by the Proponent's internet service provider);
  - iv)** Proponents should submit email Proposal submissions in a single email and avoid sending multiple email submissions for the same opportunity. If the file size of an electronic submission exceeds the applicable maximum size, the Proponent may make multiple submissions (BC Bid upload or multiple emails for the same opportunity) to reduce attachment file size to be within the maximum applicable size; Proponents should identify the order and number of emails making up the email Proposal submission (e.g. "email 1 of 3, email 2 of 3...");
  - v)** For email Proposal submissions sent through multiple emails the Province reserves the right to seek clarification or reject the Proposal if the Province is unable to determine what documents constitute the complete Proposal;
  - vi)** Attachments must not be compressed, must not contain a virus or malware, must not be corrupted and must be able to be opened. Proponents submitting by electronic submission are solely responsible for ensuring that any emails or attachments are not corrupted. The Province may reject Proposals that are

compressed, cannot be opened or that contain viruses or malware or corrupted attachments.

- c) Proponents are encouraged to become a registered e-bidding user of BC Bid. Only registered e-bidding users of BC Bid can make electronic Proposals on BC Bid. BC Bid e-bidding is an annual fee-based subscription service and the duration of the registration process for e-bidding may vary for different users. Proponents should refer to the BC Bid website for further information. For email or hard copy Proposal submissions, including any withdrawal of a Proposal or any changes to a Proposal referred to in Section 2.10, the subject line of the email and any attachment should be clearly marked with the name of the Proponent, the RFP opportunity ID, and the opportunity description.
- d) The Province strongly encourages Proponents using electronic submissions to submit Proposals with sufficient time to complete the upload and transmission of the complete Proposal and any attachments before the Closing Date and Time.
- e) The Proponent bears all risk associated with delivering its Proposal by electronic submission, including but not limited to delays in transmission between the Proponent's computer and the Government Electronic Mail System or BC Bid.
- f) While the Province may allow for email Proposal submissions, the Proponent acknowledges that email transmissions may be unreliable. The Proponent is solely responsible for ensuring that its complete email Proposal submission and all attachments have been received before the Closing Date and Time. If the Government Electronic Mail System rejects an email Proposal submission for any reason, and the Proponent does not resubmit its Proposal by the same or other permitted submission method before the Closing Date and Time, the Proponent will not be permitted to resubmit its Proposal after the Closing Date and Time. If the Proponent receives any email confirmation from the Province that is associated with an email Proposal submission, despite the content of such email, any such email will not serve to confirm that a complete, sufficient, or timely Proposal or other related submission has been made by the Proponent or received by the Province.
- g) An alternate submission method not initially permitted by the RFP may be made available, at the Province's discretion, before the Closing Date and Time, and it is the Proponent's sole responsibility for ensuring that a complete Proposal (and all attachments) submitted using an approved alternate submission method is received by the Province before the Closing Date and

Time. The Province makes no guarantee that an alternative submission method will be available or that the alternate method available will ensure that a Proponent's Proposal is received before the Closing Date and Time.

- h) Submitting through BC Bid may afford the Proponent with tooltips that may be useful and advisories that information is incomplete and/or that mandatory fields have not been completed. Accordingly, those Proponents that nonetheless elect to use other submission methods (if allowed) will not benefit from these advisories and assume all risks of submitting by such submission methods. Should a Proponent elect to use submission methods (if allowed) other than submitting through BC Bid, the Proponent consents to the Province taking such steps that are necessary to input information from Proponent's Proposal into BC Bid for evaluation purposes.
- i) For Proposals submitted by e-mail and for hard copy Proposals delivered to a physical address, by submitting a clear and detailed written notice by email to the Official Contact, the Proponent may revise or withdraw its Proposal before the Closing Date and Time. Upon the Closing Date and Time, all Proposals become irrevocable as set out in Section 2.7.

## 2.4 Amendments and Addenda

Proponents should continually monitor the RFP as published on BC Bid in the event any Amendment or Addenda to the RFP have the effect of requiring a Proponent to submit a new Proposal to the RFP in lieu of any Proposal to the RFP that a Proponent may have submitted before such Amendment or Addenda. All Amendments will be noted in the amendment reason section of the "overview" menu tab on BC Bid. All Addenda will be noted on the "addenda" menu tab.

## 2.5 Additional Information

It is the sole responsibility of the Proponent to check for Addenda and Amendments on BC Bid.

Proponents are encouraged to become a registered user of BC Bid and to subscribe to BC Bid's email notification service in order to receive notices regarding Amendments and procurements or other opportunities organized by commodity codes selected by the registered user. BC Bid's email notification service is an annual fee-based subscription service and the duration of the registration process may vary for different users. Proponents should refer to the BC Bid website for more information.

## 2.6 Late Proposals

**Commented [SL1]:** Could place the model ownership here as a backup. It doesn't fit with the content but the title suggest it could be added.

Proposals will be marked with their receipt time at the Closing Location. Only Proposals received and marked before the Closing Date and Time will be considered to have been received on time. Proposals received late will be marked late and not considered or evaluated. In case of a dispute, the Proposal receipt time as recorded by the Province at the Closing Location will prevail whether accurate or not.

## **2.7 Proposal Irrevocability**

Proposals will be open for acceptance and irrevocable for at least 90 days after the Closing Date and Time.

## **2.8 Pricing**

Without limiting any terms or conditions set by the Province in this RFP, including any applicable Response Form, the following terms and conditions apply to pricing for the RFP:

- a) Prices will be firm for the entire Contract period unless the RFP specifically states otherwise.
- b) Regardless of the allowed Proposal submission method, if unit pricing is required to be proposed and the sum total of that unit pricing is being evaluated, whether or not the Proponent is required to provide a sum total of that unit pricing, so long as all of the required unit pricing components are proposed, if the Proponent has made a mathematical error in adding up the sum total of all required unit pricing, then and in that event the Province will compute and take the mathematically correct sum total of the proposed unit pricing for purposes of evaluation and contracting.

## **2.9 Completeness of Proposal**

By submitting a Proposal, the Proponent covenants and warrants that, if the RFP is to design, create or provide a system or manage a program, all components required to run the system or manage the program have been identified in the Proposal or will be provided by the Contractor at no additional charge.

## **2.10 Changes to Proposals**

- a) For Proposals submitted by e-mail and for hard copy Proposals delivered to a physical address, by submitting a clear and detailed written notice by email to the Official Contact, the Proponent may revise or withdraw its Proposal before the Closing Date and Time. Upon the Closing Date and Time, all Proposals become irrevocable as set out in Section 2.7. The Proponent will not change any part of its Proposal after the Closing Date and Time unless requested by

the Province for purposes of clarification. Proposals cannot be amended after the Closing Date and Time.

- b) For Proposals submitted through BC Bid, in order to amend the Proposal electronically through BC Bid, the Proponent will need to copy the previous submission using the “other actions” menu and submit a new Proposal before the Closing Date and Time.
- c) For Proposals submitted through BC Bid, in order to withdraw a Proposal electronically through BC Bid, the Proponent will need to go to the “submission history” tab and select “submission withdrawn” from the dropdown in the “withdrawn” column of the table on that screen. Withdrawn Proposals cannot be recovered. This must be done before the Closing Date and Time or the Proposal will not have been withdrawn. Proposals cannot be withdrawn after the Closing Date and Time.
- d) In lieu of amending or withdrawing a Proposal in accordance with above subsections b) or c) as applicable (instances where the Proposal was initially submitted electronically through BC Bid), the Proponent may withdraw its Proposal by submitting a clear and detailed written notice by email to the Official Contact before the Closing Date and Time. In the case of an amendment under this subsection d) the Proponent should transmit a complete Proposal containing all revisions sent by email to the Official Contact as a separate attachment; and by doing so the Proponent is reaffirming its agreement to all of the terms and conditions of the RFP, including these RFP process rules.

## **2.11 Conflict of Interest, Unfair Advantage, Bias and No Lobbying**

- a) By submitting a Proposal, the Proponent confirms that the current or past employment or other interests or relationships of the Proponent (including a Proponent’s subcontractors and named personnel, if any) do not create or lead to any actual, potential or perceived conflict of interest, unfair advantage, bias or reasonable apprehension of bias that would favor the Proponent (including a Proponent’s subcontractors and named personnel, if any) with respect to the procurement process. A Proponent may be disqualified if the Proponent’s (including a Proponent’s subcontractors and named personnel, if any) current or past corporate or other interests, may, in the Province’s opinion, give rise to an actual or potential conflict of interest, unfair advantage or reasonable apprehension of bias that would favor the Proponent (including a Proponent’s subcontractors and named personnel, if any) and thereby import unfairness into the Procurement process. This includes, but is not

limited to, involvement by a Proponent (including a Proponent's subcontractors and named personnel, if any) in the preparation of the RFP or a relationship with any employee, contractor or representative of the Province involved in preparation of the RFP, participating on the evaluation committee or in the administration of the Contract. If a Proponent is in doubt as to whether there might be a conflict of interest, unfair advantage or reasonable apprehension of bias, the Proponent should consult its own advisors and notify and consult with the Official Contact prior to submitting a Proposal.

- b) A Proponent must not attempt to influence the outcome of the RFP process by engaging in lobbying activities. Any attempt by the Proponent to communicate for this purpose directly or indirectly with any employee, contractor, or representative of the Province, including members of the evaluation committee and any elected officials of the Province, or with the media, may result in disqualification of the Proponent.

## **2.12 Subcontractors**

- a) Unless the RFP states otherwise, the Province will accept Proposals where more than one organization or individual is proposed to deliver the services described in the RFP, so long as the Proposal identifies the lead entity that will be the Proponent and that will have sole responsibility to deliver the services under the Contract. The Province will enter into a Contract with the Proponent only. The evaluation of the Proponent will include evaluation of the resources and experience of proposed sub-contractors, if applicable.
- b) All subcontractors, including affiliates of the Proponent, should be clearly identified in the Proposal.
- c) A Proponent may not subcontract to a firm or individual whose current or past corporate or other interests, may, in the Province's opinion, give rise to a conflict of interest, unfair advantage, bias or reasonable apprehension of bias as set out in RFP section 2.11.
- d) Where applicable, the names of approved subcontractors listed in the Proposal will be included in the Contract. No additional subcontractors will be added, nor other changes made to this list in the Contract without the written consent of the Province.

## **2.13 Evaluation**

Proposals will be assessed in accordance with the evaluation criteria and will be by an evaluation committee formed by the Province and may include employees and

contractors of the Province. The Province will be under no obligation to receive further information, whether written or oral, from any Proponent.

- a) The Province is under no obligation to perform any investigations or to otherwise verify any statements or representations made in a Proposal.
- b) Proposals from not-for-profit agencies will be evaluated against the same criteria as those received from any other Proponents.
- c) The Province may consider and evaluate any Proposals from other jurisdictions on the same basis that the government purchasing authorities in those jurisdictions would treat a similar Proposal from a British Columbia supplier.

## **2.14 Contract**

- a) By submitting a Proposal, the Proponent agrees that should its Proposal be successful, the Proponent will enter into a Contract with the Province on substantially the same terms and conditions set out in Appendix A: and such other terms and conditions to be finalized to the satisfaction of the Province, if applicable.
- b) Written notice to a Proponent that it has been identified as the successful Proponent and the subsequent full execution of a written Contract will constitute a Contract for the goods or services, and no Proponent will acquire any legal or equitable rights or privileges relative to providing the goods or services until the occurrence of both such events.
- c) Proponents should avoid adding content or text to their Proposals that means, or could be construed to mean, that the Proponent does not accept the Appendix A: (or any associated content, Schedules, etc.) If a Proposal contains content or text that means, or could be construed to mean, that the Proponent does not accept the Appendix A: (or any associated content, Schedules, etc.), such Proposal content or text may result in the Proposal being noncompliant and eliminated from the RFP process.
- d) If an interested supplier has any questions about the form of contract, the supplier should pose any questions to the Official Contact before the Closing Date and Time or, if applicable, any Enquiries Deadline.

In addition, interested suppliers and Proponents should carefully review the entire RFP, including these RFP process rules, including sections 2.2 and 2.3.

## **2.15 Contract Finalization Delay**

If a written Contract cannot be finalized with provisions satisfactory to the Province within thirty days of notification of the successful Proponent, the Province may, at its sole discretion at any time, thereafter, terminate discussions with that Proponent and either commence finalization of a Contract with the next qualified Proponent or choose to terminate the RFP process and not enter into a Contract with any of the Proponents.

#### **2.16 Debriefing**

At the conclusion of the RFP process, all Proponents will be notified. Proponents may request a debriefing meeting with the Province. At the option of the Province, any debriefing meeting will be held by telephone conference or in-person meeting.

#### **2.17 Limitation of Liability and Proponents Expenses**

By submitting a Proposal, the Proponent agrees on behalf of itself and its predecessors, successors, parent companies, subsidiary companies, affiliates and successors or assigns, that they will not make claims for and otherwise irrevocably waives any claims whatsoever (whether arising under contract law, tort law, administrative law or otherwise) and howsoever arising, including claims for compensation, costs, damages, expenses, losses, and loss of profits, relating to the RFP or with respect to the RFP competitive process, including claims for costs, expenses and loss of profits if no Contract is made with the Proponent, including any other Proponent.

Notwithstanding the foregoing, nothing in this section shall limit the right of a Proponent to access and utilize the Bid Protest Mechanism established under the New West Partnership Trade Agreement.

Proponents are solely responsible for their own expenses in participating in the RFP process, including costs in preparing a Proposal and for subsequent finalizations, if any, with the Province. Notwithstanding and without any waiver of the foregoing provisions of this section, at the sole discretion of the Province, the Province reserves the right to pay a Proponent an amount equivalent to the reasonable costs incurred by the Proponent in preparing its Proposal.

#### **2.18 RFP Information Disclaimer**

While the Province has used efforts to ensure information in the RFP is accurate, the information contained in the RFP is supplied solely as a guideline for Proponents. The information is not guaranteed or warranted to be accurate by the Province, nor is it necessarily comprehensive or exhaustive. Nothing in the RFP is intended to relieve



Proponents from forming their own opinions and conclusions with respect to the matters addressed in the RFP.

#### **2.19 No Commitment to Award**

The RFP should not be construed as an agreement to purchase goods or services. The lowest priced or any Proposal will not necessarily be accepted. The RFP does not commit the Province in any way to award a Contract.

#### **2.20 No Implied Approvals**

Neither acceptance of a Proposal nor execution of a Contract will constitute approval of any activity or development contemplated in any Proposal that requires any approval, permit, or licence pursuant to any federal, provincial, regional district or municipal statute, regulation, or by-law.

#### **2.21 Legal Entities**

The Province reserves the right in its sole discretion to:

- a) disqualify a Proposal if the Province is not satisfied that the Proponent is clearly identified;
- b) prior to entering into a Contract with a Proponent, request that the Proponent provide confirmation of the Proponent's legal status (or in the case of a sole proprietorship, the Proponent's legal name and identification) and certification in a form satisfactory to the Province that the Proponent has the power and capacity to enter into the Contract;
- c) not to enter into a Contract with a Proponent if the Proponent cannot satisfy the Province that it is the same legal entity that submitted the Proponent's Proposal; and
- d) require security screenings for a Proponent who is natural person, subcontractors, and key personnel before entering into a Contract and decline to enter into a Contract with a Proponent or to approve subcontractor or key personnel that fail to pass the security screenings to the Province's satisfaction.

#### **2.22 Reservation of Rights**

In addition to any other reservation of rights set out in the RFP, the Province reserves the right, in its sole discretion:

- a)** to modify the terms of the RFP at any time prior to the Closing Date and Time, including the right to cancel the RFP at any time prior to entering into a Contract with a Proponent;
- b)** in accordance with the terms of the RFP, to accept the Proposal or Proposals that it deems most advantageous to itself;
- c)** to waive any non-material irregularity, defect or deficiency in a Proposal;
- d)** to request clarification(s) from a Proponent with respect to its Proposal, including clarification(s) with respect to its Proposal on non-material administrative matters (e.g., a matter that is not scored); or where Proposal provisions are ambiguous, without any obligation to make such a request to any other Proponents, and consider such clarification(s) in evaluating the Proposal;
- e)** to reject any Proposal due to unsatisfactory references or unsatisfactory past performance under contracts with the Province, or any material error, omission or misrepresentation in the Proposal;
- f)** at any time, to reject any or all Proposals;
- g)** at any time, to terminate the competition without award and obtain the goods and services described in the RFP by other means (including, a future solicitation) or do nothing; and
- h)** to exclude a Proponent from participation in the RFP, at any point in the RFP process, where there is supporting evidence, on grounds of Proponent:
  - vii)** bankruptcy;
  - viii)** false declarations or misrepresentations;
  - ix)** significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior contract or contracts with the Province;
  - x)** final judgments in respect of serious crimes or other serious offences;
  - xi)** engaging in conduct prohibited by the Competition Act such as bid rigging as described in section 47 of the Competition Act, or engaging in conspiracies, agreements or arrangements between competitors as described in section 45 of the Competition Act;

- xii) professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the Proponent; or
- xiii) failure to pay taxes.

## **2.23 Ownership of Proposals**

All Proposals and other records submitted to the Province in relation to the RFP become the property of the Province and, subject to the provisions of the Freedom of Information and Protection of Privacy Act and the RFP, will be held in confidence. For more information on the application of the Act, go to [http://www.cio.gov.bc.ca/cio/priv\\_leg/index.page](http://www.cio.gov.bc.ca/cio/priv_leg/index.page).

## **2.24 Copyright**

This document is subject to copyright and may be used, reproduced, modified and distributed to the extent necessary for the Proponent to prepare and submit a Proposal.

## **2.25 Confidentiality Agreement**

The Proponent acknowledges that prior to the Closing Date and Time it may be required to enter into a confidentiality agreement with the Province in order to obtain access to confidential materials relevant to preparing a Proposal.

## **2.26 Alternative Proposals**

If more than one approach to deliver some or all of the services described in the RFP are offered, Proponents should submit the alternative approach in a separate Proposal clearly identified as an alternative to a different Proposal submitted by the Proponent in response to the RFP. Failure to abide by this rule may result in the disqualification of a Proposal.

## **2.27 Collection and Use of Personal Information**

Proponents are solely responsible for familiarizing themselves, and ensuring that they comply, with the laws applicable to the collection and dissemination of information, including resumes and other personal information concerning employees and employees of any subcontractors. If the RFP requires Proponents to provide the Province with personal information of employees who have been included as resources in response to the RFP, Proponents will ensure that they have obtained written consent from each of those employees before forwarding such personal information to the Province. Such written consents should specify that the personal information may be forwarded to the Province for the purposes of responding to the

RFP and used by the Province for the purposes set out in the RFP. The Province may, at any time, request the original consents or copies of the original consents from Proponents, and upon such request being made, Proponents will immediately supply such originals or copies to the Province.

## **2.28 Tax Verification Letter**

- a) As a condition of Contract finalization as described in Section 2.15, the successful Proponent (or any successor to that Proponent) will be required to provide the Ministry with a valid Tax Verification Letter, unless an exception applies as described below. If a Proponent is not able to produce the required Tax Verification Letter during Contract finalization, then the Province will be entitled to terminate discussions with that Proponent and proceed as described in Section 2.15.
- b) A Tax Verification Letter will not be required if:
  - i) the Contract is valued at less than CAN\$100,000, including all fees, expenses, and all options to extend or renew the Contract; or
  - ii) the Contract is in relation to a government transfer as described in Chapter 21 of the Province's Core Policy and Procedures Manual.
- c) If a Tax Verification Letter is required, the Contract will contain, in addition to all other applicable schedules, a schedule that describes the Tax Verification Letter requirements of the Contract.

## **2.29 Enquiries to Official Contact**

Enquiries related to this RFP including any requests for information or clarification may only be directed in writing to the Official Contact using the "enquiries" interface or the email address identified on the "opportunity details" menu tab, who (subject to the Enquiries Deadline, the preferred cut-off date and time for enquiries set out in the RFx general information section of the "overview" tab), will respond if time permits before the Closing Date and Time. Information obtained from any other source is not official and should not be relied upon. Enquiries and any responses providing new information will be recorded and posted to BC Bid or otherwise distributed to Proponents. Despite the foregoing, the Province may choose in its sole discretion not to respond, respond in whole or in part, or reformulate enquiries in whole or in part. The Province may in its sole discretion choose whether to post any such enquiries (as

reformulated if reformulated) and responses to BC Bid or otherwise distribute to Proponents.

### 2.30 Trade Agreements

This RFP is covered by the following trade agreements:

- a) New West Partnership Trade Agreement
- b) Canadian Free Trade Agreement

## 3. Overview

### 3.1 Ministry Responsibility

The Ministry of Energy, Mines and Low Carbon Innovation (Ministry) is responsible for British Columbia's (B.C.'s) electricity, alternative energy, mining, and hydrocarbon energy sectors and supporting work to meet B.C.'s greenhouse gas (GHG) reduction targets.

The Energy Decarbonization Division (EDD) of the Ministry leads policies, programs, and regulatory frameworks for the decarbonization of fuels, transportation, and buildings as part of the province's CleanBC commitments.

EDD's Low Carbon Fuel Branch (LCFB) will administer this contract. The LCFB develops and implements legislation, policies, and programs to decarbonize fuel and spur growth in the low carbon fuels industry in B.C. The legislation, policies, and programs for which it is responsible focus on decreasing the carbon intensity of fuels consumed in the province.

### 3.2 Background

The Low Carbon Fuel Standard (LCFS) encompassing the *Low Carbon Fuels Act*, Low Carbon Fuels (General) Regulation, and Low Carbon Fuels (Technical) Regulation, requires fuel suppliers to gradually reduce the carbon intensity (CI) of the fuel that they supply in the province. The LCFS regulates fossil-derived gasoline, diesel, jet fuel, and any alternative fuels used in their displacement for transportation and other prescribed purposes, including airport ground support equipment, cargo handling equipment at marine ports, and certain forklifts. The LCFS sets CI targets that increase in stringency annually to achieve a 30% reduction in the CI of diesel and gasoline category fuels by 2030; and 10% in jet category fuels by 2030. Fuel suppliers generate negative compliance units (i.e., debits) for supplying fuels above the CI target and positive compliance units (i.e., credits) for being below the target. At the end of each compliance period (i.e., calendar year), suppliers must have a balance of zero or more

compliance units to avoid non-compliance penalties. Credits are bankable, do not expire, and can be traded between suppliers to achieve compliance.

The LCFS credit market provides market participants the opportunity to buy and sell credits. Credit prices are a function of the supply and demand for credits, which can be influenced by many factors including the cost and availability of low carbon fuels, the stringency of the CI targets, and the behaviour of market participants. Compliance with the CI targets can be achieved by supplying low carbon fuels, purchasing credits from other suppliers, and/or undertaking projects supported by Initiative Agreements. As such, the credit market serves as an important compliance mechanism that facilitates lower cost reductions by allowing those with excess credit to sell to those that need them to comply.

Credit prices are a central component of the LCFS that drives investment and influences fuel supplier behaviour. Higher credit prices can provide stronger incentives for investment in low carbon fuels whereas lower prices may lead to less investment but also lower overall costs of compliance, which may or may not impact the price of fuel.

The objective of the project is to gain a robust understanding of potential future LCFS credit prices and the most relevant factors influencing credit pricing. The project is expected to provide meaningful data and insights to support low carbon fuel policy development in B.C., including setting post-2030 CI reduction targets and informing Initiative Agreement program design. The project will also improve administration by increasing market monitoring capabilities that will enable more efficient responses to changing market conditions, to ensure the continued success of the LCFS.

### **3.3 Scope**

The project's maximum budget is \$210,000 and is expected to be completed within eight (8) months from the date of the contract award.

The purpose is to develop a forecasting model<sup>1</sup> that predicts Low Carbon Fuel Standard credit pricing under different scenarios and assumptions out to 2040. It should offer scenario analysis, where key assumptions (determined in consultation with LCFB staff) can be changed and tested. The model should provide a variable significance ranking that explains how important each variable was in the results. This will help inform future monitoring and forecasting of variables.

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<sup>1</sup> The model, which consists of the model code, equations, assumptions (that were not provided by the Province) and tools required to operate the model will remain the property of the Contractor.

**The scope of the project includes:**

**1. Project Design**

- Conduct a review of existing literature to understand the key factors that influence the LCFS credit price. This should include a literature review of forecasting techniques which will be required to forecast the model inputs.
- Analyse market trends and drivers that will impact the forecasted adoption of low carbon fuels.
- Identify impacts from external markets as well as domestic markets. B.C. is largely a fuel importer that is impacted from dynamics in other jurisdictions.
- Define all model inputs and scenario assumptions that will be implemented in the model.

**2. Data Identification and Collection**

- Identify sources for required data. This can include LCFS data, public sources, and private sources.
- Collect all necessary data and prepare data for input into the model.
- Work with LCFB staff to identify assumptions that must be included as part of the scenario analysis. These are assumptions that will be changed to assess their impacts on the model.

**3. Model Development**

- Identify appropriate models and methodologies for forecasting multiple correlated, potentially non-stationary, and non-linear time series. Justify final choice of model and methodology with a clear rationale and compare choice to alternatives in terms of trade-offs that will perform best for predicting LCFS credit prices.
- Build the model input forecasts. To forecast the credit price (output), each input must be accurately forecasted.
- Build the model, including all data and scenarios.
- Determine the most influential factors.

**4. Model Review**

- Review the model inputs and outputs with LCFB staff for realism and accuracy.
- Discuss any necessary edits and implement required adjustments.

## 5. Scenario Analysis

- Work with the LCFB staff to conduct several scenarios that make alterations to key assumptions, including carbon intensity (CI) reduction targets and fuel pricing.
- Each scenario will be recorded and used in the final report to provide a form of sensitivity analysis.

## 6. Results

- A data file will be provided to LCFB staff that includes the complete results from the model, including the credit price forecasts based on various scenarios.
- The data file will include the variable rankings and any other important information about the results.
- The data file will also provide all the input variables to ensure LCFB staff can correlate the outcomes to the inputs.

## 7. Prepare Final Report and Present Findings

- Report is prepared, reviewed and approved. Final report will highlight the findings, most influential variables, an explanation of the methodology, including limitations, and research that supports the forecast of the dependent and independent variables. It will also include a market outlook.
- Findings are presented to LCFB staff during a concluding meeting. A PowerPoint presentation will explain the work conducted, results, and recommendations for monitoring credit prices.
- The final report and presentation should provide recommendations on how to monitor credit prices. Using the independent variables, variable rankings and other findings in the results, the proponent will recommend how to effectively and efficiently survey factors influencing the credit price and proactively anticipate changes to the credit price.

### **Project Timeline:**

The project is expected to be completed within eight (8) months from the date of contract award. The timeline includes:

- Project outline
- Model development
- Initial review with LCFB staff



- Scenario analysis
- Final review of outputs and report preparation

#### 4. Contract

Appendix A: sets out the form of contract or the select base terms and conditions. Proponents should carefully review RFP process rule 2.14 and the terms and conditions set out in Appendix A: , including the Schedules.

Any form of Contract will also require Contractors to comply with Province policies, as they may be established and or updated from time to time.

#### 5. Requirements

In order for a Proposal to be considered, a Proponent must clearly demonstrate that they meet the mandatory requirements set out in Section 7.1 (Mandatory Criteria) of the RFP. Proposals that do not meet all mandatory criteria will not be considered further.

The RFP Appendix B: or a form substantially similar to the Appendix B: must be prepared and completed to the extent applicable; and must be submitted as the Proponent's Proposal.

The Appendix B: includes the evaluated requirements and response guidelines that are intended to assist Proponents in the development of their Proposals in respect of the weighted criteria as set out in Section 7.2 of the RFP. The Response Guidelines are not intended to be comprehensive. Proponents should use their own judgement in determining what information to provide relative to a specific response guideline to demonstrate that the Proponent meets or exceeds the Province's expectations.

#### 6. Proposal Format

- a) Proponents should ensure that they comply with all mandatory requirements and to fully respond to all other requirements in the RFP in order to receive full consideration during evaluation.
- b) The following format, sequence, and instructions should be followed in order to provide consistency in Proponent responses and ensure each compliant

Proposal receives full consideration. All pages should be consecutively numbered.

- c) If the RFP allows email or hard copy Proposal submission and if the Proponent is submitting its Proposal by email or hard copy then a signed Submission Declaration Template must be submitted as part of the Proponent's Proposal.
- d) The RFP Appendix B: Proposal Response Form or a form substantially similar to the Appendix B: must be prepared and completed to the extent applicable; and must be submitted as the Proponent's Proposal.
- e) Proposals should not contain links to information that is not set down directly in the Proponent's Proposal. Should this occur, the Province may disregard any referred to source of information that is not contained in the Proposal being evaluated.

## 7. Evaluation

Evaluation of Proposals will be by a committee formed by the Province and may include employees and contractors of the Province and other appropriate participants.

The Province's intent is to enter into a Contract with the Proponent who has met all mandatory criteria and minimum scores (if any) and who has the highest overall ranking.

Proposals will be assessed in accordance with the entire requirement of the RFP, including mandatory and weighted criteria.

### 7.1 Mandatory Criteria

Proposals not clearly demonstrating that they meet the following mandatory criteria will be excluded from further consideration during the evaluation process.

Mandatory Criteria
The Proposal must be in English.
The Proposal must be received at the Closing Location before the Closing Date and Time.

The Proposal must comply with the Response delivery submission method requirements set out in the “delivery of submissions” section located on the “overview” menu tab and the RFP cover page of this document and in accordance with RFP section 2.2 and 2.3.
If the Response is submitted by email or by hardcopy delivery to a physical address (if either submission method is allowed by the RFP), the Response must include a Submission Declaration (located in the “RFx documents” section of the “overview” menu tab in BC Bid) signed by an authorized representative of the Proponent.
The RFP Appendix B: or a form substantially similar to the Appendix B: must be prepared and completed to the extent applicable; and must be submitted as the Proponent’s Proposal.
The proposal must include two (2) references that can comment directly on the projects that the Proponent has completed.

## 7.2 Weighted Criteria

Proposals meeting all the mandatory criteria set out above will be further assessed against the following weighted criteria.

Proposals are required to both:

1. Meet or exceed any minimum scores associated with individual respond guidelines; and
2. Meet or exceed any minimum overall score.

Proposals that do not meet these requirements will be rejected.

Weighted Criteria	Weight	Minimum score (if applicable)
Desired Capabilities: See Appendix B:	25	12.5
Desirable Experience: See Appendix B:	20	10
Proposed Approach: see Appendix B	40	20
Price: See Appendix B:	15	N/A

Total	100	60
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### 7.3 Price Evaluation

Proponents take note: Pricing information and rules related to pricing are set out in the Appendix B: Proposal Response Form.

### 7.4 Tie Breaker

If there is a tie between one or more Proponents, then the Proponent with the highest score in the Proposed Approach category set out in above section 7.2 will be considered the lead Proponent. If after the foregoing a tie remains between one or more Proponents, then the Proponent with the highest score in the Desired Capabilities category set out in above section 7.2 will be considered the lead Proponent. If after all of the foregoing, there remains a tie between one or more Proponents, then in that event, the tie shall be finally broken by utilizing [www.random.org/lists/](http://www.random.org/lists/). All tied Proponents authorize the Province to utilize [www.random.org/lists/](http://www.random.org/lists/) and the tied Proponents' names in relation to randomly generating the lead Proponent using [www.random.org](http://www.random.org), which will be deemed the final and conclusive method to break the tie.

The Province will enter the tied Proponent names into the [www.random.org/lists/](http://www.random.org/lists/) application (in no particular order) and select the button "randomize" once. The order returned will be used to rank the tied Proponents. For further clarity, the Proponent that is assigned number "1" will become the lead Proponent.

The order assigned to the tied Proponents by [www.random.org/lists/](http://www.random.org/lists/) shall also serve as the order of Proponents for the purpose of the RFP, including in relation to section 2.15.

The Official Contact will notify all tied Proponents in the event of a tie and offer all tied Proponents the opportunity to witness the tie breaking procedure. In such a case, all tied Proponents consent to their respective identities being made known to each other and consent to the tiebreaking procedure being conducted and broadcast through, at the option of the Province: video conferencing technology; or in person, or some combination thereof.

### 7.5 Reference Check

The Province may conduct reference checks on the Proponent and, if applicable, any Proponent resources proposed by the Proponent.

The Proponent, on request by the Province, will provide referee information set out below for itself and for any Proponent resource (if applicable) that corroborates the relevant work experience.

References need to be from a referee that is not the Proponent. For each Proponent and resource reference (if applicable), the Proponent should provide the following information:

- a) Company name (if applicable) of referee;
- b) Current contact name, position, mailing address, telephone number and email address of the referee; and
- c) Brief description of work performed by the Proponent and the Proponent resources, if applicable.

Failure to provide the referee information set out above will result in the Proponent and Proponent resource, if applicable, failing the reference check. Reference checks will be conducted, on a pass-fail basis, on the Proponent and Proponent resource, if applicable. The Province reserves the right to reject the Proponent and any Proponent resource whose references, in the Province's sole opinion, are deemed to be unsatisfactory.

In addition, the Province reserves the right to contact referees that were not provided to the Province by the Proponent to obtain references pertaining to the Proponent and Proponent resource (if applicable). This includes contacting substitute referees from the same reference company as the one provided by the Proponent.

The Province reserves the right, on a pass-fail basis, to reject any Proponent if any of these other references, if any, in the Province's sole opinion, are deemed to be unsatisfactory. These reference check provisions do not replace and should not be deemed to replace or be inconsistent with any reservation of rights in favour of the Province, including any reservation of rights set out in section 2.22 of this RFP.

## **Appendix A: Contract Form**

### **Option 1**

By submitting a Proposal, the Proponent agrees that should its Proposal be successful, the Proponent will enter into a Contract with the Province on substantially the same terms and conditions of the following, and such other terms and conditions to be finalized to the satisfaction of the Province:

General Services Agreement at

<https://www2.gov.bc.ca/gov/content/bc-procurement-resources/buy-for-government/solicitation-processes-and-templates>

## **Appendix B: Proposal Response Form**

The Proposal Response Form is available for download in the “RFx documents” section for this RFP.

## **Appendix C: Submission Declaration Form**

Document is available for download in the “RFx documents” section for this RFP.