

REQUEST FOR PROPOSALS

STUDY OF PROPOSED COGENERATION FACILITY

1.0 Introduction

EcoCity Cleveland is a 501 (c)(3) non-profit organization located in the City of Cleveland that has been at the center of sustainability activities and creative planning efforts in Northeast Ohio since 1992. EcoCity Cleveland works in the urban core of the metropolitan region to promote environmentally friendly redevelopment that improves quality of life and makes cities more sustainable. EcoCity Cleveland developed the Green City Blue Lake online destination where the people and organizations advancing sustainability in the region can tell their stories, learn from each other, and develop strategies to accelerate the progress. EcoCity Cleveland has received funding from The Cleveland Foundation's BP Fund to conduct a feasibility analysis of a proposal provided to the City of Cleveland by Cleveland Thermal, LLC (CT). The City of Cleveland has agreed to include this study in the City's evaluation of the proposal provided to the City. CPP and Cleveland Thermal will each get a copy of this study.

For information on EcoCity Cleveland visit: www.ecocitycleveland.org

For information about the Green City Blue Lake visit: www.gcbl.org

Cleveland Thermal LLC owns and operates a steam and chilled water utility in the City of Cleveland, Ohio. Two boiler plants are the source for steam; one is a coal fired facility located on Canal Road along the Cuyahoga River behind Tower City and the other is oil and gas fired boiler operation located on Hamilton Avenue. The steam plants date back to the mid 1940's.

Cleveland Thermal is proposing to construct a new Cogeneration Facility located at East 26th street just north of Lakeside Avenue. The plant would consist of 2 Circulating Fluid Bed boilers, and a single nominal 70MW turbine with a controlled extraction at 150 psig and a peak extraction flow of 300,000 lbs of steam per hour. Additional steam will be provided by the Canal Road plant, which will operate during the winter peak heating season.

Cleveland Thermal is proposing to sell the generating output of the plant to Cleveland Public Power (CPP), a municipal electric utility owned by the City of Cleveland. The new plant would have the advantage of cogeneration within a municipal electric service territory. Cogeneration offers a higher overall thermal efficiency and is more environmentally friendly than traditional power sources. The facility would be connected directly to CPP's internal transmission system. The cogeneration scenario improves Cleveland Thermal's load factor, reducing daily peaks and allowing the utility to operate more efficiently throughout the

year. Cleveland Thermal has an average monthly winter demand of 250,000 lb/hr, while the average monthly summer demand drops below 70,000 lbs/hr.

Cleveland Public Power was founded in 1906 and operates in about 60% of the geographic area of the City. CPP serves about 79,000 residential, commercial, and industrial customers and has a peak demand of about 330 megawatts. CPP owns 58 megawatts of peaking generating capacity but purchases nearly all its power requirements in the wholesale market. CPP is located entirely within the service area of The Cleveland Electric Illuminating Company (CEI), an operating company of FirstEnergy Corp. CPP owns and maintains a 138 kV transmission system that is interconnected at three points with the transmission system serving CEI. CPP and CEI maintain separate distribution systems and compete door-to-door for retail customers in virtually all of the areas in which CPP operates.

2.0 Scope of Services

EcoCity Cleveland seeks the services of a consulting engineer to study the feasibility of CT's proposed project both from an economic and environmental standpoint. Additional information regarding the project will be provided by CPP and CT, and certain information may be provided under appropriate confidentiality arrangements. EcoCity Cleveland intends to share the resulting report with both CPP and CT. The scope of work described below consists of the general parameters of consultant's review and consultant may find it necessary to perform additional studies to accomplish the contemplated study.

2.1 Review the technologies proposed and/or selected for the CT Cogeneration facility and the assumptions and rationale for CT's preferences compared to other alternatives, including review of strategies for compliance with the Clean Air Act's Best Available Control Technology (BACT) standard.

2.2 Review the overall economics of the CT Proposal including the projected sizing of the facility with respect to the steam demand, environmental regulations, and electrical output capacity.

2.3 Prepare an independent long-term forecast of wholesale power prices and compare the delivered cost of wholesale power to CPP with the projected price of the CT power over a 25-year period.

2.4 Review the appropriateness of the proposed fuel source in the CT proposal with respect to future environmental regulations including the possible regulation of carbon emissions. Evaluate the risk associated with this technology versus alternative technologies.

2.5 Review and determine the reasonableness of CT's projected schedule for completion of the project including permitting, design, equipment delivery, and construction.

2.6 Review and determine the reasonableness of the projected construction costs of the CT facility, including financing costs, land acquisition, equipment costs, labor, materials, engineering, permitting, and other professional services, and the costs to interconnect the CT facility with the CPP system, including a transmission line, substation, and related equipment.

2.7 Review the current status of and approach to regulatory compliance with the Clean Air Act (including the Clean Air Interstate Rule and Clean Air Mercury Rule) and permitting requirements including, as applicable, Permit to Install (air pollution), Title V Permit (air pollution), Permit to Install (surface water), NPDES Permit (surface water), Construction Stormwater Permit (surface water), Industrial Stormwater Permit (surface water), Section 401 Water Quality Certification (surface water), Plan Approval for Wells and Public Water Treatment System (drinking and ground water), Permit to Install Industrial Solid Waste Landfill (solid and infectious waste), Army Corps Section 404 Permit, hazardous waste permit (RCRA), wetlands, and local building permits and other required approvals.

2.8 Review the current status of and approach to securing any other necessary federal, state, and local regulatory approvals including the Ohio Power Siting Board.

2.9 Review and determine the reasonableness of the projected operating and maintenance costs of the CT facility, including labor, equipment operation and maintenance, fuel procurement, delivery and storage, transmission costs, and other fixed and variable costs.

2.10 Review and determine the reasonableness of CT's projections of the delivered cost to CPP of power and energy to be provided by the project.

2.11 Meet or teleconference to review preliminary analyses and conclusions.

2.12 Prepare a final report discussing analyses and conclusions.

Proposal Qualifications and Requirements

EcoCity Cleveland consulting engineer

Proposal Submission Requirements:

1. Organization

- a. Proposal shall be submitted in 8 ½” x 11” format, 2 copies bound individually and electronic pdf format. Each individual section shall be identified with a tab labeled as follows:
 - i. Cover Letter
 - ii. Recent projects reflecting firms experience
 - iii. Experience and expertise combined heat & power projects
 - iv. Proposed personnel, including resumes and accreditations
 - v. Proposed project schedule with appropriate deadlines
 - vi. Fee & fee schedule
 - vii. Certificate of Insurance

2. Compensation

The contract for professional consulting services specified herein will be based on an hourly rate schedule for billing. Your proposal shall include a lump sum fee, hourly rates, including direct cost, overhead, profit, and any indirect expenses. If hourly rates are different for additional services or resident field supervision service, state so in your proposal. All anticipated indirect cost shall be outline in the proposal including all anticipated reimbursable expenses.

This contract is being paid by a grant and is a fixed amount. The proposal shall include a **not-to-exceed** amount including all reimbursable expenses, fees, and external costs.

1. Consultant shall submit the fee proposal in the following manner:

Lump Sum Fee:	\$ _____
Reimbursable Expenses:	\$ _____
Total Not to Exceed:	\$ _____

The Lump Sum fee should be broken down by the Hourly Rate for each:
As follows (where applicable):

Principal:
Project Coordinator:
Project Manager:
Technician:
Field Expertise:
Administrative:

Total:

Selection Criteria

- a. Quality of proposal and specific approach to this project
- b. Capability of meeting time constraints
- c. Immediate availability to begin work on project
- d. Credentials of personnel assigned to this project
- e. Team experience with similar types of projects
- f. Firms experience with this field and relevant experience
- g. Fee
- h. Project schedule and ability to meeting target deadlines
- i. Minority of female owned enterprise participation is encouraged and should be listed in your proposal.

Proposals should be sent to:

EcoCity Cleveland
3500 Lorain Avenue, Suite 300
Cleveland, OH 44113
Ph: 216-961-5020

For questions regarding this proposal, firm must submit in writing via fax or email to:
Andrew_watterson@clevelandwater.com Deadline: August 29, 2006

Proposal Deadline is September 6, 2006