



**Massachusetts Offshore Wind Industry
Ports Investment Challenge**
Solicitation 2022-OSW-02

RESPONSES TO QUESTIONS - 01

Posting Date: June 17, 2022

Updates to the RFP

Please see the updated Solicitation OSW-2022-02 being posted concurrently with this document.

Questions and MassCEC Responses

1. Project Elements

- 1.1. Overall Project Scope (Section VI): We are proposing a significant economic development project that will be constructed in phases and funded through a variety of sources. Our Massachusetts Offshore Wind Industry Ports Investment Challenge application will describe in detail the overall scope of work that is eligible for MassCEC funding and the other funding sources that we expect to be applied to the total scope of work. However, the phasing and sources of the different elements of our scope of work may change over time as design and permitting advances, and as other grant decisions are made.

Is it acceptable for us to define the overarching scope of work that we are proposing for our project and the various funding sources that we expect to be applied to fully-fund the overall scope, recognizing that phasing and other funding sources may change and evolve over time?

- *Response: It will be important for MassCEC to have a clear picture of (a) the overall scope of the project and (b) those portions of the project to which MassCEC funding would be applied, which could potentially include the entire project scope, provided that project elements are eligible under Section IV of the Solicitation. With respect to the overall scope, MassCEC will also want to understand the role of the facility when completed, i.e. “the constraint or challenge for offshore wind and port facilities that the port will address” (Solicitation p. 14).*

MassCEC understands that project scope and funding can evolve over time. Nevertheless, MassCEC will want to be kept informed of any such changes and will

require ongoing assurance that (a) the project is on track to completion in a manner that allows the facility to serve its intended role for offshore wind and (b) the agreed percentage of cost share is maintained.

- 1.2. Site Control (Section IV, Objective 3): Clarity is sought on the concept of site control as described in Section III (C) [See Attachment A, Application Requirements] as to executed purchase and sale agreements (PSA). Is there a period of time (or sunset) in which the PSA transaction must [reasonably] be expected to close and title transfer before the awarding authority would consider PSA as stale or ineligible as evidence of site control? If so, what is that period of time?

➤ *Response: MassCEC does not have a specific requirement for the term of a PSA and when an applicant must legally obtain site control. As stated in the Solicitation (Section IV and Attachment A) the applicant must provide details of any conditions or terms of the PSA that must be satisfied in order to close the transaction and associated timelines, and MassCEC would consider this and other factors as part of our evaluation of applications (i.e. with respect to project viability, risks, readiness, outcomes, and benefits). Additionally, for awarded projects, MassCEC will provide grant funding on a reimbursement basis as critical milestones are met, and MassCEC will require site control as a condition of the grant agreement and legal evidence of site control will be required prior to any funding for CapEx activities.*

- 1.3. Site Control (Section IV, Objective 3): Will an applicant who is relying on a PSA (purchase and sale agreement) as evidence of site control be required to provide a good faith statement as to when it reasonably believes it will close and take title to the property which is the subject of the PSA?

➤ *Response: Yes, MassCEC will require Applicants to provide a good faith estimate as to when Applicant will take title to the property.*

The RFP is being updated to include this as an application requirement (RFP Attachment A, Section III(C)).

- 1.4. Industry Commitments (Section IV, objective 1): Subsection IV (1) asks for “firm commitment (preferred) or indications of intent from developers” to demonstrate expected outcomes. Can you provide examples of how you define “firm” in this context?

➤ *Response: A firm commitment would be an executed agreement between two or more parties (e.g. the port facility owner/lessor and an offshore wind business). The level of commitment would likely be a function of the form of agreement, e.g. a formal contract would be a higher level of commitment compared to a memorandum of understanding or a letter of intent. The type of agreement could be a preferred supplier agreement, lease or sub-lease agreement, a contract for goods or services, or other type. The agreement should include specific information on the type, extent, and duration of planned use(s) for offshore wind at the subject port facility.*

MassCEC’s evaluation of the “firmness” of a commitment will take into consideration the degree of specificity in the agreement and the degree of legal enforceability, i.e. level of commitment.

2. Available Funding and Cost Share Requirements

2.1. Previously Incurred Costs: Understanding the requirements as found in Section VII (Available Funding and Cost Sharing Requirements) proscribe that (i) “[p]reviously incurred costs or previously expended or encumbered funds will not qualify towards the matching requirement”, clarity is sought on the definition of these terms:

a) Incurred costs: and once the definition is clarified, will it be applied to costs incurred as of the date of the solicitation (being May 12, 2022), the submission deadline date (being July 29, 2022), the date of award (on or after September 2022) or some earlier or later date?

- *Response: MassCEC considers incurred costs to be those for which goods or services have been provided but for which the provider has not yet been paid (e.g. by Applicant). Expended funds would be funds already paid to the provider for goods or services, whether or not the goods or services have been delivered or provided.*

MassCEC will establish the application due date (currently July 29, 2022) as the cut-off date for determining whether costs are “previously incurred” or funds are “previously expended.” For clarity, any costs incurred or expended, as defined above, on or before the application due date cannot be counted as cost share.

The RFP is being updated to clarify this requirement (RFP Section VII).

b) Encumbered funds: and once the definition is clarified, will it be applied to funds encumbered as of the date of the solicitation (being May 12, 2022), the submission deadline date (being July 29, 2022) or the date of award (on or after September 2022)?

- *Response: The concept of “encumbered funds” does not appear to add value in this context.*

The RFP is being updated to delete the reference to encumbered funds (RFP Section VII).

2.2. Contracted Scope vs. Completed Scope: [See also question 3.1] If prior to the issuance of Solicitation OSW-2022-02, a project has contracted for certain scopes of work to be undertaken in the future and which would also meet the objectives of Solicitation OSW-2022-02, are the values of the already contracted for but yet to be performed scopes of work eligible for inclusion in an applicant’s cost-share calculations?

- *Response: MassCEC will accept costs incurred (as defined above) after the application due date (currently July 29, 2022) as cost share regardless of whether the goods or services were contracted on or prior to the application due date.*

3. Selection Criteria (Section X)

3.1. Consideration of Pre-application Expenditures in Application Review: Understanding that there are cost sharing thresholds, and assuming an applicant has sufficient yet to be incurred and/or encumbered project costs to meet its respective cost sharing threshold, will the awarding authority, as part of the deliberation process, also take into consideration these other [refers to question 2.2] pre-Solicitation OSW-2022-02 project incurred costs and expenses?

- *Response: Yes, MassCEC will take into consideration expenditures made prior to release of the Solicitation as part of our evaluation. While these costs would not count towards the required cost-share, such expenditures, and perhaps more relevantly the outcomes of such expenditures, would be reflected in our consideration of project viability and risks and leveraging of other funds.*

The RFP is being updated to delete the reference to encumbered funds (RFP Section X).

4. Proprietary Information as Part of Response to the Solicitation (Section XII)

- 4.1. May we submit confidential proprietary information supplied by our private partners that is not subject to the FOIA and may remain confidential?

- *Response: Please refer to the subsection titled Notice of Public Disclosure in Section XII of the Solicitation. Applicants are encouraged to clearly identify any information in their application that is confidential or sensitive.*

The RFP is being updated to note this suggestion (RFP Attachment A).