

CITY OF HOUSTON

Sylvester Turner

Mayor

HOUSTON AIRPORT SYSTEM

George Bush Intercontinental ~ William P. Hobby ~ Ellington Airport

Mario C. Diaz Director of Aviation

August 11, 2023

SUBJECT: Letter of Clarification No. 3

- **REFERENCE:** Request for Information (RFI) for Energy Technology Implementation (Power Generation and Resiliency Strategy) Houston Airport System (HAS); Solicitation No. HJA-RFIPGR-2023-021
- To: All Prospective Respondents:

This Letter of Clarification is issued to provide additional information for the referenced RFI:

- I. Change submittal location to Houston Airport System, Administration Facility, ATTN: Cathy Vander Plaast, 16930 JFK Blvd. Houston, TX 77032.
- II. To Respond to Questions.
 - 1. <u>Question:</u> Can you please provide an update on plans for local generation or CUP CHP that is moving forward currently?

Response: This project has been cancelled.

2. **Question:** Can you please provide an update on the status for CUP upgrades and modernization?

Response: CUP upgrades project is estimated to go to city council by the end of September.

3. <u>Question:</u> Can you list an order of priority and/or weighting on the core drivers for the project – resiliency, sustainability, cost effectiveness, etc.?

Response: These factors will be identified in the RFQ/RFP that will be issued in the last quarter of this year.

4. <u>Question:</u> Will you provide, with more specificity on a map, the designated areas allocated as available for the CUP, CHP, solar, geo exchange, wind turbines, vertiports, etc. and include approximate size (SF or acreage) for each?

<u>Response</u>: This will be addressed in the RFQ/RFP. As mentioned, IAH has over 10,000 acres with nearly 4,000 acres open. However, additional space is available on the roofs and parking garages.

5. **Question:** Does HAS have sustainability and carbon goals? If so, please provide?

<u>Response</u>: Yes, please refer to the Sustainable Management Plan at the following link: Sustainable Management Plan | Business and Partnerships | Houston Airport System (fly2houston.com).

6. **Question:** Does HAS have preferred location for the central utility plant?

Response: Other than the current location, No. However, please do not plan to place it near runways or the AOA, as these areas are planned for future development.

7. Question: Has HAS conducted geo exchange or wind resource studies?

Response: No.

8. **Question:** Section 6.1.1 states we are required to submit 2 digital copies on memory sticks. Could you please clarify whether or not we are also required to submit printed copies of our submission or provide via email as a PDF attachment as well?

<u>Response</u>: No, you are not required to submit printed copies. The memory sticks (USB drive) will suffice as stated in Section 6.1.1.

9. **Question:** What is IAH's intent around making RFI responses public?

Response: Public responses are subject to and requested via the Texas Public Information Act (TPIA).

10. **Question:** If fewer pages are used in the Company Expertise/Experience section, can pages be reallocated to the Energy Initiatives Project Approach section?

Response: Yes.

11. **Question:** Can IAH elaborate on the current metering setup between Centerpoint Energy and the different end-users? For example, Is United Airline a direct customer of the Utility? And secondly are their airport tenants where the utility bills are part of the lease agreement with the airport?"

<u>Response</u>: Most metering is billed to HAS and is passed thru to the tenants, per the terms of their contracts; however, some large tenants like United pay the bills directly. More detail on this will be provided in the RFQ/RFP.

12. **Question:** Who is the current owner of the distribution assets which provide power from the two substations to the airport and each of the tenants?

Response: CenterPoint Energy in nearly all cases. HAS owns some 12470/480 transformers at the CUP and Rental Car.

13. <u>Question:</u> Describe the intent, scope, and of scale HAS EV charging infrastructure and management approach?

Response: HAS is currently working on this; the plan is to roll it out over the next several years across several projects.

14. <u>Question:</u> Will there be right-of-way issues with work that crosses streets within the IAH fence line?

<u>Response</u>: There could be places where work will need to be coordinated, depending on the plan. This will be addressed in the RFQ/RFP.

15. <u>Question:</u> Will new energy resource measures (ERMs) solely be used when grid power is not available to HAS or will new ERMs gradually displace HAS's current grid-supplied power contracts?

Response: ERMs will become the primary source of power.

16. **Question:** Will HAS continue to operate the Central Utility Plant (CUP)?

Response: Yes. However, HAS is open to alternative recommendations.

17. <u>Question:</u> Are the new ERMs expected to integrate with any of HAS's CUP or behind the meter assets?

Response: It depends on the plan suggested in your response to the RFI. Does your plan tie into the grid or behind the meter?

18. <u>Question:</u> Has HAS spoken with CenterPoint on ability of grid to accommodate new power connections?

Response: Yes, they are aware of the RFI.

19. <u>Question:</u> What is the proportional split of essential versus non-essential services for the electrical demand listed on p16 of the RFI?

Response: Assume everything is essential at this point.

20. <u>Question:</u> What is HAS's expectation on power redundancy? For example, is HAS requiring 100% redundancy for non-critical systems, such as public EV charging stations?

<u>Response</u>: No redundancy required with this RFI, if you have suggestions, please share.

21. <u>Question:</u> What is HAS's existing firming capacity to allow for 100% availability? How does HAS manage grid outages at present?

Response: Loads are deemed critical, and HAS has redundant substation fees. HAS hasn't had many issues with grid outages because of this.

22. <u>Question:</u> Given the expected +15 years contract term, what is the expected demand growth beyond 2030?

<u>Response</u>: HAS expects moderate growth after 2030, some of which may be deferred growth, such as installing EV chargers later. HAS doesn't anticipate the airport to exceed 100MW over the next 30 years. Plan for incremental growth in 10 MW increments.

23. <u>Question</u>: What are the assumptions embedded in the EV electrical demand forecast? What are the assumed charging speeds, charger types, and quantities? Will EV charging for rental car agencies operate on a dedicated basis for each or will it be shared? Will any of the rental car EV charging stations be available for public charging? Is L2 charging mandatory or can L3 chargers be deployed instead?

<u>Response</u>: Nearly all EV charging stations, other than the two rapids, L3, will be L2. HAS is currently putting together more detailed plans for EV Charging. Rental cars currently each have their own chargers.

24. <u>Question:</u> Are there any limitations on branding of company supplied equipment? Will HAS allowing branded canopies or branded way finding signage?

Response: HAS will address this question in the RFQ/RFP.

25. **Question:** Is HAS open to off-site renewable solutions that utilize a vPPA strategy?

Response: No, this RFI is about the HAS site at IAH.

26. **Question:** Is HAS open to off-site renewable solutions with load matching capabilities?

Response: Please refer to the response provided in Question #25.

27. **Question:** Please clarify the ultimate emissions reduction vision: Are renewables a mandatory element of the solution?

Response: Net zero carbon by 2050, so renewables should be a significant part of the solution.

28. **Question:** Please clarify the ultimate emissions reduction vision: Is Net Zero/ Full Decarbonization under consideration at a premium price?

Response: HAS will address this question in the RFQ/RFP.

29. **Question:** Considering the \$0.05/kwh price target, please clarify if the requested reliability/ storage solution is already included in this price?

Response: Please refer to the response provided in Question #28.

30. **Question:** Is HAS willing to share in the FAA permitting risk of on-site solar installations?

<u>Response</u>: HAS will assist in getting FAA approval for on-site. Some areas of the site will likely unable to be used due to FAA requirements.

31. **Question:** To what extent is reliability an issue with the current power configuration?

<u>Response</u>: Not a large issue yet due to being a priority load and redundant substation fees.

32. **Question:** In transition to a future scenario, is there a tolerated level of downtime?

Response: Please refer to the response provided in Question #28.

33. Question: With respect to reliability, what is the minimum load requirement (MW)?

Response: 22MW. As IAH grows, this number will as well.

34. **Question:** Has HAS initiated conversations with Centerpoint around future interconnection and power demand requests? If so, to what extent?

Response: HAS made them aware of the RFI and discussed our intentions.

35. **Question:** Is HAS currently entered under any PPA agreements or other renewable contracts; to what extent and what is the contract period?

<u>Response</u>: HAS doesn't have an individual contract with a power generation or distribution company. However, HAS is under the City of Houston umbrella for an energy contract. The original expiration of the contract is June 30, 2025, with options to renew for a period not exceeding 12 months from the most current End Date (not to exceed June 30, 2026).

36. **Question:** Can you share your existing electricity purchase agreement?

Response: No, HAS will address in the RFQ/RFP.

37. <u>Question:</u> Can you share a recent energy study, Utilities Master Plan, or similar document, to assist in understanding current utilities operations and needs?

Response: Please refer to the response provided in Question #36.

38. **Question:** Does HAS have any updates or action item progress to share regarding its Sustainability Master Plan published in 2018 (attached for reference)?

Response: No.

39. **Question:** Can you share any updated asset condition assessment metrics as included in said Sustainability Master Plan?

Response: No.

40. **Question:** Are improvements to this asset condition metric a consideration for this project? In other words, are there any deferred maintenance items HAS wishes to address? Ideally, a condition metric and equipment type/make/model data would be provided for each key asset in this category?

Response: No.

41. <u>Question:</u> In lieu of the above question, can HAS provide a list of major heating/cooling assets, to include type/make/model/age?

Response: Please refer to the response provided in Question #36.

42. <u>Question:</u> Would HAS consider implementing load-shedding strategies (EV charging, energy storage deployment, existing DRS/4CP programs in place, etc.) to potentially allow more financially viable backup generation options. If so, which loads would HAS consider non-essential?

Response: Yes, HAS will address this question with the RFQ/RFP.

43. **Question:** How sensitive is HAS to transitions between primary and potential backup sources of electricity?

Response: HAS will address this question with the RFQ/RFP.

44. <u>Question:</u> Can HAS provide representative load profiles for heating, cooling, and electrical demand? 8760 data is preferred?

<u>Response</u>: No. These profiles will be identified in the RFQ/RFP that will be issued in the last quarter of this year.

45. <u>Question:</u> Can HAS provide clarity on its projected load growth chart? For example, what is the average load vs. peak load?

Response: No, will address with the RFQ/RFP. Please refer to the response provided in Question #44.

46. **Question:** Is it reasonable for all loads to have 80% diversity??

Response: Yes.

47. <u>Question:</u> Will some loads, for example EV charging, have reasonable time-of-day usage estimates?

Response: Yes. Please refer to the response provided in Question #42.

When issued, Letters of Clarification (LOC(s) shall automatically become part of the solicitation documents and shall supersede any previous specification(s) and/or provision(s) in conflict with these LOC(s). LOC(s) will be incorporated into the Contract as applicable. It is the responsibility of the respondents to ensure that it has obtained all such LOC(s). By submitting a response on this project, respondents shall be deemed to have received all LOC(s).

If further clarification is needed regarding this solicitation, please contact Jorge Ardines, Sr. Procurement Specialist, via email at <u>jorge.ardines@houstontx.gov</u>.

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— DocuSigned by: Cathy Vander Plaats

Cathy Vander Plaats Aviation Procurement Officer Houston Airport System

cc: Al Oracion Dallas Evans Solicitation File

CVP/ja