

STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE

MAR 30 P4:12

ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: DBEDT, Hawaii State Energy Office

Name of Requesting Department

Pursuant to HRS §103D-306 and HAR chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.
In collaboration with Hawaiian Electric Company (HECO), deploy technology solutions towards grid modernization and greater deployment of grid-connected renewable energy resources. Solutions include, but are not limited to customer sited devices that can provide real-time access to customer load information and grid conditions, and devices that offer telemetry, visibility and controls to manage circuit level issues, including power quality.

Table with 2 columns: Vendor/Contractor/Service Provider Name, Amount of Request, Term of contract, Prior SPO-001, Sole Source (SS) No. Includes handwritten dates and amounts.

6. Describe in detail the following:
a. The unique features, characteristics, or capabilities of the goods, service or construction.
This project will provide for the deployment of innovative technology solutions at critical mass, required to test and analyze their effectiveness towards resolving grid challenges plaguing the further interconnection of distributed energy resources.
b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department
Hawaii is currently contending with unprecedented high penetration levels of intermittent renewable energy such that the demand for interconnecting distributed level PV systems and utility-scale technologies is not keeping-up with the grid's ability to absorb the energy that would be generated by such devices.

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.

This procurement is being undertaken under HAR Chapter 3-122-81 Sole Source procurement list item #2: "For the repair, replacement, installation (connection, activation or hookup), or relocation of public utility company equipment and facilities." Further, HECO owns and operates all of the electrical distribution system on Oahu. No other entity would not have the facilities to assist DBEDT in this project.

8. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

The project can only be accomplished with the collaboration of a local electrical utility company. HECO was selected due to the high penetration of renewal energy resources and the related present issues of grid-connecting additional renewable energy resources on the island of Oahu.

9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	E-mail Address
<i>Susan Gray-Ellis*</i>	<i>SID/DBEDT</i>	<i>5879002</i>	<i>Sgray-ellis@dbedt.hawaii.gov</i>
<i>Mark B. Glick</i>	<i>SID/DBEDT</i>	<i>5873812</i>	<i>mark.b.glick@dbedt.hawaii.gov</i>

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR chapter 3-122, Subchapter 15, Cost or Pricing Data if required.

All requirements/approvals and internal controls for this expenditure is the responsibility of the department.

I certify that the information provided is to the best of my knowledge, true and correct.

[Signature]

Department Head Signature

MAR 27 2015

Date

For Chief Procurement Officer Use Only

Date Notice Posted: 4.6.15

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Approval is granted for the period 7/1/2015 to 6/30/2016 and is based on the department's determination that HECO is statutorily required to establish a Renewable Portfolio Standard (RPS). Because HECO owns the "grid," they are the sole entity that can modernize it and substantially integrate additional renewable energy to meet the State's goals as the Energy Resources Coordinator (ERC) pursuant to HRS section 196. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112 shall apply (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) and the award is required to be posted on the Awards Reporting System. Proof of compliance and the awards posting are required to be documented in the procurement/contract file.

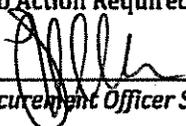
The department is reminded that sole source contracts in excess of \$100,000 require certified cost or pricing data pursuant to HAR chapter 3-122, subchapter 15 and are required to be documented in the procurement/contract file.

If there are any questions, please contact Donn Tsuruda-Kashiwabara at 586-0565, or donna.tsuruda-kashiwabara@hawaii.gov.

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

Date

5/20/15



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DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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DTS #2015 03191 75217

April 16, 2015

TO: Sarah Allen, Chief Procurement Officer
State Procurement Office

FROM: Luis P. Salaveria, Director 
Department of Business, Economic Development & Tourism

SUBJECT: Amendment to the Notice & Request For Sole Source No. 15-054D,
Question No. 7 for reconsideration

This is a request for reconsideration and approval to amend the Notice & Request For Sole Source No. 15-054D, Question No. 7 (Amendment) and replace the contents of this section in its entirety, with the following:

"Although this procurement involves the installation of utility equipment, which is approved for sole source pursuant to HAR Chapter 3-122-81 Sole Source procurement list item #2, it also requires data and reporting.

The project will install innovative technology equipment both at commercial and industrial utility customer sites and on electric power poles. These installations will enable HECO to collect and analyze data that will provide crucial information to help unlock utility solutions for interconnecting higher levels of renewable energy resources. In addition to the installation of these innovative technology equipment in the field, the deliverables to DBEDT will include transfer of data collected.

HECO owns and operates all of the electrical distribution systems on Oahu. Subsequently, HECO is the only source to complete this project."