



ACAN Ref No: 84084-17-0193

Purpose of the ACAN:

The purpose of this ACAN is to provide public notice indicating to the supplier community that the National Energy Board, (herein after, the Board, or NEB) intends to award a contract for these services to Stokes Economic Consulting Inc., (herein after, SECI). Before awarding the contract however, the government would like to allow other potential suppliers to signal their interest in bidding and demonstrate they are capable of satisfying the requirements by submitting a Statement of Capabilities within the 15 calendar day posting period.

If no other potential supplier submits a Statement of Capabilities that meets the requirements set out in the ACAN, on or before the closing date stated in the ACAN, the contracting officer may then proceed with the award to the pre-identified supplier.

Definition of the requirement

National Energy Board requires a macro-economic forecast provider to assist the Board meet the following objective:

Like the previous EF Reports, in order to deliver its Energy Futures Reports, the Board will require a macro-economic projection to produce four additional scenarios, each of these scenarios will provide the drivers to the energy demand and supply modelling framework. Much like the work provided for its previous Reports, the Board would like to contract SECI to provide the macro-economic projections for the cases. SECI will produce these four additional scenarios starting with the EF 2017 Reference Case, which was released in late October. SECI will leverage projections that are published (current versions) by the Energy Information Administration to build a low oil price scenario and a high US economic growth scenario.

The Board will provide SECI a series of preliminary energy assumptions (benchmark prices, production and investment) for each of these cases. SECI will then provide the Board macro-economic projections at the necessary level of detail, including all relevant data and descriptions. SECI will be expected to incorporate feedback from the Board staff, information gathered from the Board's consultation sessions on preliminary results, as well as incorporate the impacts on the macro-economic projections of the energy outcomes derived from the initial macro-economic projections.

Criteria for assessment of the Statement of Capabilities (Minimum Essential Requirements)

Any interested supplier must demonstrate by way of a statement of capabilities, ability to undertake the following tasks:

1. Provide a fully updated historical dataset
2. Provide a Reference Case macro-economic projection to 2040:
 - a. Developed based on the inputs provided by the NEB (including benchmark prices, energy production and energy/climate policies).
 - b. That includes data on key macro-economic variables by province
 - c. That includes industrial gross outputs (historical and projected) by province consistent with the specific requirements of the NEB's energy demand model
3. Provide four alternative macro-economic scenarios to be used by NEB with its energy model E2020, Scenarios will be based on different sets of inputs provided by the NEB including:
 - a. lower oil prices
 - b. higher economic growth in Canada and US
 - c. higher economic growth in Canada
 - d. higher economic growth in US



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4. Provide a description of macro-economic projections for the Reference Case and Alternative Sensitivities

Applicability of the trade agreement(s) to the procurement

This procurement is subject to the following trade agreement(s):

- i. NAFTA;
- ii. CFTA;

Justification for the Pre-Identified Supplier

The Contractor, SECI, is suggested because:

- i. As a result of significant effort to modify their provincial macro-economic model, SECI is believed to be the only macro-economic provider capable of meeting the input requirements (historical and forecast) of the NEB's energy demand model. These specific requirements include:
 - a. Estimates of numerous series of historical gross output data by province for industries where data is not publically available, back to 2001.
 - b. Forecasts of the industrial gross output data by province for which historical data is not available.
- ii. The report will be an "update" to the 2016 Energy Futures Report. Providing an update requires consistency between modelling platforms and between modelling efforts. This ensures differences in results are due to variables and assumptions that have changed since the original report, rather than modifications to the modelling structure. SECI's provincial macro-economic model provides this necessary consistency.

Government Contracts Regulations Exception(s)

The following exception(s) to the *Government Contracts Regulations* is invoked for this procurement under subsection 6(d) - "only one person is capable of performing the work".

Period of the proposed contract or delivery date

The proposed contract is for the period of one year from date of award and possible option up to 2 additional years.

Cost estimate of the proposed contract

The estimated value of the contract is \$ 46,043.00 (GST/HST extra).

Name and address of the pre-identified supplier

Stokes Economic Consulting Inc.
336 Bronte Street South, Unit 221
Milton, Ontario, L9T 7W6

Suppliers' right to submit a statement of capabilities

Suppliers who consider themselves fully capable of providing the services described in the ACAN may submit a Statement of Capabilities in writing to the contact person identified in this notice on or before the closing date of this notice. The Statement of Capabilities must clearly demonstrate how the supplier meets the advertised requirements.

Closing date for a submission of a statement of capabilities

The closing date and time for accepting statements of capabilities is December 19th at 02:00 PM (Mountain Standard Time).

**National Energy
Board**



**Office national
de l'énergie**

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Inquiries and submission of statements of capabilities

Inquiries and statements of capabilities are to be directed to:

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National Energy Board
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