



Advance Contract Award Notice (ACAN)

Macroeconomic Projections for the 2020 Energy Futures Report

1. Advance Contract Award Notice (ACAN)

An ACAN is a public notice indicating to the supplier community that a department or agency intends to award a contract for goods, services or construction to a pre-identified supplier, thereby allowing other suppliers to signal their interest in bidding, by submitting a statement of capabilities. If no 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.

2. Definition of the requirement

The Canadian Energy Regulator (CER) has a requirement for macroeconomic projections for the 2020 Energy Futures report.

The next EF report, EF2020, is scheduled for release in fall 2020, with work beginning in early 2020. The CER requires a macroeconomic projection for its Reference Case and up to four alternative sensitivity cases.

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

Deliverables

- a) Provision of a Reference Case Projection.
- b) Provision of alternative sensitivity case projections based on changing one or several key assumptions from the Reference Case.
- c) Description of macroeconomic projections for the Reference Case and Alternative Sensitivities.
- d) Provision of all relevant macroeconomic data for history and projections (Reference Case and alternative cases).
- e) Provision of support and revisions.



3 Criteria for assessment of the Statement of Capabilities

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

1. Provide a fully updated historical dataset.
2. Provide a Reference Case macro-economic projection to 2050:
 - a. Developed based on the inputs provided by the CER (including benchmark prices, energy production and energy/climate policies);
 - b. That includes data on key macro-economic variables by province; and,
 - c. That includes industrial gross outputs (historical and projected) by province consistent with the specific requirements of the CER's energy demand model.
3. Provide up to four alternative macro-economic projections based on different sets of inputs provided by the CER.
4. Provide a description of macro-economic projections for the Reference Case and Alternative Sensitivities.

4 Applicability of the trade agreement(s) to the procurement

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

- Canadian Free Trade Agreement (CFTA)
- World Trade Organization - Agreement on Government Procurement (WTO-AGP)
- North American Free Trade Agreement (NAFTA)

7. Justification for the Pre-Identified Supplier

The Contractor, Stokes, is believed to be the only macro-economic provider capable of meeting the input requirements (historical and forecast) of the CER'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

The report will build on previous iterations of the Energy Futures Report. Providing an update requires consistency between modelling platforms and between modelling efforts. C4SE's provincial macro-economic model provides this necessary consistency. 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. Stokes' provincial macro-economic model provides this necessary consistency.



8 Government Contracts Regulations Exception(s)

The following exception to the Government Contracts Regulations is invoked for this procurement under subsection 6

(d) –“*only one person is capable of performing the work*”

9 Exclusions and/or Limited Tendering Reasons

The following exclusion(s) and/or limited tendering reasons are invoked under the *(section of the trade agreement(s) specified)*:

- a. North American Free Trade Agreement (NAFTA) – Article(s) 1016.2 (b)

10 Period of the proposed contract or delivery date

The period of this contract is from date of contract award to December 31, 2020 with the option to extend the term of the contract by up to two one-year period

11 Cost estimate of the proposed contract

The estimated value of the contract, including option(s), is

\$330,750.00 (GST/HST included).

12 Name and address of the pre-identified supplier

Stokes Economics
336 Bronte Street South, Unit 221
Milton, Ontario, L9T 7W6

13 Suppliers' right to submit a statement of capabilities

Suppliers who consider themselves fully qualified and available to provide 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.

14 Closing date for a submission of a statement of capabilities

The closing date and time for accepting statements of capabilities is

February 10, 2020 at 2:00 p.m. MST



15 Inquiries and statements of capabilities are to be directed to:

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