



This Amendment 004 of **RFP #5000063696** is being raised to:

- Respond to questions;
- Perform modifications to Section 7.9.2 Method of Payment, Annex “A” – Statement of Work, and Appendix #2 – Financial Proposal Form to incorporate Milestones; and
- Perform modifications to Mandatory Technical Criterion #3 (M3) – French RFP only.

Questions and Answers

For the response to question #1, please refer to RFP Amendment 003.

Question #2:

We have acknowledged that the final deliverables submission date is March 20, 2022. Considering the submission of the proposal date on January 18, 2022 and the scope of the work, does this timeline still hold? Based on our experience, carrying out a study of this magnitude, which requires making contact with several key stakeholders, can take at least 3 months.

Answer #2: After reviewing the latest extension to the solicitation deadline, NRCan has extended the end date of this operational requirement in order to allow for a sufficient amount of time to complete the work.

Question #3:

Can NRCan give an approximation for the expected value of the scope of work, even in order of magnitude \$, as this will have a bearing on whether we can cost-effectively draw on our resources outside Canada (which could bring considerable value and expertise to NRCan)?

Answer #3: NRCan is unable to provide this information as this is information determined by the Contractor based on the scope of work and tasks detailed under Annex “A” – Statement of Work.

Question #4:

For the point rated technical criteria “RC2: Project Team Experience”, the criteria states that for each project submitted for this rated requirement The Bidder’s proposal should include a) the name of the client organization and b) the dollar value of the project (among other information). For projects where this information may be protected by confidentiality agreements with the corresponding client organization, can the information be substituted without scoring penalty (i.e., still be counted towards the years of experience) by a) information on the type of client organization, its sector of activity and its geographical reach (e.g., “a large Canadian Upstream Oil & Gas company”) instead of the client name and b) with a range for price, in increments of \$5M CAD (e.g., \$0-5M, \$5-10M, etc.) instead of the exact dollar value of the project? If NRCan later requires specific references to be validated, we will obviously be able to assist in that process.

Answer #4: That level of detail would be acceptable, but references would need to be provided if required.



Question #5:

In Annex "A" – Statement of Work under SW.2.0 Introduction, it states "...The analysis must assess a variety of quantitative and qualitative measures to understand the opportunities/challenges facing Canada in developing its export potential for hydrogen and related applications (e.g. fuel cell technologies)." Please be more specific as to the extent to which NRCan seeks this work to address the export potential for "related applications". Apart from "fuel cell technologies", are there other specific related applications NRCan wishes for the Technical Report to address.

Answer #5: Related applications could include hydrogen carriers (e.g. ammonia, methanol, etc.), and hydrogen production technologies (e.g. electrolyzers). Essentially we're looking at the full spectrum of export potential – clean hydrogen, and the technologies that produce, distribute, or use it.

Question #6:

In Annex "A" – Statement of Work under Objective 1: Provide a Hydrogen Export Analysis, it states "... The Contractor may include the following suggested elements to meet this objective:...identify key short and medium term opportunities for hydrogen export, along with barriers to developing a Canadian hydrogen export market". Please define NRCan's timeframe meaning of "short [term]" and "medium term".

Answer #6: As defined in the Hydrogen Strategy for Canada - short term: 0-5 years; medium term: 5-10 years.

Question #7:

In Annex "A" – Statement of Work under SW.3.0 Background, it states "...The Hydrogen Strategy for Canada has identified five key markets as potential export markets for Canada: The USA, Japan, South Korea, China and the European Union. In Annex "A" – Statement of Work under SW.4.0 Objectives, it states "...examine opportunities and challenges to growing Canada's export potential for hydrogen, including identifying key priority markets areas, and where Canada can excel in hydrogen innovation". The referenced "The Hydrogen Strategy for Canada" identified five (5) key export markets. In this RFP, is NRCan seeking to focus on the identified export markets, or to examine and consider additional export markets?

Answer #7: The Hydrogen Strategy did identify that initial export potential is in the five markets, and the analysis should delve further into these markets while also examining other potential markets, given how quickly the global demand and market for hydrogen is growing/ evolving.

Question #8:

In Annex "A" – Statement of Work under SW.4.0 Objectives, it states "...perform an analysis of Canada's competitors' activities to promote and attract hydrogen investment. (e.g. funding)". Please clarify if "Canada's competitors" are defined as nation states or other entities?

Answer #8: Canada's competitors include nation states as well as their national commercial entities (e.g. large corporations, national/sub national utilities, state-owned enterprises, etc.)



Question #9:

In Annex "A" – Statement of Work under SW.4.0 Objectives, it states "...develop a series of information materials and tools to help promote Canada's hydrogen advantages, attract direct foreign investment, and to help trade commissioners abroad promote Canada's Hydrogen Strategy." Please be more specific as to the deliverables required with respect to "information materials and tools"

Answer #9: Information materials and tools could include but are not limited to: a placemat/pamphlet/presentation material of our comparative competitive advantage with appropriate narrative and statistics.

Question #10:

In Annex "A" – Statement of Work under SW.4.0 Objective 2: Provide a Feedstock Analysis, it states "...The Contractor may include the following suggested elements to meet this objective: ...perform an examination of most likely domestic source of feedstock (including ammonia) for the hydrogen export hubs." Is NRCan restricting the examination only to hydrogen and ammonia to the exclusion of other potential export market hydrogen carriers?

Answer #10: Ammonia is provided as an example only, based on current global trends, but the analysis could include other carriers.

Question #11:

In Annex "A" – Statement of Work under SW.4.0 Objective 2: Provide a Feedstock Analysis, it states...examine the costs of producing hydrogen/ ammonia and its delivery to markets, versus what the overseas markets are expecting to pay for the commodities (e.g.) large-scale hydrogen transportation by ship is expensive and challenging, so cost and technical pathway will need to be considered." What are the dates and timeframes for which NRCan is seeking the cost analysis? NRCan stated an opinion that "large-scale hydrogen transportation by ship is expensive and challenging". Please substantiate this statement, qualify it, modify it, or retract it, or explicitly state that this statement should be taken as fact by the contractor for the purpose of completing the work.

Answer #11: The statement should be considered as a statement of fact, as supported by a variety of international reports, including the International Energy Agency's Hydrogen. The contractor should analyze existing cost projections, and the conditions required (e.g. production costs, carrier, demand, global trade regulations), for hydrogen export to be economically feasible in the Canadian context.

Question #12:

In Annex "A" – Statement of Work under SW.5.1 Task (Engagement with industry through the development of a series of thematic workshops), it states "...The contractor must engage with industry (private companies, producers, associations) and end-users (academia, not-profit organizations, operators, stakeholders etc.) to understand their hydrogen export ambitions, challenges and opportunities for the export of hydrogen as well as infrastructure challenges and the technological maturity throughout the value chain. To what extent does NRCan expect the contractor to engage with industry and end-users while undertaking this work?



Answer #12: The expectation is that the contractor will undertake any engagement necessary (including workshops, and bilateral discussions) to ensure the analysis is complete and informed by industry

Question #13:

In Annex "A" – Statement of Work under SW.5.1 Task (Engagement with industry through the development of a series of thematic workshops), it states "Engage with Provinces and on strategies for the export of hydrogen." To what extent does NRCan expect the contractor to engage with the Provinces while undertaking this work? Can NRCan provide an explanation regarding not engaging with the Territories regarding hydrogen export strategies?

Answer #13: Numerous provinces have released their respective hydrogen strategies, which include export potential. It is important for analysis to include provinces that are planning for export. Engagement with territories, could also be considered, however, at this time, the analysis to inform the development of hydrogen blueprints for the territories is only beginning.

Question #14:

In Annex "A" – Statement of Work under SW.5.1 Task (Engagement with industry through the development of a series of thematic workshops), it states "...The Contractor must address the Technical Authority's comments provided on the draft presentation and deliver a final report and a final PowerPoint presentation to the Technical Authority." What is NRCan's expectation for the page length of the final report? What is NRCan's expectation for the duration of the final PowerPoint presentation deliverable?

Answer #14: The final presentation should be a summary of the final report (e.g. 20 min). The final report should be thorough and cover all pertinent areas covered in the SOW. NRCan cannot be prescriptive of the total length (comparative examples have been between 60-100 pages).

Question #15:

Under the Point Rated Criterion (RC5 Project Timeline), it states "...The Bidder's proposal SHOULD include and propose a timeline to achieve the objectives in the Statement of Work." Given that bid closing date is 18 January 2022 and the Draft Report and Presentation are due by 28 February 2022, for the purpose of developing the project timeline, what is NRCan's target date to award the contract?

Answer #15: NRCan cannot provide an exact Contract award date. However, as a result of the latest extension to the solicitation deadline, NRCan has extended the end date of this operational requirement in order to allow for a sufficient amount of time to complete the work. Please see the changes to the Statement of Work within this RFP amendment.



Question #16:

Under Mandatory Technical Criterion (M2 Project Lead/ Manager), it states “...The Bidder MUST identify projects for the proposed Project Lead/Manager which substantiate that the Project Lead/Manager has a minimum of five (5) years experience in providing services in the hydrogen industry or in the energy sector.” Please confirm that the Project Lead/ Manager can pass this M2 mandatory criteria having zero experience in the hydrogen industry as long as they have the minimum of five (5) years of non-overlapping experience in the energy sector.

Answer #16: NRCan confirms that the Bidder can be deemed compliant/pass M2 as long as the Bidder is able to demonstrate that the proposed Project Lead/Manager has a minimum of five (5) years of experience in either the hydrogen industry **OR** in the energy sector.

Question #17:

Under Mandatory Technical Criterion (M3 Technical Economic Assessment of the Potential for Export of Hydrogen - Subject Matter Expert), it states “... The proposed resource for the role of Subject Matter Expert MUST have at least five (5) years of non-overlapping experience in the natural resource export industry, as well as experience in undertaking and developing a technical economic assessment.” Please confirm that the Subject Matter Expert can pass this M3 mandatory criteria without having had any actual subject matter experience in the hydrogen industry.

Answer #17: NRCan confirms that the Bidder can be deemed compliant/pass M3 as long as the Bidder is able to demonstrate that the proposed Subject Matter Expert has experience in the natural resource expert industry. This may or may not mean “hydrogen industry”.

Question #18:

Under Appendix “2” – Financial Proposal Form, it states “... Bidder tendered all-inclusive firm price to perform the work is Canadian funds, applicable taxes excluded. Any Travel and Living Expenses and other miscellaneous expenses must be included in the firm price.” Will the bidder's price be evaluated for contract award decision?

Answer #18: Please refer to **Part 4 – Evaluation Procedures and Basis of Selection** within the RFP, where this section details how the Bidders financial bid/price will be evaluated and tabulated with the technical merit score (if a Bidder has been confirmed to have met all the Mandatory Technical Criteria). The responsive Bidder with the highest combined rating of technical merit and price will be recommended for award of a contract.



Modifications

Therefore, amend as follows:

At Section 7.9.2 Method of Payment

DELETE: In its entirety.

INSERT:

Milestone Payments

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract if:

- a. an accurate and complete claim for payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- b. all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.

At Annex “A” – Statement of Work, SW 5.1

DELETE: In its entirety.

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SW.5.1 Tasks, Milestones, Deliverables and Schedule

Tasks/Activities	Milestones	Deliverables	Time Schedule
<u>Project Kickoff,</u> <u>Work planning &</u> <u>Progress Meetings</u>		<p>The contractor must present their proposed project approach to the Technical Authority.</p> <p>The contractor must also formally introduce the Project Lead/Manager, the Subject Matter Expert and their team.</p> <p>The Contractor must schedule a kick-off meeting by videoconference within ten (10) business days of contract award. The kickoff meeting agenda will include a discussion about the contractor’s work plan, and</p>	<p>Within ten (10) business days</p>



		<p>project schedule. The Contractor must update the workplan and project schedule with any changes agreed to during the meeting and submit an updated work plan within five (5) business days following the kickoff meeting.</p> <p>In addition, the Contractor must schedule bi-weekly progress meetings with the technical authority for providing project updates and interim results. The Contractor must submit minutes of all meetings to the Technical Authority (TA) within two (2) working days of the meeting for acceptance.</p>	<p>Progress meeting on a bi-weekly basis</p>
<p>Research and Analysis</p>		<p>Contractor must research the following points (as well as any others that are suitable) to address the objectives in SW 3.0:</p> <ul style="list-style-type: none"> I. Conduct a literature review of global trade policies in hydrogen as jurisdictions continue to evolve and establish international trade rules on hydrogen exports, including a summary of relevant standards and codes II. Assess the viability and costs of existing and emerging approaches for exporting hydrogen from Canada to international markets (incl. repurposing export terminals) III. Survey the emerging hydrogen export projects in Canada (proposed, FIDs, under construction, etc.). IV. Determine the key hydrogen export destinations for future Canadian supply. 	<p>Ongoing</p>



		<ul style="list-style-type: none"> V. Conduct research on Canada's comparative global advantage with our abundant feedstock (solar, wind, hydro, natural gas etc.) to produce hydrogen compared to our global competitors. Identify supply chain and infrastructure gaps and challenges to overcome VI. Examine the most likely domestic source of feedstock for the hydrogen export hubs. VII. Examine the carbon intensity of hydrogen sought by foreign buyers. VIII. Highlight areas where Canada is leading and lagging in comparison to our international trade competitors and partners. IX. Examine the cost of Canadian produced hydrogen/ ammonia that can be delivered to global market 	
<p>Engagement with industry through the development of a series of thematic workshops.</p>		<p>The contractor must engage with industry (private companies, producers, associations) and end-users (academia, not-profit organizations, operators, stakeholders etc.) to understand their hydrogen export ambitions, challenges and opportunities for the export of hydrogen as well as infrastructure challenges and the technological maturity throughout the value chain. In doing so the contractor must:</p> <ul style="list-style-type: none"> i. Develop a thorough understanding of the current state of awareness and interest in exporting hydrogen energy. 	<p>Ongoing</p>



		<ul style="list-style-type: none"> ii. Gather intelligence on commercial and industrial plans for hydrogen export and import (global stakeholders/port authorities.) iii. Engage with Provinces and on strategies for the export of hydrogen. iv. Identify key international markets throughout the Canadian hydrogen value chain. v. Provide additional information and knowledge, including: <ul style="list-style-type: none"> o Investments by government and industry to date o Number of jobs that could be created (forecast) o Number and location of potential projects across Canada o Projects in plan or underway <p>Note: Strong collaboration with federal and provincial governments, as well as across industry and academia will be required.</p>	
<p><u>Draft Report & Presentation</u></p>	<p>#1 (80%)</p>	<p>The Contractor must prepare a draft report and draft presentation that include the results of the literature review, and stakeholder interviews. The report must outline key pillars in the development of a technical economic assessment of the potential for hydrogen export, along with preliminary recommendations.</p>	<p>By March 31, 2022</p>



		<p>The contractor must provide these to the Technical Authority for comment. The Technical authority will review and comment on the draft report and presentation within ten (10) business days or as agreed to.</p> <p>The Contractor must address the Technical Authority's comments provided on the draft report and provide an amended report within five (5) business days.</p>	
<p><u>Final Report & Presentation</u></p>	<p>#2 (100%)</p>	<p>The Contractor must address the Technical Authority's comments provided on the draft presentation and deliver a final report and a final PowerPoint presentation to the Technical Authority. This presentation must include key findings and recommendations contained in the final report. This presentation must be provided within 1 week after Technical Authority approval of the final report, and must be completed by videoconference.</p>	<p>At the latest by June 30, 2022.</p>



At Appendix #2 – Financial Proposal Form

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Firm Price - Milestone Payments

Bidder tendered all-inclusive firm price to perform the work is in Canadian funds, applicable taxes excluded. Any Travel and Living Expenses and other miscellaneous expenses must be included in the firm price.

Milestone #	Description of Milestone	Firm Price (Applicable Taxes Excluded)
1 (80%)	Draft Report & Presentation By March 31, 2022	\$ _____
2 (100%)	Final Report & Presentation By June 30, 2022	\$ _____
Total Firm Price for Financial Proposal Evaluation:		\$ _____

ALL TERMS AND CONDITIONS REMAIN THE SAME