



City of Prince Rupert:
Prince Rupert Innovative Energy Hub

Request for Expressions of Interest

February 14, 2024

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Summary

The following Request for Expressions of Interest (REOI) document, issued by the City of Prince Rupert (Prince Rupert), is designed to identify potential partners for the development of the **Prince Rupert Innovative Energy Hub**. This is a pivotal step in the city's strategic plan to foster sustainable economic growth and establish Prince Rupert as a leader in innovative energy production and export.

Through Prince Rupert Legacy Inc. (PRLI), Prince Rupert will negotiate lease arrangements with selected companies for parcels on City owned Watson Island and Lot 444 to support the development and commercialization of innovative energy projects on these lands. The terms of the leases will be designed to balance the need for economic viability of the projects with the overarching objectives of the Innovative Energy Hub.

Companies with strong, actionable project concepts ready to be advanced are encouraged to apply through the REOI to advance to the Request for Projects phase of the process. Innovative energy projects include, but are not limited to:

- Hydrogen production and export
- Biomass production and export
- Wind generation
- Run-of-river or tidal energy production
- Innovative energy equipment manufacturers
- Other innovative energy technologies

The deadline for submissions to the REOI is August 30, 2024.

Introduction

Prince Rupert stands at a transformative juncture as it seeks to align its community and economic base with the broader provincial, national, and global goals of fostering sustainability and achieving Net Zero.

Prince Rupert's vision for its future includes a solid economic foundation built on innovative energy production and export, which provides a catalyst for attracting investment and economic diversification, local job creation and a steadily growing municipal revenue base to support local

infrastructure needs. To achieve this outcome, Prince Rupert envisions to become an Innovative Energy Hub.

Prince Rupert is ideally positioned—geographically, economically and culturally—to assume this transformative role. (Figure 1) Its coastal location offers direct access to international shipping routes, providing a strategic advantage for exporting innovative energy products. This maritime gateway could particularly serve Asian markets, which are increasingly seeking cleaner energy options yet often lack the natural resources to produce them domestically. Furthermore, the proximity to natural resources like wood waste, wind and hydraulic resources can be leveraged for renewable energy production.

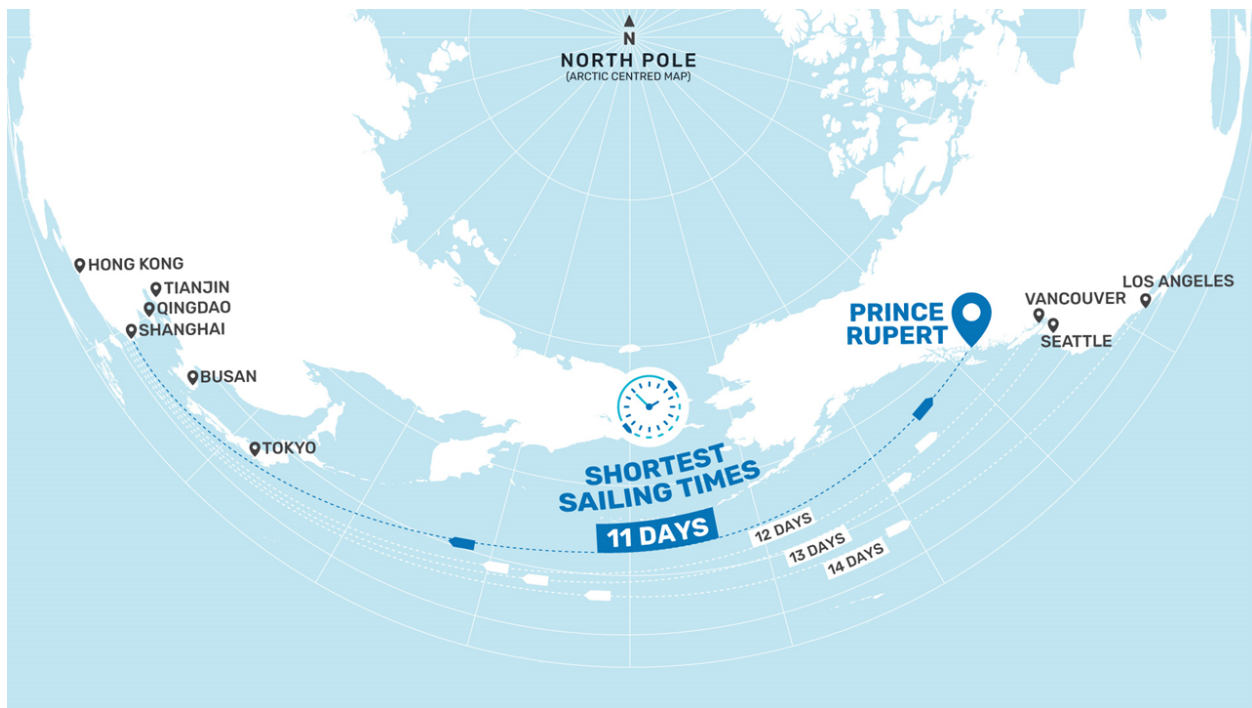


Figure 1. Courtesy of Prince Rupert Port Authority

Amid a burgeoning renaissance in innovative energy and clean technology investment in North America, Prince Rupert emerges not just as a participant, but as a standout location for both production and export within this dynamic sector. Prince Rupert is strategically positioned and well-connected via rail, road, air and pipeline to British Columbia and North America, making it an ideal export point for innovative energy producers throughout the continent. The city presents a compelling proposition for investors and companies seeking to capitalize on the growing demand for innovative energy solutions.

Prince Rupert is not merely looking to participate in the innovative energy revolution; it aims to take a leadership role by actively steering its own destiny. A key element in this ambitious plan is strategic targeting land owned by Prince Rupert to serve as a magnet for attracting innovative energy producers and exporters. This proactive approach elevates the city from a passive stakeholder to an active participant in shaping the green energy landscape.

About Prince Rupert Legacy Inc.

PRLI is a 100% wholly owned development corporation of the City of Prince Rupert. Created in 2014, PRLI was established as a strategic initiative in response to the growing need for sustainable economic development and community enrichment. The organization was created to manage and leverage city assets in a manner that aligns with long-term strategic goals. The primary purpose of PRLI is to steward key municipal assets, particularly land and real estate, to promote sustainable economic growth and community development. Its activities are centered around harnessing these assets to attract investment, foster innovation, and create job opportunities, all while ensuring that the environmental integrity and cultural heritage of Prince Rupert are preserved.

PRLI undertakes various projects that span from developing industrial lands for economic use, revitalizing underutilized properties for community purposes, to participating in public-private partnerships for major infrastructure projects. PRLI leases developable lands on Watson Island from the City of Prince Rupert and owns industrial lands zoned for purposes such as the opportunity presented through this REOI. The organization is governed by a board of directors comprising senior Prince Rupert municipal government executive.

Vision for the Innovative Energy Hub

The Prince Rupert Innovative Energy Hub is conceived as a dynamic center for the development, production, and export of sustainable and innovative energy solutions. It serves as a focal point for harnessing a variety of energy sources, including:

- Hydrogen production and export
- Biomass production and export
- Wind generation
- Run-of-river or tidal energy production
- Innovative energy equipment manufacturers, and
- Other innovative energy technologies

The hub is designed to integrate various facets of energy production, from research and development to commercialization, bringing together technology providers, researchers, industry experts, and investors. The initial focus of the competitive process will be on identifying companies with strong, actionable project concepts ready to be advanced.

Objectives of the Innovative Energy Hub

In the pursuit of transforming Prince Rupert into a nexus of sustainable and innovative energy development, the Innovative Energy Hub is envisioned to be more than just a project; it's a paradigm shift in how we approach energy production and management. Central to this transformative endeavor are a set of clearly defined objectives that guide the Hub's

development. These objectives are crafted not only to reflect the Hub's operational goals but also to encapsulate its broader mission of fostering economic, environmental, and community well-being. In aligning with these objectives, the Innovative Energy Hub aspires to set new standards in the energy sector, driving innovation while respecting and integrating the needs of all stakeholders involved.

- 1. Sustainable Energy Production:** Drive the shift towards sustainable energy practices by focusing on renewable and low-carbon energy sources, reducing reliance on traditional fossil fuels.
- 2. Economic Growth and Diversification:** Catalyze economic growth in Prince Rupert and the broader region by attracting investments, fostering innovation, and creating jobs in the green and low-carbon energy sector.
- 3. Community and Indigenous Engagement:** Engage closely with local communities and Indigenous groups, ensuring that development is inclusive, provides local benefits, and respects cultural and environmental values.
- 4. Research and Innovation:** Serve as a platform for cutting-edge research and innovation in clean energy technologies, encouraging collaboration between academia, industry, and government agencies.
- 5. Environmental Stewardship:** Uphold the highest standards of environmental protection and sustainability, contributing to climate change mitigation efforts and preserving the natural beauty of the region.

Key Outcomes:

As the City of Prince Rupert embarks on its ambitious journey with the Innovative Energy Hub, it is essential to envision and articulate the key outcomes that this initiative aims to achieve. These outcomes are the benchmarks against which the success of the Hub will be measured, reflecting its impact not only on the energy landscape but also on the economic, social, and environmental fabric of the region. From catalyzing a shift towards sustainable energy practices to stimulating economic growth and fostering community development, the envisaged outcomes embody the multifaceted benefits that the Innovative Energy Hub is designed to deliver. They serve as guiding lights, ensuring that the project's progression remains aligned with its overarching goals of innovation, sustainability, and inclusive growth.

- 1. Establishment of a Green and Low-Carbon Energy Ecosystem:** Create a thriving ecosystem that nurtures green and low-carbon energy technologies and businesses, positioning Prince Rupert as a leader in sustainable energy.
- 2. Attracting Investment:** Leverage Prince Rupert's strategic location and resources to attract national and international investment into the green energy sector.
- 3. Enhancing Energy Security:** Contribute to the energy security of British Columbia and Canada by adding diverse and sustainable energy sources to the energy mix.

4. **Export Hub:** Utilize Prince Rupert's port facilities and logistical advantages to become a key energy export hub for innovative energy solutions, particularly catering to markets seeking sustainable energy options.
5. **Community Development and Prosperity:** Generate economic benefits for the local community, including job creation, infrastructure development, and enhanced public services.
6. **Model for Sustainability:** Establish the hub as a model for sustainable development, showcasing how innovative energy solutions can be harmoniously integrated into community and environmental landscapes.

Purpose of the Request for Expressions of Interest

Prince Rupert invites expressions of interest for the development of low-carbon energy projects, a bold initiative aimed at transforming the city into a beacon of sustainable energy practices. This REOI is a call for companies with strong, actionable project concepts ready to be advanced.

The Hub is designed to be a vibrant ecosystem where low-carbon energy production co-exists with established technologies like wind and emerging ones like hydrogen. The goal is to create a hub that catalyzes Prince Rupert's economic development while making significant strides in reducing carbon footprints, thereby contributing positively to both the local community and the global fight against climate change.

Availability of Lands for Innovative Energy Hub

The lands earmarked for this initiative encompass strategically located areas, each offering unique advantages for various types of energy projects. These include:

- **Watson Island:** Known for its industrial heritage, the brown field Watson Island presents an opportunity for redevelopment into a center for innovative energy, particularly suited for larger scale projects.
- **Lot 444:** This green field area offers a combination of accessibility and space, making it ideal for a range of energy initiatives.

Please see Appendix A – Site Information for detailed description of the sites.

Lease Agreement Framework

To support the development and commercialization of innovative energy projects on these lands, PRLI will negotiate lease agreements with selected parties. These agreements will be structured to encourage and sustain the development of innovative energy projects as described in this Request for Expressions of Interest. The terms of the leases will be designed to

balance the need for economic viability of the projects with the overarching objectives of the Innovative Energy Hub.

The lease framework will consider factors such as the developmental stage of the projects, the technology's maturity, and the projected timeline for commercialization. PRLI's approach in these negotiations will be guided by principles that prioritize long-term sustainability, economic development, and alignment with the city's vision of becoming an innovative energy hub.

Process Timeline

As Prince Rupert embarks on its ambitious journey to establish itself as a key player in the realm of innovative energy, a structured and strategic selection process is crucial to identify and collaborate with the right partners. This process begins with the Request for Expressions of Interest (REOI), a critical step in understanding the landscape of potential collaborators in the energy and clean technology sectors. The REOI is more than just a preliminary step; it's a gateway to attracting and identifying partners who share the vision and possess the capability to bring the Innovative Energy Hub to fruition. This initial phase is meticulously designed to not only collect comprehensive information on the interests and capabilities of various industry players but also to set the stage for a targeted Request for Proposals (RFP) that aligns with Prince Rupert's strategic objectives for the Innovative Energy Hub.

1. Initial Phase: REOI for Gathering Industry Interests (February – August 2024)

The initial phase of the selection process involves the issuance of this REOI, which serves as a preliminary screening tool. This step is designed to gather detailed information about the specific interests and capabilities of companies in the energy and clean technology sectors. By responding to the REOI, companies provide insights into their expertise, potential project ideas, and their interest in developing innovative energy solutions on the lands available through PRLI. Only companies selected through the REOI will be invited to participate in the RFP phase.

2. Developing the RFP: (September 2024)

The information and insights gathered from the REOI will be instrumental in shaping the targeted RFP. This RFP will be designed to align with the city's vision for the Innovative Energy Hub and to address the specifics and potential of the projects indicated by selected respondents in the REOI phase. This targeted approach ensures that the RFP is grounded in realistic market interests and capabilities, increasing the likelihood of finding the right partners for the initiative.

3. Evaluation and Shortlisting for RFP: (September 2024)

Responses to the REOI will be thoroughly evaluated based on the identified criteria. Companies that meet these criteria and are approved will be shortlisted and invited to

participate in the RFP process. This selective approach ensures that only the most capable and aligned companies move forward, thereby enhancing the quality and feasibility of the proposals received in the RFP stage.

4. *RFP Participation and Proponent Selection (September – December 2024)*

During the RFP phase, shortlisted companies will be asked to submit more detailed proposals, including comprehensive project plans, financial models, and strategies for implementation. The RFP process will further scrutinize the proposals, leading to the selection of the most suitable proponents based on a rigorous and fair evaluation process.

5. *Negotiating Lease Agreements: (January – February 2025)*

Post-RFP, selected proponents will be invited to negotiate lease agreements with PRLI for the use of the specified lands. These negotiations will aim to finalize terms that support the development and commercialization of the proposed innovative energy projects. The lease agreements will encapsulate the obligations and expectations of both parties, ensuring a mutually beneficial arrangement that contributes significantly to the realization of the Innovative Energy Hub.

Submission Guidelines

Eligibility Criteria

1. **Organizational Profile:** Respondents must be Canadian legally registered entities with proven experience in the innovative energy sector.
2. **Financial Stability:** Demonstrated financial stability and the ability to undertake large-scale energy projects.
3. **Technical Expertise:** Evidence of technical expertise and successful implementation of energy projects.

Information Required

Respondents are required to submit the following information as part of their expression of interest:

1. **Company Overview:** A brief introduction to the company, including history, size, and areas of expertise.
2. **Relevant Experience:** Detailed information on previous projects that highlight experience in innovative energy solutions, particularly those relevant to the project scope.
3. **Proposed Project Concept:** A preliminary concept or vision for the project on the lands available, aligning with the Innovative Energy Hub's objectives.

4. **Technical Capabilities:** Overview of technical resources, including human capital and technological assets.
5. **Financial Information:** Summary of financial health, including the ability to fund and sustain large-scale projects. Provide audited financial statements for the past three years, if available.
6. **Sustainability and Community Engagement Approach:** Outline the approach to sustainability and any potential community engagement strategies.
7. **Contact Information:** Full contact details of the primary point of contact and any secondary contacts.

Format and Length of Submissions

- **Document Format:** Submissions should be in PDF format and follow the Eligibility Criteria and Information Required sections above.
- **Length:** The submission should not exceed 20 pages, excluding annexes and supplementary documents.
- **Language:** All submissions should be in English.
- **Clarity and Conciseness:** Responses should be clear, concise, and specifically address the requirements outlined.

Submission Deadline and Method

- **Deadline:** Submissions must be received by August 30, 2024, no later than 5:00 PM Pacific Daylight Time.
- **Submission Method:** Submissions should be sent electronically to dmolinski@cleantechcollective.ca
- Please ensure that the subject line reads: "REOI Submission – Prince Rupert Innovative Energy Hub."
- **Confirmation of Receipt:** A confirmation email will be sent upon receipt of the submission.

Additional Instructions

- **Inquiries:** All inquiries related to this REOI should be directed to David Molinski, Partner, CleanTech Collective at dmolinski@cleantechcollective.ca
- **Amendments to Submission:** Any amendments or additional information to a submission must be received before the deadline and clearly marked as "Amendment - [Company Name] - Innovative Energy Hub REOI."
- **Confidentiality:** All information provided will be treated as confidential. However, respondents should clearly mark any proprietary information as 'confidential'.

Evaluation Criteria

The evaluation of REOI submissions will be based on a set of criteria and weighting that are designed to ensure that the selected respondents are best suited to contribute to the development of goals and objectives of the ~~for the~~ Innovative Energy Hub. The criteria will focus on assessing the respondents' capabilities, experience, financial stability, and alignment with the project's objectives. Each submission will be evaluated on the following criteria:

1. Company Profile and Experience (25%)
 - Relevance of Past Projects: Assessment of the respondent's experience in innovative energy projects.
 - Success and Impact: Evaluation of the success and impact of previous projects, including scalability, innovation, and sustainability outcomes.
2. Technical Expertise and Capability (20%)
 - Technical Resources: Examination of the respondent's technical resources, including technology, equipment, and human capital.
 - Innovation and Research: Ability to demonstrate innovation and research capabilities in developing and implementing energy solutions.
3. Financial Stability (15%)
 - Financial Health: Review of the company's financial statements and funding sources to assess the ability to finance and sustain large-scale energy projects.
 - Economic Viability of Proposal: Preliminary assessment of the economic feasibility of the proposed project concept.
4. Sustainability and Environmental Impact (15%)
 - Environmental Responsibility: Commitment to environmental stewardship, including adherence to environmental regulations and sustainable practices.
 - Community Impact: Consideration of the potential social and economic impacts on the local community and how the project contributes to the overall wellbeing of the region.
5. Long-term Viability: (10%)
 - Consideration of the project's long-term viability and its contribution to Prince Rupert's sustainable development.
6. Alignment with Innovative Energy Hub Goals (5%)
 - Strategic Fit: Degree to which the proposed project aligns with the vision and objectives of the Innovative Energy Hub.
 - Contribution to Energy Diversity: How the proposal contributes to diversifying Prince Rupert's energy portfolio and promotes innovation in the energy sector.

7. Engagement and Collaboration (5%)

- External Engagement: Strategies for engaging with local communities, including Indigenous communities, and ensuring inclusive development.
- Partnership Potential: Capacity and willingness to collaborate with the City, Indigenous communities, local stakeholders, and other potential partners.

8. Scalability and Future Potential (5%)

- Growth Prospects: Assessment of the project's scalability and its potential to evolve with changing technological and market landscapes.

The evaluation process will be conducted by a an invited panel of experts, ensuring a fair and comprehensive assessment of each submission. The goal is to identify respondents who not only meet these criteria but also demonstrate a commitment to partnering with the City of Prince Rupert in realizing the vision of the Innovative Energy Hub.

Disclaimer

This REOI is issued by the City of Prince Rupert for informational and planning purposes only and does not constitute a solicitation or offer by the City or PRLI. The information provided in this REOI is intended to be used as a general guide and is not exhaustive. All information contained in this document is subject to change without notice.

Responding to this REOI does not guarantee selection for further participation in any subsequent procurement process. The City of Prince Rupert reserves the right to modify, suspend, or cancel this REOI process at its discretion, and to request additional information or clarifications from respondents, or to allow corrections of errors or omissions. Participation in this REOI is voluntary and at the respondent's own risk and expense.

No contractual relationship, express or implied, is established by submitting a response to this REOI. The City of Prince Rupert shall not be liable for any costs, expenses, fees, or losses incurred by any respondent or any third party as a result of participation in the REOI process, including if the City decides not to proceed with further procurement processes.

All responses to this REOI will be treated as confidential; however, respondents should clearly mark any proprietary information as 'confidential'. The City of Prince Rupert is subject to applicable freedom of information and privacy legislation, and as such, any response to this REOI may be subject to disclosure under such laws.

Appendix A Site Information

Prince Rupert has consolidated relevant information regarding the respective parcels available as part of this REOI. This information is available through the following links. This online resource provides detailed maps and documents, offering essential insights into zoning regulations, land-use planning, and other significant geographical and infrastructural details.

Princerupert.ca/innovativeenergyhub

