Competitive Procurement

Study Group Work Products

2020 NC Energy Regulatory Process

Contents of this packet:

1. **Competitive Procurement Regulatory Guidance**
2. **Case Study: Colorado Electric Resource Plan**
3. **Case Study: Virginia Clean Economy Act Generation Procurement**

COMPETITIVE PROCUREMENT GUIDANCE DOCUMENT

COMPETITIVE PROCUREMENT POLICY GUIDANCE ADDRESSED TO THE NCUC FROM THE NORTH CAROLINA ENERGY REGULATORY PROCESS

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ABOUT THE NORTH CAROLINA ENERGY REGULATORY PROCESS

Governor Cooper's Executive Order 80 mandated the development of a clean energy plan for the state of North Carolina. The Clean Energy Plan recommended the launch of a stakeholder process to design policies that align regulatory incentives with 21st century public policy goals, customer expectations, utility needs, and technology innovation. The stakeholder process was launched in February 2020 and has led to policy proposals on energy reform.

About this document

The Competitive Procurement Subcommittee has evaluated a number of competitive procurement models across the country. Ultimately, the recent procurement cycle in Colorado for the Public Service Company of Colorado (Xcel Energy), offered a good example of a successful generation procurement framework. Based on such review, the Subcommittee supports the following policy recommendations details.

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INTRODUCTION

Purpose

The purpose of this document is to communicate the findings of the NC Energy Regulatory Process (NERP) to the NC General Assembly and the NC Utilities Commission (NCUC), as the NCUC may determine it appropriate to consider competitive solicitations as an important tool to meet energy and capacity needs identified in an IRP.

The Competitive Procurement Subcommittee evaluated issues related to the use of competitive processes to meet demands of the recent procurement cycle in Colorado for the Public Service Company of Colorado (Xcel Energy). The Subcommittee determined the PSCo offered a good example of a successful generation procurement framework. Based on such review, the Subcommittee supports the following policy recommendations.

NERP Recommendations

Subject to the more detailed policy recommendations below, NERP has identified competitive solicitations as an important tool that should be utilized to meet energy and capacity needs identified in an IRP and as otherwise deemed appropriate by the North Carolina Utilities Commission ("Commission").

NERP also holds that State policy regarding utility competitive procurement should take into account unique characteristics of each utility service territory, e.g., number of customers, geographic size, amount of utility-owned generation in the service territory, and proportion of existing generation from renewable sources located in the service territory and serving utility customers.

Context and history

On October 29, 2018, Governor Roy Cooper issued *Executive Order 80: North Carolina's Commitment to Address Climate Change and Transition to a Clean Energy Economy*.[i] The Order established the North Carolina Climate Change Interagency Council and tasked the Department of Environmental Quality (DEQ) with producing a clean energy plan.

DEQ convened a group of stakeholders that met throughout 2019. In October 2019, DEQ released the *North Carolina Clean Energy Plan: Transitioning to a 21 Century Electricity System* (CEP).[ii] Recommendation B-1 of the CEP states: "Launch a NC energy process with representatives from key stakeholder groups to design policies that align regulatory incentives and processes with 21st Century public policy goals, customer expectations, utility needs, and technology innovation." That process was launched as NERP, which met throughout 2020.

[i] Executive Order 80. https://governor.nc.gov/documents/executive-order-no-80-north-carolinas-commitment-address-
[ii] NC Dept. of Environmental Quality. "North Carolina Clean Energy Plan"
https://files.nc.gov/governor/documents/files/NC_Clean_Energy_Plan_OCT_2019_.pdf

NERP

The NERP, facilitated by Rocky Mountain Institute and the Regulatory Assistance Project, brought together roughly 40 diverse stakeholders to consider four main avenues of utility regulatory reform:

- PBR
- Wholesale market reform
- Competitive procurement of resources
- Accelerated retirement of generation assets

These stakeholders identified ten desired outcomes of reform in North Carolina, as shown below in Figure 1.

Outcome Category	Outcome
Improve customer value	Affordability and bill stability
	Reliability
	Customer choice of energy sources and programs
	Customer equity
Improve utility regulation	Regulatory incentives aligned with cost control and policy goals
	Administrative efficiency
Improve environmental quality	Integration of DERs
	Carbon neutral by 2050
Conduct a quality stakeholder process	Inclusive
	Results oriented

Figure 1: PRIORITY OUTCOMES IDENTIFIED BY NERP

Competitive Procurement Study Group

A subset of NERP participants volunteered to serve on a competitive procurement subcommittee. This group (see page 2 for a list of groups members) first met in the summer of 2020. The group met regularly to advance research into competitive markets mechanisms relevant to NC.

The study group presented a series of case studies and recommendations to the broader NERP group, detailing the potential implications of each market reform, and why further investigation into each reform is warranted. Feedback from NERP participants shaped the proposed markets outlined below.

NERP companion documents

NERP produced the following documents for dissemination, to inform subsequent policy discussions with various audiences:

1. ***Competitive Procurement Policy Recommendation for*** the North Carolina General Assembly:
   - An overall policy recommendation which, subject to the more detailed recommendations outlined in the document, states that competitive solicitations are an important tool that should be utilized to meet energy and capacity needs identified in an IRP and as otherwise deemed appropriate by the North Carolina Utilities Commission.

2. ***A Case Study into The Public Service Company of Colorado's Recent Procurement Cycle:***
   - The subcommittee evaluated a number of other states but focused primarily on a recent procurement cycle in Colorado for the Public Service Company of Colorado (Xcel Energy), which was ultimately determined to be a successful generation procurement framework.

3. ***A Case Study into Key Generation Procurements Enacted by the Virginia Clean Economy Act:***
   - The summary outlines the sweeping package of energy reforms established in March 2020 that set Virginia on a path toward a 100% carbon-free electricity grid by 2050.

DETAILED POLICY RECOMMENDATIONS

General principles

1. Competitive solicitations benefit customers by ensuring the most cost-effective generation resources are selected.
   a. Except where other policy considerations give rise to the need for resource-specific solicitations (as discussed further below), competitive generation solicitations should permit participation from all resources that satisfy the operational, reliability and other requirements sought in the RFP.
   b. Except where otherwise directed by statute, the Utility that is responsible for maintaining reliability should be also be responsible for defining the necessary operational, reliability and other requirements. It may be appropriate to require Commission oversight or approval of such parameters.

2. Independent oversight or administration should be utilized for all competitive generation procurement.
   a. The exact parameters of the independent oversight or administration may vary depending on the nature of the procurement.

3. In all competitive generation procurements, communications and separation protocols similar to CPRE should be implemented.

4. Consistent with the policy direction of numerous other states, there is value in diversity of generation ownership. A mixture of third-party ownership and utility rate-based ownership diversifies risk for customers and provides a variety of benefits.
   a. The appropriate allocation between utility and third-party ownership should be determined based on the particular context of the procurement and/or the type of generation resource.

b. It may be appropriate to determine the allocation between utility and third-party ownership on a technology-specific basis (*i.e.*, percentage allocations differ between solar, wind, storage, and gas).
c. Utility-owned, rate-based assets should be procured through competitive processes to ensure the most cost-effective resources are selected.
    - Maximum flexibility should be provided for such RFP and should allow for bids involving (A) sale of constructed assets, (B) Build Own Transfer ("BOT"), and (C) sale of development assets plus EPC.
d. Where a particular utility ownership target is established, it is generally preferable to procure utility-owned and rate-based assets through separate "silos."
e. No clear quantifiable basis for the allocation has been identified to date but parties should continue to work to identify quantitatively and qualitative factors that may inform the allocation, including (1) the potential loss of investment opportunity that might occur as a result of early retirement of coal assets and the potential need for replacement generation (depending on the nature of the cost recovery for any remaining NBV), (2) the examples of other states, or (3) impacts of any alternative ratemaking constructs.[iii]
f. Where the utility receives a significant ownership allocation, it may be reasonable and appropriate not to allow it and its affiliates to participate in the PPA procurement silo. In addition to creating equity between the utility and independent power producers, this would simplify oversight of the PPA procurement process.

5. A formal RFP should not be required in the case of uniquely advantageous opportunities, unexpected emergencies, pilot projects, or other circumstances identified by the Commission.

6. The appropriateness of utilizing an avoided price cost cap or other cost effectiveness parameters in the RFP evaluation process should be evaluated on a case-by-case basis to determine whether necessary in light of the nature or context of the RFP.

7. It may be appropriate to consider financial incentives to the utility in connection with third party PPAs in order to foster diversity of generation ownership.

8. Any state policy regarding utility competitive procurement should take into account unique characteristics of each utility service territory, e.g., number of customers, geographic size, amount of utility-owned generation in the service territory, and proportion of existing generation from renewable sources located in the service territory and serving utility customers.

Competitive Generation Procurement in Specific Scenarios

1. Competitive Solicitation: Connection between IRP – RFP

a. In the event that a specific capacity or energy need is identified in any IRP, such need should be filled through an all-source RFP that clearly defines the operational and other characteristics of the needed resource absent any unique circumstance as discussed above.

[iii] Examples:
- Colorado (Xcel) 2017 RFP: 50/50 split for renewable resources and 75/25 (utility/third party) split for dispatchable and semi-dispatchable resources to be added. Utility-owned assets are rate-based.
- Virginia (Dominion) Clean Energy Act: CEA provides for utility ownership of up to 75% utility ownership for solar and 65% for storage (and potentially up to 100%) by 2035. CEA enables Dominion to own 100% offshore wind (5.2GW by 2035) by demonstrating LCOE<1.4x that of gas. Utility-owned assets are rate-based.
- New Mexico (PNM) 2017 RFP: PNM owned 46% nameplate capacity of preferred portfolio from 2017 RFP. Utility-owned assets are rate-based.
- Michigan (CMS) 2019 RFP: Procurement split 50/50 between PPA and BTA utility-ownership. Utility-owned assets are rate-based.

b. The inputs and assumptions for any such RFP should be generally consistent with the most recent IRP but with updates as appropriate to reflect changing conditions.
c. It may be appropriate for the Commission to pre-approve inputs and other modeling assumption to be used in the evaluations.

2. Competitive Solicitation: Potential Coal Retirements

a. If determined to be reasonable as part of an IRP, the Commission should direct the utility to conduct one or more all source RFPs to assess whether particular coal units can be retired in a cost-effective manner (after accounting for recovery of the remaining NBV of such units in a manner deemed appropriate) through the procurement of replacement generation.

3. Competitive Solicitation: Future Clean Energy Standard or Renewable Energy Target

b. If future legislation or regulatory changes requires the procurement of additional renewable or low-carbon resources in order to comply with particular policy mandates or directives, resource-specific or otherwise more tailored competitive procurements may be needed.

NERP recommendations

NERP recommends that the North Carolina General Assembly expand existing procurement practices to utilize competitive procurement as a tool for State electric utilities to meet energy and capacity needs defined in their respective IRPs and where otherwise deemed appropriate by the NCUC.

NERP recommends that state policy regarding utility competitive procurement should take into account unique characteristics of each utility service territory, e.g., number of customers, geographic size, amount of utility-owned generation in the service territory, and proportion of existing generation from renewable sources located in the service territory and serving utility customers.

Competitive Procurement Outputs

NERP recommends that the North Carolina General Assembly expand existing procurement practices to utilize competitive procurement as a tool for State electric utilities to meet energy and capacity needs defined in their respective IRPs and where otherwise deemed appropriate by the NCUC.

a. Competitive procurement policy recommendation for the North Carolina General Assembly: An overall policy recommendation which, subject to the more detailed recommendations outlined in the document, states that competitive solicitations are an important tool that should be utilized to meet energy and capacity needs identified in an IRP and as otherwise deemed appropriate by the North Carolina Utilities Commission.
b. A case study into the Public Service Company of Colorado's recent procurement cycle:
c. A case study into key generation procurements enacted by the Virginia Clean Economy Act: The summary outlines the sweeping package of energy reforms established in March 2020 that set Virginia on a path toward a 100% carbon-free electricity grid by 2050.

CONCLUSION

To summarize, NERP recommends that the North Carolina General Assembly expand existing procurement practices to utilize competitive procurement as a tool for State electric utilities to meet energy and capacity needs defined in their respective IRPs and where otherwise deemed appropriate by the NCUC.
the General Assembly of North Carolina direct the NCUC.

NERP produced the following documents for dissemination, to inform subsequent policy discussions with various audiences:

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2. A case study into the Public Service Company of Colorado's recent procurement cycle,

3. The subcommittee evaluated a number of other states but focused primarily on a recent procurement cycle in Colorado for the Public Service Company of Colorado (Xcel Energy), which was ultimately determined to be a successful generation procurement framework.

4. A case study into key generation procurements enacted by the Virginia Clean Economy Act: The summary outlines the sweeping package of energy reforms established in March 2020 that set Virginia on a path toward a 100% carbon-free electricity grid by 2050.

Members of this NERP stakeholder group will continue to collaborate in early 2021 to assist the State and parties interested in the work conducted by this group.

APPENDIX

The following documents were prepared by the competitive procurement study committee to supplement this guidance document.

- Colorado electric resource plan case study
- Virginia clean economy act generation procurement case study

NERP CASE STUDY

COLORADO ELECTRIC RESOURCE PLAN

A CASE STUDY PRODUCED BY THE COMPETITIVE PROCUREMENT STUDY GROUP

The 2020 North Carolina Energy Regulatory Process identified competitive solicitations as an important tool that should be utilized to meet energy and capacity needs

WHAT ARE COMPETITIVE SOLICITATIONS?

NERP has defined competitive procurement as an Integrated Resource Plan (IRP) -driven, all-source procurement to meet all identified needs for new resources in a manner that is consistent with policy directives and at the best available overall price.

WHAT IS THE COLORADO ELECTRIC RESOURCE PLAN?

- Similar to the IRP process in NC, the electric resource plan (ERP) is how the Public Service Company of Colorado (Xcel Energy, or, referred to as PSCo) forecast and plan to meet customer needs.[1]
- Key provisions include ensuring power reliability, cost effective power delivery, increasing clean energy generation, planning for a grid flexibility, and supporting Colorado's energy and economic needs.

OVERVIEW

The Public Service Company of Colorado's (PSCo) request for proposals process (RFP) is inextricably linked to PSCo's (ERP). Therefore, the RFP process must be understood within the context of the overall ERP. This includes broader policy issues and consensus stipulation informing both the design of the RFP and the selection of generation resources.

The Subcommittee evaluated a number of states but focused primarily on the recent procurement cycle in Colorado for the Public Service Company of Colorado (Xcel Energy), as the Subcommittee viewed it as a good example of a successful generation procurement framework. The timeline and process of the 2017 ERP/RFP process is outlined below:

1. **Phase 1 Decision**
2. **Stipulation**
3. **Phase 2 Decision**

Following the process details, the subcommittee outlines a list of key items of relevance to NERP stakeholders and the NC community.

[1] https://www.xcelenergy.com/staticfiles/xe/PDF/Electric%20Resource%20Plan%20Fact%20Sheet.pdf

PROCESS TIMELINE AND KEY DETAILS

1. **Phase 1 Decision – April 28, 2017**

   a. Approved two resource scenarios (0 MW resource need and second scenario showing approximately 400 MW of need based on updated load forecast)
      i These two resource scenarios drove the structure of the RFP

   b. Approved evaluation methodology, including the inputs and assumptions to bid evaluation models (e.g., natural gas prices, coal prices, carbon costs, discount rates, and integration costs for intermittent resources).
      i Importantly, Colorado commission approved use of carbon price for modeling purposes.

   c. Confirmed IE's role which was primarily:
      i Provide a report to the Commission, containing an analysis of whether Public Service conducted a fair bid solicitation and bid evaluation process, with any deficiencies specified in the report.
      ii Review the inputs and outputs from the bid evaluation modeling, including in the report an assessment as to whether the resulting outputs are feasible, and alerting the Commission and parties through the report where there may be deficiencies in the outputs.

2. **Stipulation – August 29, 2017**
   a. Stipulation reached between PSCo and diverse set of stakeholders.

   b. Specified that PS would model a third resource scenario—the CEP Portfolio, which involves retirement of two coal units (Comanche 1 and 2).
      i The Company would compare the costs of the CEP Portfolio against a baseline portfolio, where Comanche 1 and 2 are not retired early, to determine the cost-effectiveness of the CEP Portfolio.
         - If the CEP Portfolio keeps customers "neutral" or results in savings for customers on a present value basis, the Stipulation proposed that Public Service would present the CEP Portfolio(s) in its ERP Phase II 120-Day Report.

   c. Stipulation specified utility ownership of a portion of resources.
      i 50% of the renewable resources to be added, and 75% of the dispatchable and semi-dispatchable resources to be added.
      ii PS Co also agreed not to bid into the CEP any new self-build projects other than for gas-fired projects.

WHY ISSUE AN RFP?

1. **Identified Capacity/Energy**
   a. Colorado had a potential identified capacity/energy need based solely on project load growth and an alternative capacity/energy need based on potential coal retirement (CEP Portfolio from Stipulation)

Discussion Item:

Should future RFPs be designed to test the market to see whether new generation could be procured to cost-effectively replace particular coal generation?

   b. Comparison to IRP/CPRE:
      i Duke IRP does not lead directly into RFP where resource need is identified.
      ii CPRE procurements were not tied to IRP.

2. **Targeted Renewable Amounts - CPRE / REPs approach.**

Discussion Item:

What is the regulatory/policy basis for any targeted amounts apart from identified need?

3. **Is there flexibility for the utility in unique situations?**
   a. Colorado ERP rules provide flexibility to the utility if competitive solicitation process is perhaps not needed in unique situations. (See 4 CCR 723-3(g)(II)(A)-(B)).

STRUCTURE OF RFP MECHANICS

1. **What is the role of the IE?**
   a. Comparison to CPRE:
      i Role of IE in Colorado RFP was substantially different than role of IA in CPRE
         - Utility was primarily responsible for defining technical needs, structuring evaluation methodology (subject to Commission approval) and performing evaluation of bids
         - The IE provided oversight, vetted evaluation models and tested results.

   b. Communication restrictions:
      i Comparison to CPRE: Separation Protocols were consistent with CPRE with the exception of evaluation issues.

STRUCTURE OF RFP MODELING

1. Avoided Cost Caps

Discussion Item:

In what types of RFPs does it make sense to utilize avoided cost cap?

a. Comparison to CPRE:
   i No avoided cost cap used because resources were being procured to replace existing generation.

b. Does the analysis assume a carbon cost?
   i Colorado ERP regulations permitted inclusion of carbon cost in analysis (4 CCR 723-3(g)(III)(C)(i)).

Discussion Item:

Is NCUC or General Assembly authorization required for future RFP to assume carbon price during selection?

c. In the case of consideration of early retirement, what assumptions are made about future revenue requirements?

UTILITY OWNERSHIP

1. Colorado stipulation, agreed to by diverse set of stakeholders, contemplated 50% utility, rate-based ownership of renewable resources and 75% utility, rate-based ownership of dispatchable resources (gas/storage).

2. Colorado Commission expressly recognized benefits of balance of utility-ownership and third-party ownership (consistent with past precedent).

3. Allowed for rate-base recovery of utility-owned assets.

WHAT IS BEING RECOMMENDED?

The North Carolina Energy Regulatory Process recommends that the North Carolina General Assembly expand existing procurement practices to utilize competitive procurement as a tool for State electric utilities to meet energy and capacity needs defined in their respective IRPs and where otherwise deemed appropriate by the NCUC.

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LEARN MORE

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Access the NERP summary report and other NERP documents at:
https://deq.nc.gov/CEP-NERP

NERP CASE STUDY

VIRGINIA CLEAN ECONOMY ACT GENERATION PROCUREMENT

A CASE STUDY PRODUCED BY THE COMPETITIVE PROCUREMENT STUDY GROUP

The 2020 North Carolina Energy Regulatory Process identified competitive solicitations as an important tool that should be utilized to meet energy and capacity needs

WHAT ARE COMPETITIVE SOLICITATIONS?

NERP has defined competitive procurement as an Integrated Resource Plan (IRP) -driven, all-source procurement to meet all identified needs for new resources in a manner that is consistent with policy directives and at the best available overall price.

WHAT IS THE VIRGINIA CLEAN ECONOMY ACT?

- On March 5, 2020, the Virginia legislature passed the Virginia Clean Economy Act ("VCEA"), a sweeping package of energy legislation that sets Virginia on a path toward a 100% carbon-free electricity grid by 2050.[1]
- The following is a summary of the key generation procurement elements of the VCEA.

OVERVIEW

1. Renewable Portfolio Standard ("RPS") mandating 100% renewable energy by 2045 for Dominion Energy with, annual increases of 3%-4% per year according to a defined schedule, including the following (Va. Code § 56-585.5(C)):
   - 14% by 2021
   - 41% by 2030
   - 59% by 2035
   - 79% by 2040
   - 100% by 2045
2. Beginning 2025 and thereafter, at least 75% of all RECs used by Dominion Energy in a compliance period shall come from RPS eligible resources located in Virginia. (Va. Code § 56-585.5(C)).
3. Not primarily cost-based. Mandatory RPS paired with obligation for Dominion Energy to retire nearly all coal units by 2024 and all carbon-emitting power plants by 2045 (Va. Code § 56-585.5(B)(1) and (3)).

[1] https://lis.virginia.gov/cgi-bin/legp604.exe?201+sum+HB1526

PROCUREMENT DIRECTIVES

Layered on top of the RPS are the following specific statutory generation procurement directives:

1. **Overview**
    a. Appalachian Power Company must procure 600 MW of solar or onshore wind located in Virginia by Dec. 31, 2030. (*Va. Code § 56-585.5(D)(1))*

    b. Dominion Energy must procure 16,100 MW of solar or onshore wind located in Virginia by Dec. 31, 2035 (*Va. Code § 56-585.5(D)(2)*):
        i. Must include 1,100 megawatts of solar generation of a small projects (less than 3 MW).

    c. Construction or purchase by a public utility of one or more offshore wind facilities with an aggregate capacity of up to 5,200 MW off Virginia's Atlantic shorelines of in federal waters and interconnected into Virginia is predetermined to be in the public interest (*Va. Code § 56-585.1:11(B)*).

    d. Construction by Dominion Energy of one or more new utility-owned and utility operated offshore wind facilities located off Virginia's Atlantic shoreline of between 2,500 – 3,000 MW predetermined to be in the public interest. (*Va. Code § 56-585.1:11(C)(1)*).
        i. Cost cannot exceed 1.4 times the comparable cost, on an unweighted average basis, of a conventional simple cycle combustion turbine generating facility as estimated by the U.S. Energy Information Administration in its Annual Energy Outlook 2019; and must either commence construction prior to 2024 or have a plan to be placed in service prior to January 1, 2028. (*Va. Code § 56-585.1:11(C)(1)*).

    e. Appalachian Power Company must construct or acquire energy storage projects up to 400 MW by 2035 (*Va. Code § 56-585.5(E)(1)*).

    f. Dominion Energy must construct or acquire energy storage projects up to 2,700 MW by 2035. (*Va. Code § 56-585.5(E)(2)*).
        i. Public interest finding for up to 2,700 MW of energy storage facilities located in Virginia. (*Va. Code § 56-585.1:4)*

2. **Ownership Allocation**
    a. **Solar or Onshore Wind:** 35% third party ownership and 65% utility ownership (*Va. Code §56-585.5(D)(2)*).
    b. **Storage:** 35% third-party ownership and 65% - 100% utility ownership (*Va. Code §56-585.5(E)(5)*).
    c. **Offshore Wind:** 100% utility ownership. (*Va. Code § 56-585.1:11(B) and § 56-585.5(D)(2)*).

3. **RFP Administration**
    a. All resources required to be procured through competitive process. (*see e.g., Va. Code § 56-585.1:4(D)* (solar)*, Va. Code § 56-585.1:11(E)* (offshore wind)*, Va. Code § 56-585.1:4 (G)*) (storage)).
        i. Primarily price-based, but up to 25% of solar may be selected on non-price criteria where it would materially advance non-price criteria, including favoring geographic distribution of generating capacity, areas of higher employment, or regional economic development.

    b. RFP requirements include the following (*Va. Code § 56-585.5(D)(3)*):
        i. Annual RFP for new solar and wind resources that quantifies and describes the utility's need for energy, capacity, or renewable energy certificates.
        ii. RFP must provide certain minimum information including major assumptions to be used by the utility in the bid evaluation process, including environmental emission standards; detailed instructions for preparing bids so that bids can be evaluated on a consistent basis; the preferred general location of additional capacity; and specific information concerning the factors involved in determining the price and non-price criteria used for selecting winning bids.
        iii. Energy storage requirements are also be competitively procured with regulations relating to competitive solicitations to be established through a Commission rulemaking. (*Va. Code § 56-585.5(E)(5)*).

c. Utility is responsible for evaluation and may evaluate responses to requests for proposals based on any criteria that it deems reasonable but must consider (*Va. Code § 56-585.5(D)(3)*):
    i. the status of a particular project's development,
    ii. the age of existing generation facilities,
    iii. the demonstrated financial viability of a project and the developer,
    iv. a developer's prior experience in the field,
    v. the location and effect on the transmission grid of a generation facility,
    vi. benefits to the Commonwealth that are associated with particular projects, including regional economic development and the use of goods and services from Virginia businesses; and
    vii. the environmental impacts of particular resources, including impacts on air quality within the Commonwealth and the carbon intensity of the utility's generation portfolio.

d. Selected portfolio of resources to be reviewed by the Virginia Commission.

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