



Request for Proposals  
Carbon Capture, Utilization and Storage

Issued: September 20, 2024

Issued by: Department of Industry, Energy and Technology

# TABLE OF CONTENTS

## SECTION 1: INTRODUCTION AND INSTRUCTIONS

SECTION 1.01	PURPOSE OF THE RFP	PG.3
SECTION 1.02	DEADLINE FOR RECEIPT OF PROPOSALS	PG.3
SECTION 1.03	QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS	PG.3
SECTION 1.04	RETURN INSTRUCTIONS	PG.3
SECTION 1.05	ASSISTANCE TO PROPONENTS WITH A DISABILITY	PG.4
SECTION 1.06	AMENDMENTS TO THE PROPOSALS	PG.4
SECTION 1.07	AMENDMENTS TO THE RFP	PG.4
SECTION 1.08	RFP SCHEDULE	PG.4
SECTION 1.09	OBJECTIVES AND EXPECTED RESULTS	PG.4-5
SECTION 1.10	ELIGIBLE AND INELIGIBLE APPLICANTS	PG.5
SECTION 1.11	FUNDING REQUIREMENTS AND ELIGIBLE EXPENSES	PG.6
SECTION 1.12	STACKING OF ASSISTANCE	PG.7

## SECTION 2: PROPOSAL FORMAT AND CONTENT

SECTION 2.01	INTRODUCTION	PG.7
SECTION 2.02	PROPOSAL FORMAT AND CONTENT	PG.7-10

## SECTION 3: EVALUATION CRITERIA AND SELECTION

SECTION 3.1	PASS/FAIL REQUIREMENTS	PG.10
SECTION 3.2	SCORED CRITERIA	PG.11
SECTION 3.3	EVALUATION OF PROPOSALS AND AWARDS	PG.12

## SECTION 4: AWARD DECISIONS

PG.13

## SECTION 5: ACCESS TO INFORMATION AND PRIVACY ACT, 2015

PG.13

# SECTION 1. INTRODUCTION AND INSTRUCTIONS

## SEC. 1.01 PURPOSE OF THE RFP

The Department of Industry, Energy and Technology (IET) is extending the application period for the submission of proposals to accelerate the development of carbon capture, utilization and storage (CCUS) for use in Newfoundland and Labrador's (NL's) offshore.

Administered by IET, the objective of the [CCUS Innovation Challenge](#) ("the Challenge") is to award up to \$6 million of funding to research two streams of work: (1) to maximize and accelerate the decarbonization of the offshore through CCUS, and (2) to demonstrate the potential for sequestering locally and externally sourced carbon dioxide (CO<sub>2</sub>) in NL's offshore. \$3 million will be awarded from IET's Green Transition Fund, and \$3 million from the Innovation and Business Investment Corporation. To date, the Challenge has awarded \$3 million, so up to \$3 million in additional funding remains available for award under this extension of the application period.

New applications will be accepted for either stream of funding, and the period for the submission of applications is being extended by three months to provide proponents with further opportunity to prepare and submit their applications. This is a cost-shared funding initiative through which IET will contribute a maximum of 75 per cent towards project costs with the remaining balance provided by Proponents either through their own or other sources.

Unless otherwise indicated in writing by IET, the terms, conditions and requirements of the Challenge as defined in the [Call for Proposals](#) continue to apply, and the submission of a response to this RFP shall constitute acknowledgement and acceptance of these terms, conditions, and requirements.

## SEC. 1.02 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must be received no later than 11:59 PM Newfoundland time on January 31<sup>st</sup>, 2025. Late proposals or amendments will be disqualified and not opened or accepted for evaluation.

## SEC. 1.03 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS

All questions regarding this RFP must be submitted in writing to: [CCUS@gov.nl.ca](mailto:CCUS@gov.nl.ca).

The deadline to submit questions is October 18<sup>th</sup>, 2024 by 11:59 PM NL Time. Answers will be submitted as per the timeline indicated in section 1.08. IET will record all questions and prepare written responses that will be made available to all Proponents. The identity of entities that submit questions will remain anonymous.

## SEC. 1.04 RETURN INSTRUCTIONS

RFP submissions must be in PDF format and must be sent by email to: [CCUS@gov.nl.ca](mailto:CCUS@gov.nl.ca). The email must contain the project name in the subject line. The maximum size of a single email (including all text and attachments) that can be received by the Department is 50 megabytes. If the file containing the proposal exceeds this size, the file will need to be divided and sent in separate emails.

Please note that email transmission is not instantaneous. Similar to sending a hard copy proposal, if you are emailing your proposal, IET recommends sending it sufficiently ahead of time to ensure the email is delivered by the deadline for receipt of proposals. IET is not responsible for unreadable, corrupt, or missing attachments.

## **SEC. 1.05 ASSISTANCE TO PROPONENTS WITH A DISABILITY**

Proponents with a disability may receive accommodation regarding the means of communicating this RFP or participating in the process. For more information, please contact Dana Grant at (709) 729-3245 no later than ten days prior to the deadline for receipt of proposals.

## **SEC. 1.06 AMENDMENTS TO PROPOSALS**

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline.

## **SEC. 1.07 AMENDMENTS TO THE RFP**

IET reserves the right to amend this RFP as it deems necessary. If an amendment is issued, it will be provided to all Proponents.

## **SEC. 1.08 RFP SCHEDULE**

A schedule for the RFP phase of the Challenge is provided in Table 1 below. IET reserves the right to modify the schedule as required and will inform all proponents accordingly in the case of any modifications.

*Table 1: RFP Schedule*

Action	Date
Release of RFP	September 20, 2024
Deadline for submission of questions regarding RFP phase	October 18, 2024
Deadline for IET provision of responses to questions	October 25, 2024
Deadline for RFP submissions	January 31, 2025
Notification of RFP results and start of Contracting and Award phase	February 28, 2025
Public Announcement of awards and signing of funding agreements	March 21, 2025

## **SEC. 1.09 OBJECTIVES AND EXPECTED RESULTS**

Proposals submitted for funding under the CCUS challenge must demonstrate the potential to deliver technical, economic, and other impacts and benefits, such as:

- Demonstrating the viability of offshore CCUS in Newfoundland and Labrador;

- Furthering the development of knowledge and/or technology that will enable offshore CCUS in the province;
- Facilitating CCUS collaboration between academia and industry in the province;
- Improved awareness of the province's offshore as a potential solution to help industry and other jurisdictions achieve decarbonization targets;
- Improved awareness of offshore CCUS in the province as a potential business, investment, and employment opportunity; and
- Promoting the province as a leader in offshore CCUS technologies and the green transition.
- All proposed work must be completed within a 24-month period from the date that funding is received. At IET's discretion, limited extensions may be provided in cases where proponents can demonstrate sufficient justification.

## **SEC. 1.10 ELIGIBLE AND INELIGIBLE APPLICANTS**

### **Eligible Applicants**

All projects must be submitted and primarily implemented by two Lead Partners, one of which must be a non-commercial entity and one a commercial entity. Lead Applicants must be:

- Non-commercial Lead Partners: Academic experts based in post-secondary institutions in Newfoundland and Labrador that are engaged in R&D focused on offshore CCUS. Applying experts must have been engaged in offshore CCUS activities and/or R&D for a minimum of two years; and
- Commercial Lead Partners: registered incorporated business enterprises with a minimum of two years of experience operating in Newfoundland and Labrador's offshore.
- All proposals must be jointly submitted by one non-commercial and one commercial Lead Partner to be eligible for consideration.

Lead Partners may work with any number of Contributors, whether industry or academic, that are internal or external to the province and that can provide additional required resources and expertise to implement proposed projects in support of the Project Team. Contributors must be actively engaged in research and development related to offshore CCUS in the province or another jurisdiction to be eligible to participate.

### **Ineligible applicants**

Ineligible Lead Partners include:

- Municipalities, non-incorporated entities, and provincial and federal departments, agencies, and related entities;
- Commercial and non-commercial entities not currently engaged in research and development related to offshore CCUS.
- Non-commercial entities that are not based in the province.
- Commercial entities that are not active in the province's offshore, and;
- Commercial and non-commercial Lead Partners that are unable, combined, to directly provide a minimum of 25 per cent of eligible project costs.

**Ineligible Contributors include:**

- Commercial and non-commercial entities not currently engaged in research and development related to offshore CCUS.

**SEC. 1.11 FUNDING REQUIREMENTS AND ELIGIBLE EXPENSES**

**Funding requirements**

A key objective of the Challenge is to encourage academic and industry proponents to collaborate in preparing and implementing cost-shared proposals. This is intended to be achieved through the following funding parameters:

- Provincial Government: Funding of a maximum of 75 per cent of eligible costs with a minimum Provincial Government contribution of \$500,000 to a maximum of \$3.0 million;
- Provincial Government funding will be provided in two annual installments on the basis of a funding agreement signed by proponents and IET;
- Proponents: Remaining balance of project funding that must be fully secured before Challenge funding can be disbursed; and
- Lead Partners: Must combine to contribute no less than 50 per cent of the applicant's required share of project funding.

**Eligible expenses include:**

- Incremental salary costs required to support the proposed project (e.g., additional researchers to be brought on who will be dedicated to the proposed project);
- Professional fees (engineering, consulting etc.);
- Travel considered essential to the implementation of the project;
- Incremental materials/supplies and related costs (e.g., transportation of equipment) that are essential for implementation of the project;
- GST/HST – applicants who are entitled to a refund or credit from the Canada Revenue Agency (CRA) on a portion of the GST/HST paid on eligible goods and services will be allowed to claim only the portion of tax not refunded by CRA; and
- Any other costs defined as eligible by IET. All eligible categories of expenditure must be itemized in the breakdown of project costs.

**Ineligible expenses include:**

- Routine or non-incremental salaries and benefits;
- Routine or non-incremental operational, materials/supply and related costs;
- Core administrative functions;
- Administration fees;
- Entertainment; and
- Any other costs defined as ineligible by IET.

## **SEC. 1.12 STACKING OF ASSISTANCE**

The total Provincial Government contribution to the proposed project shall not exceed 75 per cent of eligible costs. All proponents will accordingly be required to inform IET of any financial assistance received or requested for the project from any Provincial Government department upon submission of the RFP. Proponents shall not submit any application for financial assistance for the project to any Provincial Government department after submission of the RFP. Failure to adhere to this requirement will result in disqualification from the Challenge. Funding agreements will contain a continuing disclosure obligation, for the duration of the agreement, concerning other any (federal or provincial) government assistance.

# **SECTION 2 PROPOSAL FORMAT AND CONTENT**

## **SEC. 2.01 INTRODUCTION**

IET discourages overly lengthy and costly proposals, however, in order for IET to evaluate proposals fairly and completely, proponents must follow the format set out in this RFP and provide all information requested. No template or application form is provided for submissions in response to this RFP, however, proponents must ensure that all required information is provided and that the submission is transmitted to IET in accordance with the instructions in Section 1.02 and Section 1.04.

## **SEC. 2.02 PROPOSAL FORMAT AND CONTENTS**

The following sections and information must be included in all proposals:

**1. Lead Partner Identification:**

- a. The information provided in this section identify lead proponents, please refer to section 1.10 in RFP for eligible lead applicants.  
*Assessment method: Pass/Fail Criterion 1 (see Table 2).*

**2. Project Name:**

- a. A name for the project should be provided that is consistent with outcomes expected.  
*Assessment method: Pass/Fail Criterion 1*

**3. Project Objectives:**

- a. Identify the project objectives as they relate to advancing offshore CCUS in NL, and whether the project is seeking funding under Stream 1 or Stream 2.  
*Assessment method: Pass/Fail Criterion 1.*

**4. Project Team and Contributors:**

- a. Provide CVs for members of the Project Team, which for the purpose of this application is comprised of the experts from the Lead Partners who will be primarily responsible for leading implementation of the proposed project. The CVs should demonstrate appropriate and sufficient CCUS experience as defined in Section 1.10 (“Eligible/Ineligible Applicants”) A minimum of two Project Team members for each Lead Partner is required.

*Assessment method: Scoring Criterion 1. (see Table 3)*

- b. Each team member must provide a signed statement confirming their availability to carry out project activities and indicating the role each team member will play in project implementation.  
*Assessment method: Pass/Fail Criterion 2.*
- c. Any entities that will support the Lead Partners as Contributors must be identified. These entities must provide a signed statement confirming their participation in the project, indicating their CCUS experience and expertise, and the role they will perform in project implementation.  
*Assessment method: Pass/Fail Criterion 2.*
- d. Proponents must provide a narrative description of the organization of the Project Team and Contributors that describes how they will collaborate and communicate to ensure effective and timely coordination and implementation. This narrative should demonstrate that Proponents have the capacity to manage and deliver the project.  
*Assessment method: Scoring Criterion 1.*

**5. Project Description:**

- a. Proponents should clearly describe the activities to be undertaken and how they will advance the development of offshore CCUS in NL. This description should refer to the expertise and experience of the Project Team and Contributors to demonstrate their ability to undertake these activities reliably. This narrative should provide a clear description of the capacity to deliver projects of similar or greater size and implementation pattern in areas such as engineering, designing, developing, monitoring, testing, geoscience, geophysics, subsurface engineering, and data analytics.  
*Assessment method: Scoring Criterion 2.*
- b. The final proposed budget for the project should be provided. This should indicate the total budget for the project, the total amount of eligible costs as defined in Section 1.11 (“Funding Requirements and Eligible Expenses”) and the total amount being sought from the Challenge. The budget should also indicate both the overall funding and the amount of Challenge funding that will be required for the first and second 12 months of the 24-month implementation period, respectively.  
*Assessment method: Pass/Fail Criterion 3, Scoring Criterion 8.*

**6. Project Methodology and Implementation:**

- a. Outline the approach, methodologies and techniques that will be employed to accomplish the project activities and objectives. Identify previous projects, research and/or activities that the Project Team and Contributors have engaged in in which they have employed similar approaches, methodologies and techniques.  
*Assessment method: Scoring Criterion 3.*
- b. Indicate whether all required logistical, scientific and technical capabilities (e.g., equipment, facilities, operational support) are currently available to employ the proposed approach, methodologies and techniques, or whether funding to procure or obtain essential capabilities is required. If funding is required, indicated whether Challenge funds will be used to secure these capabilities, and if so, whether Challenge funds will be sufficient or whether additional funds will be required. If funding to obtain essential capabilities is required and Challenge funds will not be used for this purpose, the Proponent must indicate where the funding will be sourced.  
*Assessment method: Scoring Criterion 3.*

**7. Expected outputs and outcomes:**

- a. Proposal should describe the deliverables and outcomes expected from the project and how they will contribute to the advancement of offshore CCUS in NL. Expected deliverables and outcomes should be identified for the (up-to) 24-month project period, the subsequent (up-to) 24-month period, and longer term, as appropriate. Estimated dates for the provision of deliverables should be indicated.

*Assessment method: Scoring Criterion 4.*

**8. Risk management and mitigation:**

- a. A concise risk management plan must be provided that:
  - outlines how the Proponent will identify, assess and manage risk throughout the project to ensure successful execution;
  - identifies, describes and assesses the level of currently known risks, and assigns management of each identified risk to specific Project Team members and/or Contributors;
  - identifies as risks any regulatory and/or permitting requirements that will need to be satisfied to enable implementation of the proposed project; and
  - identifies strategies that will be employed to mitigate or manage these risks.

*Assessment method: Scoring Criterion 5.*

**9. Project timeline and milestones:**

- a. Proponent must submit a clear and concise work breakdown structure (WBS) for the project that clearly outlines the total scope of the work to be carried out to accomplish the project objectives and provide the required deliverables.
- b. The WBS should include project start and finish dates, with a detailed project timeline and schedule, including a critical path with key milestones. This timeline should demonstrate that the project is well-planned and has defined activities that are logically sequenced with realistic timelines, and include an estimated start and completion date for each project component.

*Assessment method: Pass/Fail Criterion 4.*

**10. Potential for subsequent projects and collaboration**

- a. Assuming successful completion of the Project, the Proponent should identify the subsequent R&D that could be undertaken to further advance the completed work and the development of offshore CCUS in NL, and the estimated resources and other enabling conditions that would be required. Proponent should indicate the potential for further collaboration between industry and academia in this regard both generally, and specifically among the Lead Partners and Contributors.

*Assessment method: Scoring Criterion 6.*

**11. Project Costs and Funding Sources**

- a. Proponent must provide an itemized budget table that indicates the following:

Costing detail (CAD)

- Total cost of the project including ineligible expenses
- Total cost of eligible expenses

- Detailed breakdown of ineligible and eligible expenses by cost category that equals total cost of the project

Sources of funds (CAD)

- Amount of Challenge funding requested.
- Other sources of funds
- Detailed breakdown of how all sources of funds will be allocated to cover ineligible and eligible costs for total cost of the project and across individual cost categories

*Assessment method: Pass/Fail Criterion 3, Scoring Criterion 8*

b. Proponent must provide proof of sources of funds, which must be demonstrated by one of the following:

- Copy of bank statements
- Copy of funding agreements
- Other documentation that is acceptable to IET, at its discretion

*Assessment method: Pass/Fail Criterion 5*

## **SECTION 3: EVALUATION CRITERIA AND SELECTION**

### **SECTION 3.1 PASS / FAIL CRITERIA**

Table 2 below indicates the pass/fail criteria that will be used to assess proposals. All pass/fail criteria must be satisfied, or the proponent will be disqualified from the Challenge.

*Table 2: Pass/Fail Criteria*

Number	Criterion	Pass/Fail
1	RFP submission includes: <ul style="list-style-type: none"> <li>• Lead Partner Identification</li> <li>• Project Name &amp; Objectives</li> <li>• Project Team &amp; Contributors</li> <li>• Budget, Expected Outputs &amp; Outcomes</li> </ul>	
2	Project Team Members and Contributors have provided signed statements confirming availability to carry out project activities for the duration of the project and indicating their role in the project.	
3	Final proposed budget for the project is provided and includes: <ul style="list-style-type: none"> <li>• Costing detail</li> <li>• Sources of funds that are consistent with Section 1.11 (Funding Requirements and Eligible Expenses)</li> </ul>	
4	Proponent has submitted a clear and concise work breakdown structure (WBS) for the project that clearly outlines the total scope of the work to be carried out to accomplish the project objectives and provide the required deliverables.	
5	Proponent has provided proof of sources of funds, demonstrated by one of the following: <ul style="list-style-type: none"> <li>• bank statements</li> </ul>	

	<ul style="list-style-type: none"> <li>• funding agreements</li> <li>• Other documentation that is acceptable to IET, at its discretion</li> </ul>	
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## SECTION 3.2 SCORED CRITERIA

Table 3 below indicates the scored criteria that will be used to assess submissions:

- 1-2: Response demonstrates no or very weak understanding of the requirement
- 3-4: Response demonstrates weak or limited understanding of the requirement
- 5-6: Response demonstrates minimum or adequate understanding of the requirement
- 7-8: Response demonstrates good or very good understanding of the requirement
- 9-10: Response demonstrates excellent understanding or exceeds expectation

A score below 5 on any scored criterion, or a total score on all scored criteria below 60, will result in disqualification from the Challenge.

The individual scoring criteria will be assessed on the basis of compliance with the information requested, suitability of the information, and quality/appropriateness of the information provided in accordance with what is outlined in Section 2.02.

*Table 3: Scored Criteria*

Number	Criterion	Weight Factor	Maximum Points
1	Project Team and Contributors: <ul style="list-style-type: none"> <li>• Relevance and extent of experience and expertise</li> <li>• Quality of proposed organization/means of coordinating all participants' work</li> </ul>	Score x 1.5	15
2	Project Description: <ul style="list-style-type: none"> <li>• Consistency of proposed project with objectives of the Challenge</li> <li>• Proponent possesses the experience and capacity to deliver the proposed activities</li> </ul>	Score x 1.0	10
3	Project Methodology: <ul style="list-style-type: none"> <li>• Proposed methodology is scientifically and technically sound and appropriate for the proposed project's objectives</li> <li>• Proponent possesses the experience and expertise to implement the proposed approach</li> <li>• Extent to which the Proponent already possesses the required logistical, scientific and technical capacities to implement the approach</li> </ul>	Score x 1.5	15
4	Expected Outputs and Outcomes:	Score x 1.0	10

	<ul style="list-style-type: none"> <li>Number and relevance of expected outputs and outcomes</li> <li>Extent to which outputs and outcomes will advance offshore CCUS in NL in the near, medium, and longer term</li> </ul>		
5	<p>Risk Management and Mitigation:</p> <ul style="list-style-type: none"> <li>Extent to which the risk management plan can be expected to result in effective identification and management of project risk</li> </ul>	Score x 1.0	10
6	<p>Project Timeline and Milestones:</p> <ul style="list-style-type: none"> <li>Extent to which the WBS demonstrates that the project is well-planned and has defined, logically sequenced activities with realistic timelines that can be achieved within a 24-month period</li> </ul>	Score x 1.0	10
7	<p>Potential for Subsequent Projects and Collaboration:</p> <ul style="list-style-type: none"> <li>Extent to which the project can lead to further R&amp;D to advance offshore CCUS in NL</li> <li>Potential for further collaboration between Lead Partners and Contributors to advance the development of offshore CCUS in NL</li> </ul>	Score x 1.0	10
8	<p>Budget, Costs and Funding Sources:</p> <ul style="list-style-type: none"> <li>Budget indicates that sufficient resources are allocated to ensure timely and effective implementation of the project</li> <li>Cost expectations are realistic, appropriately distributed across cost categories, and eligible and ineligible costs are properly delineated</li> <li>Extent to which Challenge funding leverages other funds</li> </ul>	Score x 2.0	20
<b>Total score</b>			<b>100</b>

### **SECTION 3.3 EVALUATION OF PROPOSALS AND AWARDS**

A technical evaluation panel (TEP) will evaluate responses submitted to this RFP based on the evaluation criteria set out in Section 3.1 and Section 3.2. The TEP will subsequently submit recommendations to the Management Committee of the GTF, as appropriate, for final funding decisions. At the conclusion of the RFP phase, Proponents will be notified of the final funding decisions.

Proponents whose projects are approved will receive funding agreements to review and finalize with IET. Awards will be announced, and funding agreements signed at a public event. The date of this event is subject to change based on availability.

## **SECTION 4: AWARD DECISIONS**

The Province reserves the right to award all, part of, or none of the Challenge funding. The Province additionally reserves the right to negotiate funding amounts with Proponents prior to the signing of funding agreements.

## **SECTION 5: ACCESS TO INFORMATION AND PRIVACY ACT, 2015**

Information submitted to IET in response to this RFP will be collected under the authority of section 61(c) of the **Access to Information and Protection of Privacy Act, 2015**, for the purpose of assessing the merit of the project with regards to carbon capture, utilization and storage. Any information that may be received will be governed in accordance with the **Access to Information and Protection of Privacy Act, 2015** and will only be used for the above noted purpose. If you have any questions about how this information will be collected, used and potentially disclosed, please contact [CCUS@gov.nl.ca](mailto:CCUS@gov.nl.ca).