Efficient and Transparent: How LevelTen Energy Helped a Major Brand Tackle the PPA RFP Process
U.S. renewable energy markets are mature, efficient, and reliable. They offer numerous access points for corporate power buyers. Why, then, do so many brands struggle to buy the clean energy required to meet their long-term sustainability goals? The traditional power purchase agreement (“PPA”) procurement process - the RFP component, in particular - is lengthy, requiring months of commitment and intense stakeholder participation. As a result, many brands have avoided the challenge, altogether. Until now.

In 2018, a leading global brand, seeking to execute on its corporate renewable energy target, turned to LevelTen’s technology platform and advisory services to tackle the California component of its load. Unlike those in other North American power markets, California’s stringent regulatory requirements and limited direct access options added additional layers of procurement complexity. Further complicating the project identification process, the brand sought a relatively small project with low development risk and strong economics, creating a true needle-in-the-haystack challenge.

The Challenge

The historical renewable energy procurement process offered neither transparency nor efficiency. Middlemen have ruled the game, facilitating connections between favored project developers and power buyers in an archaic and cumbersome offline experience, adding hefty margins in the process. Without standard, technology-enabled tools to capture proposals, developers frequently submitted haphazard and inconsistent data, requiring extensive effort from energy procurement teams to sanitize, comprehend, and compare the submissions. In all, the process of curating proposals wasted months of valuable human and financial resources.
RFP Automation, a new software solution created specifically for green power procurement, allowed the brand to issue a customized, electronic RFP directly to more than 100 developers in a matter of clicks. The RFP Automation product complements LevelTen’s online PPA Marketplace, which already houses the most comprehensive collection of wind, solar and storage projects under development in North America. Direct access to accurate and extensive information, including real-time risk and value metrics, allowed the brand to identify more appropriate PPA opportunities while eliminating unnecessary and expensive intermediaries.

In just two weeks’ time, this narrow RFP garnered more than two dozen responses, which the brand was able to see in real-time. Armed with the right information – such as risk and value analysis, financial commitment, timeline, location and more – the brand was able to quickly reach a short-list of the five most viable projects without having to tap into internal data analyst resources.

The team was pleased they could throw a complex set of requirements at LevelTen Energy and still enjoy an easy route to a solution. In just over three weeks this global brand went from RFP creation to short-list finalization, reducing the standard RFP process from months to weeks.
The Results

48 HOURS

The time it took for the brand to gather the information it needed for the project, enter it into the LevelTen Energy platform, sync with a LevelTen advisor to validate details, and officially push its RFP out to developers.

14 DAYS

The window of time developers had to respond to the brand’s RFP with project proposals. During this time, the brand was able to watch each project filter in and review them in real time.

Previously, this process would take months. Even then, the brand would receive heaps of inconsistent and non-standardized data in the proposals. LevelTen Energy’s platform requires that all data is streamlined and transparent before the proposal is submitted.

03 WEEKS

The entire timeline to complete a full renewable energy RFP.

25

The number of projects that were submitted to the brand in response to the brand’s RFP. Often, the number of proposals will be even higher, but in this case the brand was seeking a very custom and small project.

05

The number of proposals that made it to the shortlist for the brand’s very specific renewable energy needs.
LevelTen’s RFP Automation solution dramatically improved the brand’s green power procurement process. The exhaustive database of projects and best-in-class analytics ensured that the company was presented with projects that met strict size, risk and value preferences. This is a streamlined, automated process that saves time and money, and over time will help deliver more green power to the grid.