



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

REQUEST FOR PROPOSAL

Consultancy support for the Power Sector Standard
development

July 2024

ABOUT SBTi

The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis.

We develop standards, tools and guidance which allow companies to set greenhouse gas (GHG) emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

The SBTi is incorporated as a charity, with a subsidiary which will host our target validation services. Our partners are CDP, the United Nations Global Compact, the We Mean Business Coalition, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

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1. OVERVIEW

The SBTi is launching a review of the existing power sector guidance and target-setting tool and will develop and revise resources to reflect the most recent climate data, to implement the SBTi's best practices for sector standards, and to improve the effectiveness in facilitating target-setting by the power sector. The final deliverable document will be a Power Sector Standard and accompanying target-setting tool. The review will be carried out according to the Procedure for Development of SBTi Standards. These procedures can be found on the website: [Standard Operating Procedure \(SOP\) for Development of SBTi Standards](#).

This Request for Proposal describes the key information, activities and deliverables related to the SBTi's Power Sector Standard development project. The SBTi currently has guidance and a 1.5°C-aligned power sector-specific target-setting method that uses the sectoral decarbonization approach (SDA). The last update of the SBTi's [Electric Utilities Guide](#) took place in June 2020 with an expedited development and consultation process, which focused on the selection of 1.5°C-aligned pathways for the power sector and a clarification of target-setting boundary options and requirements.

The SBTi's evaluation of the existing resources for the Power Sector to date has identified the following key focus areas within the update and development of the Sector specific standard:

Standard impact: Improvement of the overall impact of SBTi resources for the power sector by evaluating new resources, metrics and methods that may better incentivize action by companies in the sector. For example, how to approach companies with low-emissions intensity in the base year.

Pathway an tool

- Revision of the existing pathway and evaluation of new and differentiated pathways from diverse resources that limit the increase of temperature to 1.5°C.
- Analysis of the level of disaggregation needed in SBTi resources for the sector.
- Definition of differentiated requirements for greenfield capacity, as well as requirements for existing capacity.
- Revision and improvement of the power sector tool.

GHG accounting

- Review of sector-specific requirements in common GHG accounting standards (e.g. GHG Protocol accounting) and where additional sector-specific requirements may be needed, provide additional requirements.
- Definition of how to manage long-lived assets, reconversions and reserve capacity (especially fossil fuel), and different types of power utilities such as those that sell electricity to intermediaries.

Sector boundary: more detailed applicability rules for companies engaged in electricity-related activities, in addition to traditional utilities, including companies that generate power for self-consumption, with sales only of surplus energy, or companies involved in trading of electricity only, without involvement in generation activities.

Scope 3: enhance clarity for requirements related to Scope 3 emission calculation and inclusion, in particular for categories 3 and 11.

The project is expected to commence in Q3 2024 and conclude in Q4 2025 (these are provisional timelines and may be subject to change). The total maximum budget allocated for the project is \$ 230,000 USD, with funding provided by SBTi core funding.

2. PROPOSED WORK

The SBTi is seeking to hire a technical partner that can provide support to the project team in writing the draft standard, integrating the outputs of other work packages into the final draft and supporting the project manager with project management, such as supporting Expert Advisory Group (EAG) meetings. Additionally, the technical partner will provide support to the project team in the public consultation and pilot testing phases, as well as the finalisation of the standard document. The SBTi will always have the ultimate authority over the content of the standard and any supporting materials, adhering to the [Standard Operating Procedures for Development of SBTi Standards](#) (henceforth referred to as SOP). The SBTi will oversee, handle and maintain control of all stakeholder feedback. The technical partner will only act in an advisory and support capacity assisting with research, data analysis, and drafting.

The project comprises the following broad phases and activities. Expected support to be provided by the vendor is described below for each phase.

1. Gap analysis and research summary - 6 weeks¹

- Review available SBTi resources for the sector such as existing guidance ([Electric Utilities Guide](#) and [Supplementary material](#)), research papers, industry brief and literature review to identify possible gaps in scope, boundary, or key sector issues to be addressed.
- Based on the above, refine research where necessary, including, but not limited to, the following topics:
 - Sector scope and boundary, key activities and technologies.
 - Pathways aligned with 1.5°C scenarios relevant for the Power Sector.
 - Target-setting metrics (emissions and non-emissions based) against an underlying pathway, aligned with relevant business model transitions.

Deliverables: Gap analysis and research summary with key findings and options for sector scope, pathways, technologies, metrics and targets to proceed with Phase #2.

2. Sector criteria and recommendations - 6 weeks

- Derive decarbonization pathways from the appropriate selected scenarios.
- Revise / update scope 1, 2 and 3 GHG accounting guidelines and requirements for the activities to be covered by the standard, including required minimum target boundaries.

¹ This is an estimate of the overall duration of each phase where activities take place. Activities in each phase may not occur continuously. For example, the 6 weeks shown here may be distributed as per timeline shown below, meaning i.e. 4 weeks in the initial phase and 1 week following each consultation (to eventually research on additional topics repeated to consultation feedback). The same is true for subsequent phases.

- Define target setting methods and metrics, also considering type of Electric utilities and new technologies.

Deliverables: List of key criteria and recommendations for companies to align with required decarbonization pace and set Science Based Targets, in coherence with existing SBTi methodologies. While the technical partner may analyse options and suggest recommendations for these criteria, the SBTi retains final decision-making authority on all content, in accordance with the approval requirements of the SOP.

3. Drafting of the standard and supporting tools - 8 weeks

- Develop an initial draft of the standard based on the outcomes of the research phase.
- Develop a draft of the target-setting tool² to integrate revisions from the emissions pathway review.
- Integrate feedback from EAG members and internal SBTi reviews, revising drafts as directed by the SBTi.
- Assist in preparing responses for feedback on the initial drafts and support the development of the consultation draft.

Deliverables: Initial and consultation drafts of the Power Sector Standard and Target-setting Tool, along with supporting material needed for consultations. The technical partner will assist in drafting of the standard under the SBTi's direction. The SBTi will maintain control of all raw feedback from expert reviews. While the technical partner may assist in analysing this feedback and revising the draft standard, the SBTi retains final decision-making authority on all content. The review and approval process will be conducted in accordance with the requirements of the SOP.

4. Support with consultation and approval phases

- Assist in preparing external communications surrounding 1st and 2nd public consultations.
- Support, as needed, with revisions to draft resources based on consultation feedback.
- Support in drafting summaries and responses of received feedback during consultations.

Deliverables: Revised drafts following the 1st and 2nd consultation periods of the Power Sector Standard and Target-setting Tool, along with supporting material needed for consultations and pilot testing. The SBTi will maintain control of all raw feedback from the consultations. The technical partner may assist in analysing this feedback and revising the draft standard, and with revisions of the draft standard. However, the SBTi retains final decision-making authority on all content, and the review and approval process will be conducted in accordance with the requirements of the SOP.

5. Project management throughout project execution

- Provide agile and efficient project management support to the project team as required.

² Currently in excel format (see example of [Near term zero tool](#)). For the purpose of this project may include a target setting model and a demo (e.g. Excel spreadsheet or Python notebook).

- Support in the production of materials for EAG meetings and assistance with facilitating discussions in EAG meetings as needed.
- Support the delivery of public consultations, pilot testing and revisions as appropriate.

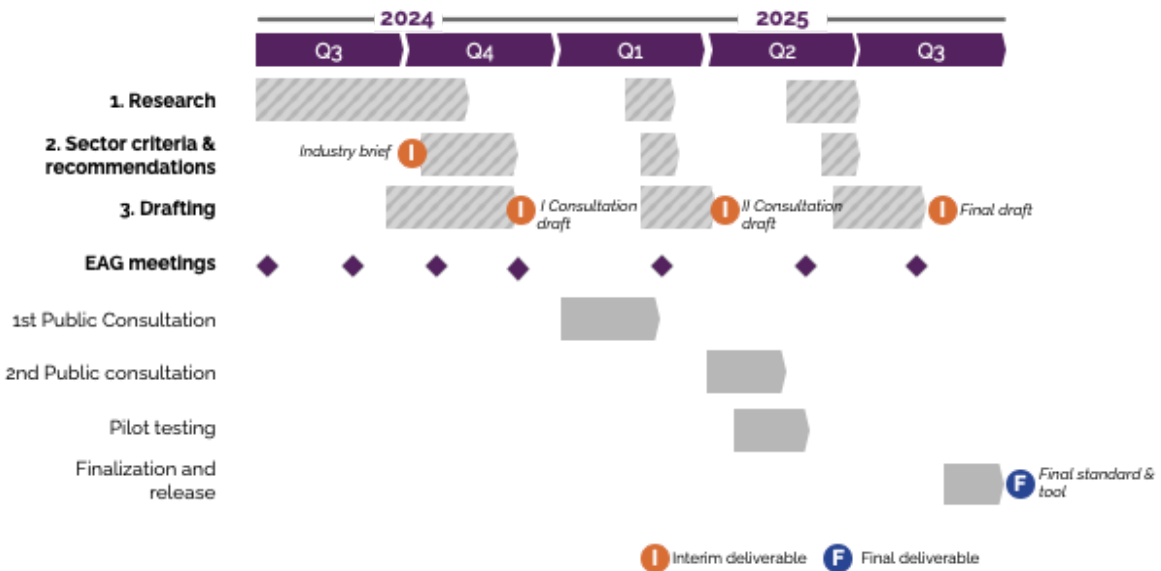
Deliverables: Minutes, presentations and supporting material for meetings. The SBTi will provide oversight and final content approval on EAG meeting content, interactions with EAG members, and on the content of any external communications.

Authorship and recognition

Technical partners will be acknowledged for their contribution to the work delivered through this collaboration.

3. OUTPUTS AND TIMELINE

Consultancy work should be completed and made available based on the following preliminary timeline:



The table below provides an overview of the key deliverables:

Output	Proposed Timeline
Research summary/gap analysis	By Q4 2024
Key criteria and recommendations	By Q4 2024
Consultation drafts of Power Sector Standard and target Setting Tool	By end Q4 2024
Revised drafts following stakeholder feedbacks and 1st consultation	By Q2 2025
Revised drafts following stakeholder feedbacks and 2nd consultation	By Q3 2025
Presentations, minutes, supporting material	Throughout project

Please note that these timelines are tentative and may be subject to adjustments.

4. QUALIFICATIONS AND EXPERIENCE

The SBTi will consider all qualified candidates, including but not limited to independent contractors, academic institutions and consultancy firms. The contractor delivering this work should be able to demonstrate the following experience and qualifications:

- In-depth understanding of corporate target-setting, SBT methods, GHG emissions accounting, and the power sector.
- Previous experience working with the power sector with demonstrable credentials.
- Excellent project management skills.
- Excellent analytical drafting skills.
- Desirable: experience in voluntary standard criteria development and understanding of validation/assurance.

5. RECRUITMENT PROCESS

Timeline

This RFP is scheduled in the following timeline³:

- Deadline for submitting questions: 5 August 2024
- Deadline for Proposal submission: 12 August 2024 (**Extended to 29 August 2024**)
- Evaluation & Interview period: August-September 2024
- Expected date of contract award: October 2024

Clarification questions

All clarification questions should be directed to powersector@sciencebasedtargets.org

Submission requirements

Applicants must submit their proposals in electronic format (PDF preferred) by the specified deadline to powersector@sciencebasedtargets.org with the subject line: "Proposal – Power sector Standard RFP June 2024". Late submissions may not be considered.

Proposal structure

Applicants are required to structure their proposals in the following specified format:

1. Cover Letter

A brief cover letter introducing the applicant's organization, summarizing their understanding of the project requirements, and highlighting their key qualifications and experience relevant to the project.

2. Executive Summary

A concise summary of the proposal, including an overview of proposed approach, scope of work addressing the deliverables, and any unique value propositions.

3. Company/Organization Profile

Detailed information about the applicant's organization, including its history, core competencies, areas of expertise, and relevant experience within the power sector, governmental offices/policy related to power and or power & climate NGO's/platforms/industry groups and legal/financial background.

³ Should an insufficient number of proposals be received, the submission deadline shall be extended and subsequent steps postponed accordingly.

4. Project Team

A description of the proposed project management team, including resumes of key team members, their roles and responsibilities, and any relevant certifications or qualifications.

5. Methodology and Approach

A detailed description of the proposed methodology and approach for managing each phase of the project, including project planning, scheduling, risk and conflict of interest management, communication and engagement strategies, and quality assurance processes.

6. Budget and Cost Breakdown

A comprehensive breakdown of the proposed budget, including all costs associated with providing project services, such as personnel, materials, travel, and any other expenses including tax details.

7. References

Contact information for at least three references from previous clients who can provide feedback on the applicant's performance and capabilities in working on the project.

8. Appendices

Any additional documents or materials relevant to the proposal, such as case studies, project experience samples, or organizational charts.

Proposals should be clear, well-organized, and directly address the requirements outlined in this RFP. Failure to adhere to the specified format may result in the rejection of the proposal.

Conflict of interest

Proposals must include a statement regarding any actual, potential, or perceived conflicts of interest or conflicts of loyalty that the submitting organization is aware of, which could affect the delivery of the contract described within this RFP.

Examples include, but are not limited to:

- Contributing to SBTi technical products in the past, as advisor or author, including but not limited to development of methodological positions.
- Having any relevant party transactions, relationships or business dealings with the SBTi, its customers, partners or potential competitors.
- Having involvement in, or serving on the board of directors or advisory board for any organization that may have current or potential business dealings with the SBTi.
- Having any consulting relationships with organizations that could create a conflict of interest with your work at the SBTi.

Applicants should state whether or not they or the proposed team members have any personal or professional relationships with organizations or individuals, including those associated with the SBTi, that could lead to the perception of a conflict of interest with their duties at SBTi. Should applicants have potential conflict of interest as mentioned above, a full description of it and suggested mitigation actions must be provided.

To support the assessment of potential conflicts, applicants should also submit their organisational Conflict of Interest Policy as part of their submission (if/ where applicable).

Evaluation

Proposals will be evaluated based on the following criteria:

- Relevance and quality of previous work.
- Demonstrated understanding of the project requirements.
- Qualifications and experience of the team.
- Budget and cost-effectiveness.
- Conflict of interest management.

Selection process

The selection process will involve initial screening of proposals, followed by scoring and ranking by an Internal Review and Selection Committee. Shortlisted candidates may be invited for interviews or presentations to further evaluate their proposals. We may request further supporting documentation to be submitted during the decision-making process. The final selection will be based on the overall quality and suitability of the proposals submitted.

6. INVOICING SCHEDULE

The proposed invoicing schedule extends to 2025 and will be confirmed during the contracting phase:

- Tranche 1: (20%) within 30 days of the Effective Date after fully executed contract.
- Tranche 2: (50%) after the completion of deliverables by half of the period for the project.
- Tranche 3: (30%) after the submission of the final deliverables.

In each case subject to receipt by SBTi the deliverables.

7. TERMS AND CONDITIONS

The selected candidate will be required to enter into a project contract with The SBTi. The contract will include standard terms and conditions related to intellectual property rights, confidentiality, termination, liability, and dispute resolution.

This RFP does not constitute a commitment to award a contract. The SBTi reserves the right to reject any or all proposals received. Individualised feedback will not be provided to unsuccessful RFP applicants.