

Small Business Direct Install Program

Bidders Conference

April 24, 2014



**EFFICIENCY MAINE TRUST
REQUEST FOR PROPOSALS FOR:**

Small Business Direct Install Program Delivery

RFP EM – 015 - 2014



Table of Contents

- **SECTION 1 – RFP INFORMATION AND INSTRUCTIONS**
- **SECTION 2 – BACKGROUND INFORMATION**
- **SECTION 3 – SCOPE OF WORK**
- **SECTION 4 – GENERAL RESPONSIBILITIES AND REQUIREMENTS**
- **SECTION 5 – PROPOSAL REQUIREMENT**
- **SECTION 6 – PROPOSAL EVALUATION AND AWARD**
- **SECTION 7 – GENERAL CONDITIONS**
 - **Attachment A – Proposal Cover Sheet**
 - **Attachment B – Standard Agreement**
 - **Attachment C – Program Delivery Cost Form**
 - **Attachment D – Measure Cost Form**



RFP Information and Instructions



1.1 Title/Purpose

RFP EM 014-2014, Request for Proposals to Implement a Small Business Direct Install Program.

The Efficiency Maine Trust (EMT or Trust) seeks one or more contractors to implement a Small Business Direct Install program (“DI Program”) in several targeted geographic areas. The purposes of the program are to:

1. Increase participation in an otherwise hard-to-reach customer segment,
2. Acquire cost effective energy and demand resources,
3. Assess whether direct installation of efficiency measures is an effective non-transmission solution; and,
4. Maintain geographic and consumer segment equity.

1.2 Designated Contact Person for this RFP

Rick Meinking, Business Program Manager

Efficiency Maine Trust

151 Capitol Avenue, Augusta, ME 04330-6262

Email: richard.meinking@efficiencymaine.com

Phone: (207) 213-4159

1.3 Schedule of RFP Activities

Event	Date/Deadline
RFP Issued	April 16, 2014
Bidders Conference	April 24, 2014 @ 3:00pm local time
Questions Due	April 28, 2014 [by 3:00pm local time]
Responses to Questions Posted	April 30, 2014
Proposals Due at Efficiency Maine Trust office	June 5, 2014 by 3:00pm local time
Anticipated Award Date	June 12, 2014
Anticipated Contractor Start	July 1, 2014

Schedule changes: Efficiency Maine Trust reserves the right to modify this schedule at its discretion. Any changes or additional information regarding the RFP schedule and pre-bid activities, including responses to questions, will be posted on the Efficiency Maine Trust website at: <http://www.efficiencymaine.com/opportunities>

SECTION 1 – RFP INFORMATION AND INSTRUCTIONS



1.5 Questions

Questions regarding this RFP must be submitted by **email** to the Designated Contact Person specified in Section 1.2, with the subject line: **RFP-EM-015-2014 Questions**, prior to the deadline for “Questions Due” specified in Section 1.3.

1.6 Submittal Deadline

Proposals must be received at the Efficiency Maine Trust office by the deadline for “Proposals Due” in Section 1.3. Any proposal received by the Trust after the exact date and time specified will not be considered. Proposals must be complete when submitted; changes or additions will not be accepted after the specified due date and time, except for any clarifications requested of bidders by Efficiency Maine Trust. It is the responsibility of each bidder to ensure timely receipt of its proposal. Further details regarding proposal requirements are provided in Section 5.

SECTION 1 – RFP INFORMATION AND INSTRUCTIONS



1.7 Cost of Proposal Preparation

Costs incurred in the preparation of any proposal in response to this RFP are the sole responsibility of the bidder.

1.8 Contract Term & Budget

The anticipated term of the contract is July 1, 2014 through June 30, 2016 with an optional one -year extension by mutual agreement.

The anticipated contract(s) budget for the July 1, 2014 through June 30, 2015 period is \$1,000,000 total and July 1, 2015 through June 30, 2016 the budget is anticipated to be \$1,000,000 total. The contract(s) will be Time and Materials with a Not-to-Exceed maximum for program administration and marketing/outreach and a fixed cost by measure for program delivery.

SECTION 1 – RFP INFORMATION AND INSTRUCTIONS



1.9 Contract Award

Efficiency Maine Trust will notify all bidders of the contract award decision by email. The anticipated award date is specified in Section 1.3. The Trust reserves the right to negotiate the final terms and conditions of the contract award with a winning bidder whose proposal is selected by the Trust, and to reject any winning bidder with whom the Trust cannot agree to terms and conditions meeting the Trust's needs, in the Trust's sole judgment.

1.10 Contracting Process

The selection of service providers for energy efficiency and alternative energy programs administered by the Efficiency Maine Trust and the selection of grant recipients to receive funds administered by the Trust for energy efficiency and alternative energy projects is governed by the Efficiency Maine Trust Rule Chapter 1: Contracting Process for Service Providers and Grant Recipients, which can be found on the Efficiency Maine Trust website under Documents and Services: http://www.efficiencymaine.com/docs/AgencyRules/Chapter-1_Contracting_Final.pdf

SECTION 1 – RFP INFORMATION AND INSTRUCTIONS



Background Information



2.1 Efficiency Maine

Efficiency Maine is an independent trust that serves as the statewide energy efficiency utility. It is the program administrator for all energy efficiency programs in Maine. Efficiency Maine's mission is to lower the cost and environmental impacts of energy in Maine by promoting energy efficiency and alternative energy systems.

Efficiency Maine's programs deliver Maine's lowest-cost energy resource through a combination of technical assistance, cost-sharing, training, and awareness programs.

2.2 Pilot Direct Install Program Background and Context

In 2013, Efficiency Maine conducted a Small Business Direct Install pilot program targeting the communities of:

- Machias;
- East Machais;
- Jonesboro/Jonesport; and,
- Presque Isle.

SECTION 2 – BACKGROUND INFORMATION



2.2 Pilot Direct Install Program Background and Context

The primary purpose of the pilot program was to test customer acceptance of the DI service delivery model in Maine and evaluate its cost effectiveness. Similar to DI programs operating in other jurisdictions, core program delivery features included:

- Direct Contact Marketing;
- Customer Site Visits;
- Turnkey Installation of measures (mostly lighting);
- Generous Incentives (as much as 70%); and,
- On-Bill Financing, as requested.

The pilot program was designed, in part, to evaluate customer responsiveness to faster project paybacks. The average incentive across all 125 pilot projects amounted to 55 percent of total cost, but incentives ranged from 25 percent to 70 percent of total project costs. Out of the total population, 46 customers received incentives equal to 70 percent of the total project costs. These projects resulted in first year savings of approximately 530,000 kWh.

SECTION 2 – BACKGROUND INFORMATION



2.2 Pilot Direct Install Program Background and Context

Other salient program metrics include the following:

Total projects	125
Total first year savings (MWh)	1,249
Lifetime savings (MWh)	16,236
Benefit-to-Cost Ratio	2.38
Total project costs (\$)	503,436
Average Project Cost (\$)	4,027
Average Project Incentive (\$)	2,212
Average annual savings (kWh)	9,992
Average customer payback (months)	17

Preliminary program results indicate that a DI program can address the needs of Maine's small businesses cost effectively. Lessons learned from the pilot program suggest that incentives are important to customers but they are not the only motivating factor. Other success factors include excellent customer sales and service, ease of participation, extremely fast project execution and completion, and minimal operational disruptions and financing.

SECTION 2 – BACKGROUND INFORMATION



2.3 New Direct Install Program Description

Based on the lessons learned from the DI pilot program, Efficiency Maine is designing a new and aggressive DI program that will be highly focused on:

- *Community-based marketing and outreach* – as further described in Section 3.1.1, Efficiency Maine will work closely with the contractor(s) to plan, develop and execute a marketing “blitz” campaign involving local business groups and leaders prior to launching the program in the identified geo-targeted regions. Although Efficiency Maine will actively participate in the marketing blitz campaign as well as provide oversight, the contractor shall be responsible for its execution. ***Complete Attachment C outlining anticipated time and material cost to support this effort.***
- *Targeted customer sales approach* – in the geo-targeted regions, the contractor(s) will be responsible for implementing a customer-centric sales approach to identify cost effective energy efficiency opportunities. It is expected that the successful contractor(s) will be able to identify, in a single onsite visit, near and longer term energy efficiency opportunities as well as provide customers with project details. Such details shall include at a minimum:
 - Project costs;
 - Project savings;
 - Project paybacks; and,
 - Project schedule.

SECTION 2 – BACKGROUND INFORMATION



2.3 New Direct Install Program Description

- *Customer Incentives* – As a general rule, Efficiency Maine prefers simple and straightforward incentive design strategies for a DI program whereby the Trust pays up to 80 percent of the project costs. For this program, however, Efficiency Maine anticipates establishing incentives based on a 12 month payback (or less) for all cost effective projects. With the customer's consent, the contractor shall also install free LED screw in light bulbs whether or not the customer decides to move forward on a project. While acknowledging Efficiency Maine's preferences, contractors are encouraged to propose alternative program incentive design strategies. Irrespective of the final agreed upon incentive, the contractor, as noted above, shall be responsible for demonstrating to customers the project's cash flows and paybacks (except for free LED installs).
- *Speed* – The contractor shall implement energy efficiency projects in geo-targeted towns within pre-defined time constraints; most likely, the program will cease accepting new customer applications within six months from the date on which Efficiency Maine sponsors the local civic kick-off event. Limiting the duration of the program in a geo-targeted area is intended to create a sense of urgency among customers to implement cost effective projects while the contractor's implementation team is in the area. Accomplishing aggressive goals within the specified time will require contractors to demonstrate expertise in supply-chain and project management.

SECTION 2 – BACKGROUND INFORMATION



2.3 New Direct Install Program Description

- **Quality** – The contractor shall provide post-installation quality control and verification on all projects to ensure a high degree of customer satisfaction. The contractor shall also be required to remove equipment and recycle as required to comply with all applicable federal and state regulations. Efficiency Maine will also perform random post installation project inspections as well as conduct an independent, third-party program evaluation.

EMT views the above list to be essential program design elements. However, bidders are encouraged to recommend additional program elements, as appropriate, to effectively address this hard-to-reach market.

SECTION 2 – BACKGROUND INFORMATION



2.4 Additional Background Information

TITLE	LOCATION
Efficiency Maine Trust website	www.energymaine.com
Efficiency Maine Trust Triennial Plan	http://www.energymaine.com/docs/reports/TriPlan2-11-26-2012.pdf
Efficiency Maine 2013 Annual Report	http://www.energymaine.com/docs/2013-Efficiency-Maine-Annual-Report.pdf
Efficiency Maine Commercial Technical Reference Manual	http://www.energymaine.com/docs/EMT-Commercial-TRM.pdf

SECTION 2 – BACKGROUND INFORMATION



Scope of Work



The Trust seeks a qualified bidder or team of bidders to provide direct installation services to small businesses located in the following regions:

Northwestern Maine:

Norway and South Paris

South Coastal Maine:

Kittery, York, Ogunquit and Wells

Northern Maine:

Caribou, Van Buren, Fort Kent

- If program participation does not meet expectations in the selected regions, the Trust, at its discretion, reserves the right to reassign the contractor to another region of the State if mutually agreeable, or to terminate the contract.
- The program shall not target, nor enroll, residences, including businesses operated from residences, K-12 public/private schools, colleges and universities, and local/county/state/federal buildings. Eligible customers must have peak demand of 100 kW and below, or the kWh equivalent thereof.

SECTION 3 – SCOPE OF WORK



As the potential for increased energy efficiency in small businesses is still concentrated in lighting end uses, the program is focused primarily on lighting projects. However, contractors are encouraged to propose additional cost effective measures to install so long as the contractor's implementation team has the requisite expertise and licenses to install such additional measures. Irrespective of the types of measures offered, the contractor will be paid on a cost per-measure basis and these per-measure costs must be identified in the contractor proposal. **See Attachment D for a copy of the measure list template to be submitted.**

Efficiency Maine Business Program

Small Business Direct Install Program

RFP EM-015-2014



Directions:

The spreadsheet below contains cells to place your quotations for the services described in the RFP. Please place an "X" in the cells that correspond to the Region or Regions for which you are quoting prices, and then populate the cells below that heading. For example, if you are interested in two regions, Norway, South Paris and Cabibou, VanBuren, Fort Kent, place an X under "Region 1" and "Region 3" and then populate the cells in those columns with your prices for those regions.

Please enter your company name here: _____

Region 1 Northwestern	Region 2 South Coastal	Region 3 Northern
Norway/South Paris	Kittery, York, Ogunquit, Wells	Caribou, Van Buren, Fort Kent

SECTION 3 – SCOPE OF WORK



Note: All LED products must be Energy Star or Designlights listed as of 4/15/2014

Note: "Installed Cost" is all inclusive of labor, materials, disposal, and profits, in other words, it is an "all-in" price per unit

Note: All applicable lamp and ballasts must be CEE listed.

	Installed Cost Per Unit	Installed Cost Per Unit	Installed Cost Per Unit
Relamp-Reballast - Linear Fluorescent			
(1) 17 Watt Lamp and LP Ballast			
(1) 28 Watt Lamp and LP Ballast			
(1) 32 Watt Lamp and LP Ballast			
(2) 17 Watt Lamps and LP Ballast			
(1) 25 Watt Lamp (3') and LP Ballast			
(2) 25 Watt Lamps (3') and LP Ballast			
(2) 28 Watt Lamps and LP Ballast			
(2) 32 Watt Lamps and LP Ballast			
(3) 17 Watt Lamps and LP Ballast			
(3) 28 Watt Lamps and LP Ballast			
(3) 32 Watt Lamps and LP Ballast			
(4) 28 Watt Lamps and LP Ballast			
(4) 32 Watt Lamps and LP Ballast			
New 4' Linear Fluorescent Strip Lighting			
(1) 28 Watt Lamp and LP Ballast			
(1) 32 Watt Lamp and LP Ballast			
(2) 28 Watt Lamps and LP Ballast			
(2) 32 Watt Lamps and LP Ballast			

SECTION 3 – SCOPE OF WORK



3.1 Primary Tasks

Efficiency Maine will require the selected contractor(s) to manage the entire lifecycle of direct installation projects including but not limited to the following primary tasks:

1. Community outreach
2. Customer marketing
3. Provide overall project management and measure installation
4. Explain payment options and secure customer agreement
5. Perform program administrative duties and maintain Efficiency Maine's database

One or more delivery contractors may be selected through this RFP process. Respondents may bid to provide services in all or individual regions identified above.

SECTION 3 – SCOPE OF WORK



3.2 Proposal Task Descriptions

Bidders are expected to propose how they would perform the following specific tasks:

Task 1: Project Kickoff Meeting

Task 2: Direct Install Plan

Task 3: Project Management and Reporting

SECTION 3 – SCOPE OF WORK



General Responsibilities and Requirements



4.1 Contractor Requirements

The contractor will be responsible for adhering to the following requirements:

- **Confidentiality**
- **Project Personnel**
- **Call Center Coordination**
- **Marketing Coordination**
- **Database Management**
- **Research and Evaluation**
- **Program Transition**

4.2 Efficiency Maine Trust Responsibilities

Efficiency Maine Trust, through its designated Program Manager for this contract, will be responsible for overseeing and managing all work undertaken by the winning bidder, including but not limited to:

- Providing project oversight and contract management
- Reviewing, commenting on and approving all deliverables
- Reviewing and approving, or rejecting invoices
- Providing high-level guidance and direction regarding program implementation, initiatives and strategies
- Making available relevant work products and data that are the property of the Trust

Proposal Requirements



5.1 Project Organization and Staffing Requirements

Proposals that include teaming arrangements must designate one party as the lead bidder. Personnel who are proposed as project staff shall be the actual contract performers.

5.2 Submittal Requirements

Proposals must be delivered to the Trust by the due date and time specified in Section 1.3 of this RFP to the attention of the Designated Contact Person specified in Section 1.2. Proposals must be delivered in an envelope or package visibly labeled: **“Response to EM-015-2014, Request for Proposals”**. The proposal submission must include:

- One (1) signed unbound original, including all sections, forms and appendices;
- Four (4) *bound* hard copies of the entire original; and
- One (1) electronic copy on CD of the complete proposal
 - All files on the CD must be provided in Microsoft Office and/or PDF format
 - A copy of Project Cost Form (Attachment C) must be provided separately in Microsoft Excel format

Efficiency Maine reserves the right to reject any proposal that does not meet these requirements.

SECTION 5 – PROPOSAL REQUIREMENTS



5.3 Format Requirements

Proposals will be evaluated for adherence to the following format requirements:

- Proposals must be typewritten, using a standard font (11 or 12 point).
- Each page should state the page number, the name of the bidder, and the RFP number.
- Each page should have one inch margins.
- Proposals must adhere to prescribed page limits specified in section 5.4. Please note that each printed side counts as one page.
- Unnecessary attachments (i.e. any attachments beyond those sufficient to present a complete and effective proposal) should be avoided.

Efficiency Maine reserves the right to reject any proposal that does not meet these requirements.

5.4 Proposal Content and Organization:

The proposal must include the following contents presented in the following order:

- 1. Proposal Cover Sheet: (Attachment A)**
- 2. Letters of Commitment**
- 3. Table of Contents**
- 4. Introduction (2 pages maximum)**
- 5. Statement of Work (15 pages maximum)**
 - Overview
 - Proposed Work Plan
 - Schedule and Deliverables
 - Project Outcomes
- 6. Staffing, Management and Qualifications (4 pages maximum)**
 - Overview
 - Organizational chart
 - Individual qualifications (Resumes must be included in a separate appendix)
 - Corporate qualifications
 - Financial Capability
- 7. Budget/Cost Proposal (2 pages maximum)**

SECTION 5 – PROPOSAL REQUIREMENTS



Appendices

- Appendix A – References
- Appendix B – Resumes (2 pages per person maximum)
- Appendix C – Evaluations
- Attachment C – Program Delivery Cost Form
- Attachment D - Measure Cost Form

Proposal Evaluation and Award



6.1 Evaluation Criteria

In evaluating proposals submitted in response to this RFP, the proposal review team will use the following criteria:

SCORING CATEGORY	MAXIMUM AVAILABLE POINTS
1. Statement of Work	20
2. Staffing, Management and Qualifications	30
3. Per measure Cost	40
4. Overall Quality and Responsiveness	10
TOTAL	100

6.1 Evaluation Criteria

1. Statement of Work
2. Staffing, Management and Qualifications
3. Budget/Cost
4. Overall Quality and Responsiveness

General Terms and Conditions



General Terms and Conditions

7.1 RFP Process – Reservation of Rights

7.2 Contract Agreement (Attachment B)

7.3 Request for Reconsideration

Thank you

