



## REQUEST FOR PROPOSALS (RFP)

### All-Fuels Efficiency Services

#### INTRODUCTION

The Vermont Department of Public Service (DPS) is seeking the services of qualified contractors with demonstrated experience in program management, energy efficiency, and public outreach, to provide cost-effective efficiency measures to Vermont heating fuel consumers. The contractors will work closely with DPS, current state efficiency programs (including low-income weatherization programs, Efficiency Vermont, and utility energy efficiency programs), and the general public.

**Proposals are due by 4:00 P.M. on Tuesday, November 25<sup>th</sup>, 2008** with the goal of awarding a contract by March 2009. The contract period will run through March 2010 with the possibility for an additional one year renewal. It is estimated that \$3.68 million will be available for the first year period of March 2009 – March 2010 and a similar amount is estimated to be available for the second year period of March 2010 - March 2011 to continue the services. The current source of funding is revenue from the sale of credits under the Regional Greenhouse Gas Initiative (RGGI) cap and trade program. The initial one year contract with the chosen contractor(s) may be extended for one additional year providing that funding is available and performance measures are met. Applicants should include separate one and two year budgets in their proposals.

Applicants mailing proposals should allow adequate time to ensure receipt of their proposal(s) by the deadline. Proposals are limited to 30 pages, with no less than an 11 point font and one inch margins. One original signed hard copy, five additional hard copies, and an electronic copy (which can be emailed or submitted on a CD) of the proposal must be delivered to Kelly Launder, Vermont Department of Public Service. **Both** electronic and hard copies must arrive before the deadline. Proposals and questions should be addressed to:

Kelly Launder  
Vermont Department of Public Service  
112 State Street  
Montpelier, VT 05620-2601  
Phone: (802) 828-4039  
Email: [kelly.launder@state.vt.us](mailto:kelly.launder@state.vt.us)

#### BACKGROUND

In 2008, the Vermont General Assembly established a *Heating and Process Fuel Efficiency Program* through Act 92 (30 V.S.A. § 235). In this Act the DPS is directed to “solicit and monitor any combination of energy efficiency and conservation programs, measures, and compensation

mechanisms to provide fuel efficiency services on a statewide basis for Vermont heating or process fuel consumers.”

Act 92 specifies that the *Heating and Process Fuel Efficiency Program* shall include fuel efficiency services that:

- (1) produce whole building and process heat efficiency, regardless of the fuel type used;
- (2) facilitate appropriate fuel switching; and
- (3) promote coordination, to the fullest practical extent, with electric efficiency programs, as well as with low income weatherization programs and any utility energy efficiency programs.

The *Heating and Process Fuel Efficiency Program* will be funded through the *Fuel Efficiency Fund*. The *Fuel Efficiency Fund* will receive revenues from the sale of credits under the RGGI cap and trade program, which are estimated to be \$3.68 million through 2009. The carbon credits will be sold in auctions scheduled for September and December of 2008 and quarterly in 2009. Proceeds will be deposited into the *Fuel Efficiency Fund*. At the first auction held in September, Vermont allowances were sold at a price of \$3.07 for a total of \$614,000. Assuming that the entire 1.2 million of Vermont allowances are sold at a price of \$3.07, there would be a total of approximately \$3.68 million deposited into the *Fuel Efficiency Fund* by the end of 2009. However, it is possible that in future auctions the credits will sell for a higher or lower amount than \$3.07 and therefore more or less funding than estimated may be available. The minimum price that allowances can be sold for is \$1.86. If the remaining allowances were sold at that price there would be a total of \$2.47 million through 2009.

The Department was also directed to consult with stakeholders prior to issuing a RFP for services. The DPS held two stakeholder meetings, which were attended by approximately 40 individuals representing fuel dealers, state weatherization programs, Efficiency Vermont, utilities, non-profits, and others in the energy field. Meeting participants were asked to identify existing resources and programs for all-fuels efficiency and gaps that currently exist in the services available. Participants were also asked to prioritize the existing gaps. The top priorities were as follows:

- Additional funding to expand available weatherization services to low-income residents, (including expanding eligibility beyond current income levels), low middle-income residents and small businesses; and additional funding options such as low/no interest loans.
- Workforce development (including training new professionals as energy auditors and installers, as well as training for the existing trades) and standardization/certification.
- Coordination between all the existing and potentially new programs/services, including one main organization that residents could go to for independent and accurate information, referrals to existing resources, etc.

Additional items that were identified during the discussions included: public education/DIY (Do-it-yourself) workshops, updating current screening tools, including all benefits (not just economic) when determining services to be provided, balancing short-term and long-term benefits, and enforcement of energy codes.

Some of the identified priorities are currently being addressed through new and existing programs/services described below.

The Vermont Department of Labor (VDOL) has funding available to provide workforce development/training. The VDOL can fund energy efficiency related training tied to meeting the

skills needs of employers in Vermont. Those interested in receiving or providing training should contact VDOL at 802-828-4342 or via the web at [www.labor.vermont.gov](http://www.labor.vermont.gov) and look for “grant information” specifically the Workforce Education and Training Fund.

The recently launched *Fuel and Food Partnership*, provides residents a single entry access to available resources in the state to address rising heating fuel, gasoline, and food costs this winter. Additionally a series of workshops will be held around the state for residents to learn about do-it-yourself opportunities for saving energy, including behavioral changes and low-cost weatherization measures. This initiative also includes the *Vermont Energy Saver Loan Program*, which provides no/low interest loans for home energy improvements.

## **SCOPE OF SERVICES**

Due to the limited funding currently available for all-fuel efficiency activities the Department has significantly narrowed the scope of services in this RFP. The DPS also took into consideration the priorities that are already being addressed through the DOL workforce training and the *Fuel and Food Partnership*. Therefore, the DPS has decided to focus the current projected funds on the residential building sector and fulfilling short-term needs and goals, with the expectation that as funding increases the program will be expanded further to reach non-residential buildings and longer term goals. The Department will focus on obtaining immediate energy savings to assist Vermonters most in need while still achieving long-term benefits. Therefore applicants should have already established programs which they will be expanding or services/programs that they could establish quickly. Should more funding than currently anticipated become available the Department will expand the program and contract for additional services with the goal of expanding income eligibility and/or adding non-residential customers.

Applicants may submit proposals to provide services in one or both of the following areas:

### **Weatherization Services**

- Provide weatherization services to primarily low-income populations. This may include conducting energy audits, installing energy efficiency measures in homes, and other related activities. Services to other populations such as those above current eligible income levels for state weatherization programs and high energy users will also be considered.
- Savings in energy usage from efficiency measures must be documented and verifiable. The contractor will provide quarterly reports with activity updates and an annual report that provides detailed information including: number of residents served; housing types; average energy savings per home; measures installed and costs of measures; impacts of measures installed (including non-energy benefits); and overall program cost effectiveness.
- Services should be geared towards a goal of reducing annual fuel needs and fuels bills by an average of 25% in the housing units served.
- The selected contractor(s) would be expected to coordinate with the state weatherization program.

### **Coordinating and Educational Activities**

- The applicant should propose coordination activities they feel are necessary to insure non-duplication of services and easy access to information and services for consumers. This may also include providing general information to the public on all-fuels efficiency.

- The DPS anticipates that this will encompass a smaller portion of the total projected funding available and should complement what is currently available through the *Fuel and Food Partnership*.
- The contractor will need to report the type and amount of information distributed and coordination services provided on a quarterly basis with an annual comprehensive report.

Service providers must deliver programs/activities in an effective, efficient, timely, and competent manner. All programs/activities must be reasonable and cost-effective and designed to make continuous and proportional progress toward attaining state efficiency goals as outlined in Act 92.

Applicants can submit a proposal to provide all or a portion of the above services for an amount not to exceed the upper projection of \$3.68 million. Contracts will be amended if the future RGGI auctions generate less than expected revenues. Should the Department select more than one contractor, the Department will decide how to allocate the funding between contractors/services. Before the DPS enters a contract with service providers the Vermont Public Service Board will review the programs, measures, and compensation mechanisms to determine whether they promote the public good and may alter or impose conditions based on their findings. Additionally, the Fuel Efficiency Fund is subject to appropriation by the General Assembly.

## **INFORMATION REQUIRED FROM APPLICANTS**

Proposals should be prepared simply and economically, providing a straight forward, concise description of the applicant's ability to meet the requirements of the RFP. Fancy bindings, colored displays, promotional materials, and so forth, are not desired. Emphasis should be on completeness and clarity of content. Information in the applicant's proposal which should be held confidential must be clearly marked as confidential and comply with an exemption from public inspection as per 1 V.S.A. § 317(c).

Grant proposals should be no longer than 30 pages, with no less than an 11 point font and one inch margins (resumes **do not** count toward the 30 page limit) and must include at minimum the following information:

### Identification of Organization

State the full name and address of the organization and, if applicable, other subcontractors that will perform, or assist in performing, the work. Include the organization's federal identification number.

### Authorized Negotiators

Include the names and phone numbers of personnel authorized to negotiate the proposed contract with the State. One original hard copy must be signed by a duly authorized representative of the party (or parties) submitting the proposal.

### Prior Experience Disclosure

Prior experience in program management, energy efficiency, and public outreach is important to the selection of a contractor. Proposals must include a description of the applicant's experience in each of these areas.

Personnel

Each organization submitting a proposal under this RFP shall have demonstrable knowledge, skills and experience as it relates to the required work. The proposal must identify all persons that will be employed in the proposed work by skill and qualifications. Identify key personnel by name and title and provide a resume for each (resumes **do not** count toward the 30 page limit). Subcontractors must be listed, including the firm name and address, contact person, and complete description of work to be subcontracted. Include descriptive information concerning subcontractor’s organization and abilities.

Work Plan

Describe in narrative form the plan for accomplishing the work. Indicate the number of hours allocated to each task and which staff member(s) will complete the tasks. Describe quality assurance measures that will be put in place to make certain that services will be delivered in an effective, efficient, timely, and competent manner. Describe cost-effectiveness of programs/activities and how they will contribute to the state efficiency goals outlined in Act 92.

Budget Considerations

Applicants must submit a proposed budget for services described in this RFP and include narrative explanations. Applicants should include separate one and two year budgets in their proposals, assuming that a total of \$3.68 million will be available each year for all services described in this RFP.

The following cost elements should be included:

- Personnel (position, rate, hours)
- Travel (mileage must be billed at the state rate of 58.5 cents/mile)
- Supplies & Materials
- Other (specify)
- Total Direct Costs
- Indirect Costs
- BUDGET TOTAL**

Additional Information and Comments

Include any other information that is believed to be pertinent, but not specifically requested elsewhere in this RFP.

**SELECTION CRITERIA**

The DPS will evaluate all proposals received based upon reasonableness of cost, completeness and quality of the proposal, qualifications of the individuals proposed to perform the work, relevance of previous experience, and any other criteria it deems relevant. Acceptance or rejection of any or all proposals will be determined by the exercise of the Department’s sole discretion.

All proposals are subject to an evaluation by the DPS and/or non-departmental reviewers. The DPS reserves the right (but in no way is obligated) to interview the top prospective candidates to aid in the selection process.

The award of the contract will be made based on the following criteria:

1. Experience & Qualifications
  - Experience in program management, energy efficiency, and public outreach.
  - Adequate staffing for described work.
2. Work Plan
  - Clarity and reasonableness of work plan, including definition and timeliness of tasks to be performed.
  - Quality assurance measures are well defined.
  - Ability to launch programs/services quickly once funding is available.
  - Cost-effectiveness of programs/activities and how they will contribute to the state efficiency goals outlined in Act 92.
3. Budget
  - Budget line items and amounts are sufficiently described and justified.
  - Administrative costs are reasonable and competitive.

## **GENERAL TERMS AND CONDITIONS**

1. The DPS reserves the right to reject any and all proposals received as a result of this RFP for any reason, to waive minor irregularities in any proposals received, and to negotiate with any party in any manner deemed necessary to best serve the interests of the State.
2. The DPS shall not be responsible for any costs incurred by any party in preparation of any proposal submitted in response to this RFP.
3. The DPS reserves the right to amend or cancel this RFP at any time if the best interest of the State requires such action.
4. News releases pertaining to this RFP, contract award, or the project shall not be made without prior written approval from the DPS.
5. The DPS will pay for actual work performed and expenses incurred under this project up to the specified contract amount. Specific payment provisions will be arrived at upon mutual agreement of the parties. All payments will require the submission of an itemized billing of work performed to date in sufficient detail to justify payment.
6. All parties submitting proposals shall be Equal Opportunity Employers. During the duration of the performance of this contract, the contractor will be expected to comply with all federal, state and local laws respecting non-discrimination in employment.
7. All deliverables submitted by the selected contractor shall become the property of the State.
8. The selected contractor(s) shall agree to grant to the State a nonexclusive, irrevocable license to reproduce, translate, publish, use, and dispose of all material developed as a result of the contract.
9. Before commencing work contractor(s) must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the contractor to

maintain current certificates of insurance on file with the State through the term of the grant.

Workers' Compensation: With respect to all operations performed, the Recipient shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the grant, the Recipient shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations  
Products and completed Operations  
Personal Injury Liability  
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence  
\$1,000,000 General Aggregate  
\$1,000,000 Products / completed products aggregate  
\$ 50,000 Fire Legal Liability

Automotive Liability: The Recipient shall carry automotive liability insurance covering all owned, non-owned and hired vehicles, used in connection with the Grant. Limits of coverage shall not be less than: \$1,000,000 Combined single limit

No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Recipient for the Recipient's operations. These are solely minimums that have been set to protect the interests of the State.

10. The DPS assumes no liability in any fashion with respect to this RFP or any matters related thereto. All prospective contractors and their subcontractors or successors, by their participation in the RFP process, shall indemnify, save and hold the DPS and its employees and agents free and harmless from all lawsuits, causes of action, debts, rights, judgments, claims, demands, damages, losses and expenses or whatsoever kind in law or equity, known and unknown, foreseen and unforeseen, arising from or out of this RFP and/or any subsequent acts related thereto, including but not limited to the recommendation of a contractor and any action brought by an unsuccessful applicant.