



REQUEST FOR PROPOSALS (RFP) **Home Fuel Study**

INTRODUCTION

The Vermont Department of Public Service (DPS) is seeking the services of qualified contractors with demonstrated experience in residential heating systems and fuel sources, heating fuel market analysis and cost leveraging strategies, to conduct a home fuel study. The intent of the study is to gain information on residential heating fuel availability, potential for home fuel diversification, new or emerging technologies, and market leveraging strategies and systems, so as to help Vermont consumers maximize their heating money. The Vermont Department of Forest, Parks, and Recreation will be conducting a Residential Heating Fuel Assessment to determine the current demand for wood and other heating fuels in the state. This data will be made available to the selected contractor. The contractor will also work closely with DPS, as well as other state agencies, consumers, and fuel dealers to provide a comprehensive analysis of the current and future opportunities for Vermont consumers with respect to their home heating costs.

Proposals are due by 4:00 P.M. on Tuesday, February 3, 2009 with the goal of awarding a contract by the end of February. The contract period will run through June 2009. \$10,000 will be available for this study.

Applicants mailing proposals should allow adequate time to ensure receipt of their proposal(s) by the deadline. Proposals are limited to 10 pages, with no less than an 11-point font and one inch margins. One original signed hard copy, three 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) 828-4021
Email: kelly.launder@state.vt.us

BACKGROUND

Governor Douglas launched the *Fuel and Food Partnership* in June of 2008, to provide leadership, direction and resources for the upcoming and subsequent winters. Given the volatility of the fuel and financial markets, Vermonters continue to be challenged by macroeconomic forces that have deeply diminished their purchasing power. This has been most visible in fuels for transportation and home heating, resulting in increases in arrearages

and disconnections with dealers and utilities, as well as a stark increase in applications for seasonal home heating assistance, funded by LIHEAP.

In creation of the Fuel and Food Partnership, the Governor also appointed a cabinet-level task force to provide governance for the project. Since the Partnership's inception, there have been a series of ad-hoc workgroups established to examine the opportunities to bring relief to Vermonters in the short and long-term. As the work of the task force has progressed, there have been several successful initiatives including a variety of no/low interest loan programs, radical enhancements to the Food Stamp Program, an intensive focus on commuter and ride shares, and the very popular Button Up! Vermont workshops, designed to provide community-based DIY (do it yourself) weatherization instruction.

During the course of work within one of the subcommittees, a core issue that was identified was fuel availability, diversity, and strategies. Contemporaneous to this issue being identified, advice from various locations sent consumers frantically searching for wood pellets, resulting in a shortage in supply.

It was decided that a more in-depth study of the home heating market was required, so that information provided to consumers would be well researched from a current and future market perspective.

SCOPE OF SERVICES

The study should examine all aspects of the home heating fuel market so that consumers can achieve the best dollar value through any of these areas:

Fuel Availability: What are the short and longer-term implications for all home heating fuel types, and the options for consumers? The results of the study should clearly describe the possible trends in the market over the next 5 years, in a consumer-oriented fashion, so people can make informed and educated decisions about their fuel supply in the future.

Technology: What are the new and emerging technologies that should be considered? While Vermont invests significant money into electric efficiency, are there new technologies or techniques that could capture savings at the residential level

Fuel Diversification: What options are available for Vermonters, should they decide to add diversity to their fuel choices? As a large number of our population heats with non-system fuels that are most often delivered, some people reacted to the recent increase in fuels and purchased other heating system types, only to find the market changing again. The results of the study should examine "fuel switching" trends and explore the potential for diversification, where consumers could have multiple fuel choices and protect themselves from the volatile marketplace.

Fuel Leveraging: How can groups or organizations be enlisted / created to help consumers leverage economies of scale and achieve the best value for their dollar? Some grassroots efforts have successfully explored "buyers groups" and "non-profit cooperatives" as strategies to minimize their exposure to increasing prices. The results of the study should examine these and any other promising/emerging strategies, including the steps involved in implementation, so consumers can better understand the costs and potential benefits of such a strategy.

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 10 pages, with no less than an 11 point font and one inch margins (resumes **do not** count toward the 10 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.

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 residential heating systems and fuel sources, heating fuel market analysis and cost leveraging strategies 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 10 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.

Budget Considerations

Applicants must submit a proposed budget for services described in this RFP and include narrative explanations.

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 residential heating systems and fuel sources, heating fuel market analysis and cost leveraging strategies.
 - 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 provide services quickly once funding is available.
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.