

VERMONT CLEAN ENERGY DEVELOPMENT FUND

REQUEST FOR PROPOSALS

December 16, 2009

Administration of the Vermont Small Scale Renewable Energy Incentive Program

INTRODUCTION

The Vermont Clean Energy Development Fund (CEDF) is seeking the services of a qualified contractor with demonstrated experience in program management, renewable energy technologies, public outreach, incentive program development, analysis, evaluation, and administration. to administer the *Vermont Small Scale Renewable Energy Incentive Program*. The contractor should demonstrate excellent written and oral communication skills. The *Vermont Small Scale Renewable Energy Incentive Program* currently supports small-scale photovoltaic, solar hot water, wind, and hydroelectric installations throughout the state. The contractor will work closely with the VT Department of Public Service (DPS), the CEDF, renewable energy installers, and the general public to increase the installation of small-scale renewable energy systems in Vermont.

Proposals are due by 4:00 P.M. on Friday, January 8, 2010 with the goal of awarding a contract before the end of January. The contract period will run through August 2012. The CEDF will provide \$5,275,000 of federal funds, awarded to Vermont through the American Recovery and Reinvestment Act (ARRA) of 2008, to continue the *Vermont Small Scale Renewable Energy Incentive Program*. The initial two year contract with the chosen program administrator may be extended for up to two additional years providing that performance measures are met, funds are available, and the CEDF is satisfied with the administration of the program.

Applicants mailing proposals should allow adequate time to ensure receipt of their proposal(s) by the deadline. Proposals are limited to 25 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 of the proposal must be delivered to Andrew Perchlik, CEDF c/o Vermont Department of Public Service. Proposals and questions should be addressed to:

Andrew Perchlik
CEDF c/o Vermont Department of Public Service
112 State Street
Montpelier, VT 05620-2601
Phone: (802) 828-4017
Email: andrew.perchlik@state.vt.us

BACKGROUND

The *Vermont Small Scale Renewable Energy Incentive Program* was originally established pursuant to Renewable Energy Legislation passed by the Vermont State Legislature during the 2002/2003 session, and signed into law by Governor Douglas in June 2003.

The initial program was fully subscribed by the summer of 2004. A second round of funding for solar installations was made available in September 2005 with funds from Central Vermont Public Service (CVPS) and Green Mountain Power (GMP) to support solar electric and solar hot water systems for customers in their service territories. This money was fully reserved by October 2005.

Additional funds for the support of the installation of wind systems were made available in September 2005 through U.S. Department of Energy funds secured by Senator James Jeffords for the VT Department of Public Service Wind Development Program. Approximately \$454,600 in incentives was made available for qualifying small wind systems for individuals, businesses, schools, and local and state governments. This funding was fully reserved by April 2008.

In July 2006, the Vermont Clean Energy Development Fund (CEDF) authorized an additional \$500,000 to the Program. In addition, CVPS and GMP provided roughly \$238,000 of incentive funds to support solar electric and solar hot water systems. The program was opened for new reservation applications in September 2006. In August 2007 an additional \$500,000 was authorized by the CEDF for the program. This funding also was fully reserved, before a revised program was funded with \$1,500,000 by the CEDF in August 2008. That \$1.5 million, intended to last two years, was fully subscribed by July 2009. To continue the program the CEDF appropriated in July another \$1million for the program. That \$1million may be fully reserved by January 2010. The CEDF has authorized an additional \$5.275 million for an expanded incentive program from available federal American Recovery and Reinvestment Act (ARRA) funds.

The CEDF has developed a new incentive structure (see appendix A) that the contractor will implement as soon as is possible upon award of the contract. The CEDF is contemplating additional changes to the incentive program aimed at improving program effectiveness; the contractor will be responsible for proposing and/or evaluating such changes.

The incentive program currently provides incentives to eligible individuals, businesses, farms, schools, non-profit organizations, and municipalities for a portion of the cost of installing solar electric, solar hot water, hydro, and wind systems.

Incentive levels and program design may be changed by the CEDF in the future. Solar electric, hydro and wind systems must be grid-connected and all systems must be installed by a Vermont Solar and Wind Partner. An up-to-date list of partners is available at: <http://www.revermont.org/installers.php>

Additional information on the *Vermont Solar and Small Wind Incentive Program* is available at: www.rerc-vt.org/incentives

SCOPE OF SERVICES

At minimum the following activities must be completed in administering the program:

- Continued administration and delivery of the *Vermont Small Scale Renewable Energy Incentive Program*.
- Maintain an incentive program database that shall include: reservations made and funds paid to individuals, businesses, non-profits, and installers, as well as the number, size, and total costs of installed systems broken down by technology.
- Incorporate program incentive changes as agreed upon with the CEDF and adapt program information and forms to reflect changes.
- Update and distribute incentive program eligibility guidelines, participation steps, and application forms. This includes distribution of program information as well as general information on customer-sited renewables included in the program, and funding sources through public outreach activities such as: customer service by phone, email, and distribution of printed information; updated web site information; representation and participation at appropriate public and events, including meetings and community forums; and other activities as necessary.
- Maintain a website, which at minimum includes: program eligibility guidelines; participation steps and application forms; number of systems installed (updated at minimum on a quarterly basis), amount of incentive funding distributed, reserved, and remaining (updated at minimum on a monthly basis) average cost of systems installed for each technology on a per unit basis (updated at minimum quarterly).
- Receive and review all incentive reservation applications.
- Confirm that a Certificate of Public Good (CPG) for each system has been granted before final approval is given to proceed with the installation.
- Receive and review final project documentation for incentive payments.
- Perform and report on inspections of installed systems. A minimum of 20% of the installed systems must be inspected. The post-installation site inspection should confirm appropriate system installation practices and proper operation of the system.
- Provide the CEDF the following information on incentive program activity throughout the grant period:
 - number of incentive reservations approved/
 - dollars of incentive funds reserved
 - dollars of incentive funds remaining
 - dollars spent on program delivery and administration costs
 - final installed prices for systems receiving incentive, and installed price per unit (ex. \$ per installed kW or rated btu output).
 - Quarterly program reports, which will include information on the number of reservation applications received and approved for each technology, total incentives disbursed and remaining incentives available. In addition, these reports will track system types and size, installers (how many projects and incentive dollars for each installer), and where systems were installed by zip code.
 - Semi-annual detailed reports which will at minimum include a summary of program activity to date and progress towards the long-term goal of developing sustainable markets and industry in Vermont as well as recommendations for any changes and improvements to the program. The dates for these reports will be determined in consultation with the CEDF.
 - Quarterly ARRA reports which will include, but will not be limited to: jobs retained, jobs created, and energy produced and/or saved.
 - Weekly Davis Bacon payroll reports as required by ARRA.

The program administrator shall provide analysis of program changes requested by the CEDF Board, such as changes in incentive levels; and program design. The contractor shall immediately propose a performance based incentive structure for wind energy projects. The contractor will also provide an analysis of a made-in-Vermont adder to the incentive program as soon as possible after award of the contract.

The CEDF will at minimum provide input on the development and administration of the program, including incentive levels, application requirements, and inspection levels for installed systems.

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 25 pages, with no less than an 11 point font and one inch margins (resumes **do not** count toward the 25 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. All proposals must be signed by a duly authorized representative of the party (or parties) submitting the proposal.

Prior Experience Disclosure

Proposals must include a description of the applicant's experience in each of these areas: program management/delivery, renewable energy technologies, public outreach, and renewable energy incentive program development and administration.

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 25 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. Include a description

of key elements of the program design and a timeline for rollout of the new incentive program design.

Budget Considerations

Applicants must submit a proposed budget for this project and include narrative explanations. A detailed budget for the first year for the amount of \$2,750,000 should be included as well as a projected budget for the second year period for \$2,500,000. The budget should indicate the percentage of the funds which will be allocated for administrative costs, program delivery costs, and for incentives. The following cost elements should be included:

Personnel (position, rate, hours)
Travel (include mileage rate, etc.)
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 CEDF 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 CEDF's sole discretion.

All proposals are subject to an evaluation by the CEDF and the Vermont Department of Public Service and/or other reviewers. The CEDF 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 and expertise in program management, renewable energy technologies, public outreach, and renewable energy incentive program development and administration.
 - Adequate staffing for described work.
 - Knowledge of and experience with federal funding restrictions and reporting requirements, specifically in relation to the 2008 American Recovery and Reinvestment Act,
2. Work Plan
 - Clarity and reasonableness of work plan, including definition and timeliness of tasks to be performed.

- Plan and capacity for project control and financial management are sufficiently described.
 - Strategy to administer and evaluate the incentive program.
 - Timeline for rollout of new incentive program
 - Capacity to the initiate delivery of incentive program services as soon as possible
3. Budget
- Budget line items and amounts are sufficiently described and justified.
 - Administrative costs are reasonable and competitive.

GENERAL TERMS AND CONDITIONS

1. The CEDF 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 CEDF shall not be responsible for any costs incurred by any party in preparation of any proposal submitted in response to this RFP.
3. The CEDF 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 CEDF
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. Fund for this program are federal ARRA funds made available to Vermont through the US Department of Energy (DOE) State Energy Program thus the selected contractor shall be responsible to meet all restrictions and reporting requirements required by ARRA, DOE, and the State of Vermont.
9. The CEDF and the DPS assume 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 CEDF, the DPS and their 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.