

RFP QUESTIONS AND ANSWERS

1. In addition to the tasks slated in the Phase II work plan, the Docket 6290 Phase I Stipulation discusses tasks for the Phase II collaborative. Does the Department of Public Service intend that bids include the Phase II collaborative tasks discussed in the Phase I Stipulation?

ANSWER: Yes. The Docket 6290 Phase I Stipulation dated September 22, 2000, which can be found on the DPS website for this RFP, contains tasks for the Phase II collaborative. While most if not all of these tasks are also reflected in the Phase II Work Plan, **bidders should review that stipulation and ensure that their bids address the Phase II collaborative tasks listed in the Phase I Stipulation.** DPS will assume that bids include such tasks.

2. Has the Public Service Board approved the Phase I Stipulation and associated documents?

ANSWER: Yes, in an order dated March 7, 2001. This order may be found on the Public Service Board's website, <http://www.state.vt.us/psb>. Click on PSB Orders, then click on March 2001, and look for orders entered March 7, 2001.

3. In addition to attending 24 meetings, how does the DPS define "assistance to the DPS on all tasks listed in the work plan" (quoted from first par., p. 4)? Should we assume that the selected consultant(s) will only attend the meetings and offer advice? Or will the consultant(s) be the party responsible for developing the methods associated with each task? Or will the consultants develop the methods and build the models where required? As an example, consider Task Group 5: DSM Details, 5.1 targeted screening tools. This task involves the development of tools for screening, prioritizing resources, and screening portfolios. Will the selected consultant provide verbal guidance and review, write a methodological paper, and develop the tool?

ANSWER: Bidders are encouraged to specifically identify each task and the associated cost. The greater the specificity, the better. Bidders should not assume that they will only attend meetings and offer advice. They should assume for the purpose of bidding that they will develop the methods and perform all work associated with the tasks assigned to the DPS by the workplan.

In this regard, the tasks listed in the workplan state "first steps." Where those first steps are assigned to the DPS, the bidder should assume he or she will perform all the tasks necessary for those steps and itemize the related costs. In addition, the bidder should specifically identify any additional steps he or she believes necessary beyond the "first steps" to accomplish the tasks listed in the work plan, and provide the associated costs.

4. The work plan's scope is quite broad and will require a multi-disciplinary approach, ranging from economic analyses to rate design to distribution planning expertise....to name just a few. Is VDPS willing to consider proposals that offer specialized skill sets ideally suited to meet the needs of a subset of tasks, or only full scale team arrangements covering all required disciplines?

ANSWER: The Department's strong preference is to have a single contractor capable of performing all tasks. DPS retains the option to select specific bidders for specific tasks if that best meets the Department's needs.

5. Many of the 31 firms on the bidders list are located on the west coast, which will involve some increased level of travel for effective involvement and participation in the collaborative meetings.
- a) What weight does VDPS place on bidders having a local presence in the New England area? b) Will VDPS consider pass through travel expenses separately from the comparative labor components of the costs contained in the proposals received?

ANSWER: In general, DPS will review bids based on the totality of the selection criteria listed in the RFP. A significant degree of qualitative judgment will need to be exercised. No particular weight is assigned to any of the listed selection criteria or to bidders' having a presence in the New England area.

DPS did identify the need for many meetings here in Vermont due to potential travel cost and convenience impacts; these factors will be considerations in evaluating the bids and bidders should address them. Bidders should identify pass-through travel expenses separately from labor components of the costs.

Please note that the figure of 24 meetings is an estimate for the purpose of giving bidders the same target number in preparing bids. It is possible that the actual number of meetings will be different.

6. Are there any other parties in the collaborative, other than the seven utilities identified and the DPS? (The RFP indicates other parties were involved in opening Docket 6290.) May any party withdraw from the collaborative during the process? How is the EEU involved in these proceedings?

ANSWER: At present there are no other parties in the Phase II collaborative. However, aside from the seven electric utility participants, there are 15 other electric utilities in Vermont. These are smaller, primarily municipal, electric utilities. DPS is negotiating with those utilities concerning their involvement in the Phase II collaborative and it is possible, though not certain, that they and the DPS will reach agreement on their participation.

The parties who have agreed to the Phase II collaborative have committed to participate in the collaborative and DPS does not anticipate any withdrawal. The Department is not prepared to comment at this time on whether the Phase I Stipulation and the Board's order approving that stipulation permit withdrawal from the collaborative prior to its end date.

The EEU's precise involvement has not been determined.

7. Who are the parties involved in negotiating the end date? When does the DPS expect to have a new end date for Phase II negotiated? Is the DPS looking for consultant input regarding project duration, to be used in negotiating an end date for Phase II?

ANSWER: The parties involved in negotiating a new end date are the DPS and the seven electric utilities which signed the Phase I Stipulation. DPS expects to have a new end date negotiated and proposed to the Public Service Board by the first week of April 2001. Time will not permit consultant input regarding that end date. At this time, bidders should assume as a placeholder for bid purposes that the collaborative period could be from six months to a year.

8. Is the end date the only area to be renegotiated? Are the tasks or workplan likely to be renegotiated as well? Who will be the parties involved in that process?

ANSWER: DPS does not understand that any areas other than the Phase II collaborative end date are to be renegotiated.

9. Only initial tasks are identified in the workplan - Is the DPS looking for consultant input regarding task and workplan development, and identification of project deliverables?

ANSWER: Please see the answer to question three, above. The short answer to question nine is yes.

10. How many individuals from the DPS will be involved in carrying out the workplan? From the other parties in the collaborative? Have timing requirements or estimates been established for the individual tasks in the workplan?

ANSWER: DPS is not certain what is meant in this context by "carrying out the workplan." DPS is looking for consulting assistance to perform, under DPS direction, much of the actual work demanded by the work plan.

At this time, DPS anticipates that two to four individuals from the DPS will be involved in the Phase II collaborative. DPS does not in fact know how many individuals from other signatories will participate; however, it anticipates typically one or two per utility participant. Larger utilities may send additional subject matter experts depending on agenda.

No timing requirements or estimates for individual work plan tasks have been established.

11. Can you be more specific regarding the 24 meetings the consultant is to attend? What is the nature, objective, and duration of the meetings? Who are the expected participants? Who will be chairing the meetings, calling the meetings, and setting agendas?

ANSWER: Please see the last paragraph of answer five, above. DPS anticipates there will be a need for numerous meetings during the course of the collaborative. The exact nature, objective, and duration of the meetings have not been established. At this time, DPS anticipates mostly one-day or several part-day sessions grouped on one day. Some conference call meetings are possible. Meetings may be of all collaborative participants or, as the collaborative evolves, subsets thereof. Expected participants generally would be representatives of the signatories. DPS likely will facilitate and call meetings and coordinate agenda-setting with input from the other signatories.

12. Other than potential litigation testimony, what might be required of the consultant during the two-year availability period?

ANSWER: All of the assistance sought by the DPS with respect to the Phase II collaborative. In addition, should there be litigation, the consultant may not only need to prepare, give, and be cross-examined on testimony, but may also prepare discovery responses and questions, review same, sit for deposition, and assist in preparing proposed findings of fact or other legal documents that may implicate the area(s) of the consultant's expertise.

13. Did the DPS have any consulting services or outside assistance for Phase I?

ANSWER: Yes.

14. Page 2 states "DPS drafted and has advocated DUP guidelines." Are these guidelines different from the Docket 6290 guidelines? If so, can they be made available?

ANSWER: DPS first formally proposed DUP guidelines in 1997, as part of its energy efficiency plan entitled *The Power to Save*. This same plan proposed the creation of Vermont's energy efficiency utility, now in existence.

The DUP guidelines proposed in 1997 formed the basis for the Docket 6290 DUP guidelines. There were changes made based on input from and negotiations with the other signatories to the Docket 6290 Phase I Stipulation. DPS presently advocates the initial DUP guidelines attached to the Phase I Stipulation in Docket 6290.

The Power to Save is on the Department's website at:

<http://www.state.vt.us/psd/ee/rstdsmpl.htm>

Click on the link to Appendix 5 for the DUP guidelines as proposed in 1997.

15. Is the DPS looking for a time/materials bid?

ANSWER: Yes.