



## **REQUEST FOR PROPOSALS**

### **Consulting Services for an Evaluation of the Vermont Clean Energy Development Fund's Wood Heat Programs & Program Data Support**

**Date Issued: April 2, 2018**  
**Questions Due: April 18, 2018**  
**Proposals Due: May 21, 2018**

Vermont Public Service Department  
112 State Street  
Montpelier, Vermont 05620-2601  
(802) 828-2811  
TTY/TTD (VT): 1-800-734-8390  
Internet: <http://publicservice.vermont.gov/>

## Overview

Contractor services are requested by the Vermont Public Service Department (“PSD” or “Department”) for expert consulting services for two deliverables:

1. Conduct an evaluation of the activities and programs of the Vermont Clean Energy Development Fund (CEDF) related to wood heat in general and advanced wood heating in particular. The activities to be evaluated would be those starting in 2014 through the Vermont fiscal year 2018 (June 30, 2018). This evaluation will serve three important objectives; (1) to estimate the program achievements of CEDF (including energy, environmental, economic benefits and impact on the development of a market for advanced wood heating systems), (2) to identify important lessons from the CEDF program experience, and (3) to improve the ability of the CEDF to evaluate the impact and program delivery effectiveness of future activities the CEDF or other Vermont entities may conduct. The evaluation should address the role the CEDF program can play in the context of regional trends affecting the development of a self-sustaining Vermont market for advanced wood heating systems.
2. Create an Access database with program metrics from all CEDF wood heat projects. The Access database will also be used by the CEDF for all its other program and project data and will need to be designed for all of CEDFs past awards, contracts, and Memorandum of Understanding.

For consideration under this solicitation, the contractor must demonstrate substantial experience in renewable energy and/or energy efficiency program evaluation, as well as evaluation theory and practice.

Proposals in response to this solicitation should have a total budget not to exceed **\$95,000**. The Department reserves the right to contract for less than this amount or to forgo choosing a contractor altogether (see **Terms and Conditions**). PSD seeks the best value for the State, which may or may not come from the lowest bidder.

All questions regarding this RFP should be directed to Andrew Perchlik, CEDF Director at the PSD, in writing no later than close of business on April 18, 2018 at the contact information provided below. Responses to questions will be posted to the CEDF web site by April 23, 2018.

Each proposal submission must include one hard copy with original signatures and one electronic copy (preferably via email). Proposals should be addressed to:

Andrew Perchlik, Director  
Clean Energy Development Fund  
Vermont Public Service Department  
112 State Street, Montpelier, VT 05620-2601  
Email: [andrew.perchlik@Vermont.gov](mailto:andrew.perchlik@Vermont.gov)

The electronic copy of any proposal is due to the CEDF on **May 21, 2018 at 4:30 p.m.** The hard copy can arrive after that date but must have a post mark on or prior to May 21, 2018. The contractor selection process will be conducted by a Proposal Review Team comprised of Department staff and possibly other stakeholders as the Department deems prudent. The Team will follow all rules and procedures required under the State of Vermont's acquisition guidelines. Once a contractor has been selected, the PSD will notify all respondents of their status. Successful bidders must be available to begin work immediately following execution of a contract.

## **CEDF BACKGROUND**

In 2005, the Vermont General Assembly established the CEDF through Act 74 (30 V.S.A. § 8015). The Act specifies the purpose of the CEDF as follows: "The purposes of the fund shall be to promote the development and deployment of cost-effective and environmentally sustainable electric power and thermal energy or geothermal resources for the long-term benefit of Vermont consumers, primarily with respect to renewable energy resources, and the use of combined heat and power technologies."

The CEDF has offered a portfolio of incentives and financing to accelerate the development, commercialization, and production of renewable energy and related economic development in Vermont. The CEDF has provided: grants, rebate-type incentives through the *Vermont Small-Scale Renewable Energy Incentive Program*, competitive grants, low interest loans, credit enhancements, contracts for specific products or services, as well as other offerings in support of the CEDF goals.

Since its inception, the CEDF has deployed over \$40 million in state funds and \$30 million in federal funds for renewable energy and energy efficiency programs and projects in Vermont. These funds leveraged private investments of more than \$200 million in the state's clean energy infrastructure.

In 2015, the CEDF selected advanced wood heating as its strategic focus. Advanced wood heating denotes wood heating that: 1) utilizes highly efficient combustion technology, 2) produces low levels of emissions, 3) supports healthy forest ecosystems, and 4) consumes local wood. In particular, the plan was to build the advanced heating market and supply chain throughout Vermont to a point where it is self-sustaining without CEDF support.

CEDF programmatic activities and associated funding are developed by the PSD staff in conjunction with the appointed CEDF Board, which oversees development of the CEDF strategic plan and annual budget. Additional information on the CEDF as well as CEDF's Annual Reports, Strategic, and Annual Plans can be viewed on the CEDF web page:

[http://publicservice.vermont.gov/renewable\\_energy/cedf](http://publicservice.vermont.gov/renewable_energy/cedf)

## **Introduction**

As detailed further below, the PSD seeks expert consulting assistance to conduct a process and program metric evaluation of the activities of the CEDF from 2014 through fiscal year 2018

(June 30, 2018), with a focus on its programs to build the market for advanced wood heating in Vermont. In addition, the PSD seeks consulting assistance in creation of an Access database of its awards.

## **Scope of Work**

The selected contractor will conduct an evaluation of specific activities of the CEDF. The CEDF will provide the selected contractor with data on CEDF awards, contracts, and Memorandum of Understanding executed as well as information collected from awardees and information on program administration, design and delivery. This information will provide the basis of the evaluation study, but collection of additional data by the contractor may be necessary or an option suggested by the selected contractor.

For the evaluation, applicants should propose an evaluation plan and methodology based on the following draft scope of work.

- I. An evaluation that includes four components:
  - a. A summary description of the CEDF activities being evaluated
  - b. The CEDF's theory of change/operating model
  - c. Source of funding
  - d. How the funds evaluated under this effort were spent
  
- II. An assessment of the CEDF advanced wood program's benefits, such as:
  - a. Energy metrics (e.g., energy generated, energy saved, capacity installed)
  - b. Environmental metrics (e.g., savings of CO<sub>2</sub>, NO<sub>x</sub>, etc....)
  - c. Economic metrics (limited in scope as this would not include a modeling exercise trying to estimate the total extrapolated economic impact of the CEDF programs)
    - i. Dollars saved by awardees
    - ii. Dollars leveraged by public resources
    - iii. Other economic metrics as may be proposed by the contractor
  - d. Other benefits to measure ways in which markets were developed and/or Vermonters are better off due to CEDF programs
  - e. Comparisons to other similar state clean energy funds for benchmarking
  
- III. An evaluation of the program design and management, overall and comparing/benchmark various CEDF programs, including:
  - a. Cost of administration (in total and as a fraction of total expenditures)
  - b. Limited process evaluation of programs to assess program efficiency and types of programs provided the most progress toward CEDF goals and State Energy Plan goals per CEDF dollar expended, as well as:
    - i. CO<sub>2</sub> (and/or other emissions) saved per dollar
    - ii. kW or Btu installed per dollar
    - iii. Estimated energy generated/yr. per dollar

- iv. Market development/transformation toward the development of a self-sustaining market for advanced wood heating systems technology in Vermont.
- IV. An assessment of lessons that may be drawn from CEDF programs, grantees, and any recommendations for improvements of program management, data collection, and program design.
- V. Creation of a user-friendly Access database for all CEDF awards.

Appendix A provides additional information about the findings and conclusions the CEDF seeks from each of the four evaluation components. The CEDF would like applicants to propose methods and approach for how they would address the evaluation study components.

For the Access database the applicants should describe how they would create the database, and whether they would hire a separate contractor or create it with in-house capabilities.

### **Data created from Project**

Any third-party, survey, and/or interview data collected in this project shall be entered into an electronic database(s) and provided to PSD to support additional analysis by PSD staff and to support future evaluations. Data entry procedures shall be developed to ensure data quality and to allow new data to be combined with the CEDF's existing data. Data shall be submitted to the PSD in a mutually acceptable, commonly usable electronic format. Proposals should discuss the suggested database to be used and the data quality procedures planned.

### **Information Required From Applicants**

Proposals must include at minimum the following information:

#### Qualifications

Applicants shall have demonstrable knowledge, skills, and experience in the areas of energy program evaluation policy and practices. Applicants should have substantial knowledge of pertinent technical and theoretical issues. Résumés should be included with the applicant's proposal.

The applicant shall either have demonstrable knowledge with Access database or include information on the sub-contractor they will be using for this task.

#### Prior Experience Disclosure

Extensive experience in renewable energy and energy efficiency program evaluation, and evaluation theory and practice, is important in the selection of a contractor. Proposals must include a description of the applicant's experience in this area. Applicants should also disclose any current or previous work provided to the PSD, and/or the Vermont Public Utility Commission. Applicants should disclose any familiarity with CEDF program delivery, and if they see any possible conflicts of interest.

## Tasks

The applicant should articulate their understanding of the tasks presented in this RFP and describe any particular insight they may have regarding these tasks.

The response to the RFP should include the following sections:

- Description and justification of proposed evaluation plan
- Review of CEDF's existing databases
- Data analysis / Project reports
- Report
- New Access database creation

## Billing Rate & Budget

Applicants should clearly outline budgets for each of the components of a proposed evaluation and database and for the total project, including (but not necessarily limited to) project management, kick-off meeting, database management and creation, and reporting. Hourly rates should be clearly identified, and must remain the same for the duration of the contract.

If an indirect rate and/or fringe rates will be applied to invoices billed under this contract those rates shall also be identified.

It is understood that actual hours cannot be accurately predicted in advance. However, applicants should provide an estimate of the hours necessary to conduct the evaluation and issue a report.

## References & Sample Report

Applicants should provide at least two references the PSD can contact for whom the contractor has provided similar services. Include a short description of the work performed for those entities. Applicants should also include a sample evaluation or similar report they have issued.

## Timeline

Applicants should include a proposed timeline for the evaluation and completion of the database and of the final evaluation report.

## Additional Information and Comments

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

## **Selection Criterion**

Acceptance or rejection of any or all proposals will be at the sole discretion of the CEDF and PSD. The Department's Proposal Review Team will score and review all proposals according to the following Selection Criterion (listed in random order):

- Evidence that the applicant has a clear understanding of the goals and requirements of this evaluation study.

- Experience and demonstrated capabilities in energy program evaluation and report writing.
- Experience of the contractor in successfully completing similar work, and ability to provide timely results on-budget.
- Experience of key personnel, as well as the proposed staffing plan.
- Ability to start and complete the requested scope of work.
- Price and value.
- Writing skills and abilities, including a demonstrated proficiency in conveying complex topics in clear and concise language.
- Quality and completeness of the proposal (in terms of responsiveness to this Request for Proposal, organization, graphics, etc.). The clarity and organizational aspects of the proposal will be considered an indication of those qualities in future deliverables from the contractor.

## **Terms and Conditions**

- Proposals must provide an hourly rate for all personnel and subcontractors that would work on the contract.
- The PSD will retain ownership of all work products, which will be delivered to the PSD at or before termination of the project.
- The PSD reserves the right to reject any or all proposals and to waive informalities and minor irregularities in proposals received, and to accept any portion of a proposal if deemed in the best interest of the State.
- News releases pertaining to this RFP, contract award, or the Project shall not be made without prior written approval from the PSD.
- Selection of the winning bidder shall be determined solely by the PSD on the basis that the proposal submitted is the most advantageous for the State.
- The PSD reserves the right to amend or cancel this RFP at any time and for any reason, as determined to be in the State's best interest.
- The PSD reserves the right to make a selection without further discussion of proposals received. Therefore, it is important that each proposal be submitted in the most complete and accurate manner possible.
- The contractor must be available to begin work immediately after the contract is awarded.
- If more than one contractor is part of the bid, a lead contractor must be identified. A lead contact person must be identified in the proposal.
- Conflict of interest and confidentiality: Applicants should reveal any connections they or any sub-contractors they have or have had to any CEDF awardees (see Appendices B and C for list of awards). The selected contractor may be required to enter into a confidentiality agreement to protect certain customer-specific information from public disclosure, or in regards to other proprietary materials.

In addition to these Terms and Conditions, it is important to note that the PSD assumes no liability in any fashion with respect to this RFP or related matters. Any prospective contractor or contractor team, by their participation in the RFP process, shall indemnify, save, and hold the

PSD and its employees and agents free and harmless from all suits, causes of action, debts, rights, judgments, claims, demands, accounts, damages, costs, losses and expenses of 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 service provider and any action brought by an unsuccessful prospective service provider.



## Appendix A

This appendix provides information about the range of findings and conclusions the CEDF seeks to obtain from the evaluation and Access database creation. The CEDF would like applicants to propose how their evaluation would address the following four main components:

### **I. Summary Description of the CEDF Wood Heat Programs**

1. Describe and list the CEDF wood energy programs used to deploy resources to achieve CEDF program goals.
2. Describe/list projects that received funding from the CEDF resources (CEDF and ARRA-CEDF separately) by project and funding type
  - a. Project type:
    - i. Pellet stoves, cord wood stoves, pellet boilers/furnaces, chip boilers
    - ii. Pellet supply and delivery
    - iii. Studies and reports
    - iv. other sector involvement (i.e. SWET, co-funding wood energy coordinator, other)
  - b. Funding Type:
    - i. List funding source/type
3. Describe/list projects that received funding from CEDF resources (CEDF and ARRA separately) by project type, e.g.,
  - a. On-site generation project designed to provide some or all of a customer's energy needs
  - a. A demonstration project designed to demonstrate a new or emerging technology
  - b. A technology incubation project
  - c. A project designed to develop product manufacturing capacity
  - d. Utility-scale generation projects
  - e. Feasibility studies
  - f. Other/cross cutting
4. Describe, and graphically represent the evolution of the CEDF, for example
  - a. What technologies, fuel types or energy sectors CEDF was tasked to address
  - b. The total funding allocated by year by the state and federal programs
  - c. The level of incentive provided to specific programs that span the history of the CEDF

## II. An Impact Assessment of CEDF Wood Heat Programs

1. Identify appropriate impact measures (by technology, year, and, possibly, by program) and describe what the available information on CEDF projects reveals about impacts.
  - a. Energy impacts
  - b. Annual kWh and/or Btus
  - c. Capacity installed
  - d. kWh and/or Btus saved
2. Environmental impacts
  - a. Net carbon emissions (CO<sub>2</sub>e displaced), by year
  - b. Net reduction in “criteria pollutant emissions” - NO<sub>x</sub>, SO<sub>x</sub>, PM 2.5, by year
  - c. Environmental impacts of the project (e.g., site impacts and community impacts)
3. Economic impacts
  - a. Net avoided electric system costs (energy, capacity & T&D)
  - b. Project construction and operation impacts
    - i. Estimated net income for project owners, construction labor, and project operating workforce (if possible to obtain)
    - ii. Job benefits - construction labor, project operation labor
  - c. Assess the contribution of CEDF expenditures in leveraging other sources of public and private capital
  - d. Assess the impact of those projects that aimed to increase clean energy enterprise capacity in Vermont
  - e. How did programs influence market conditions for different clean energy technologies (e.g., changing cost of solar PV, wind project development, hydropower technology, and agriculture)
  - f. Impacts of funding on the development of essential support services needed by a well-functioning clean energy economic sector (e.g., existence of participating finance/investment partners, technical service providers, etc.)
4. Distribution of funding
  - a. What is the geographic distribution of funding?
  - b. What demographics did the fund serve?
5. Assess extent to which net impact of all CEDF investments can be observed (i.e., the “but for” impacts)
  - a. Identify discernible major net impact contributions and related issues
6. Comparisons to other similar state clean energy funds/programs for benchmarking
7. Other impacts proposed by the evaluation contractor

### **III. Evaluation of CEDF Program Management**

1. Description of the CEDF operating model and how staff carry out the work of the fund
2. How effectively is CEDF project oversight carried out? Include administrative costs and compliance with CEDF plans. Assess the cost, successes, and deficiencies of the programs. Include the issue of short-term, fluctuating, and uncertain funding of the CEDF.
3. Public participation
  - a. Do stakeholder consumers and clean energy businesses understand CEDF opportunities and rules?
  - b. Is public notice adequate to inform potential stakeholder businesses and targeted beneficiaries fairly and effectively?
  - c. How well does the CEDF operate regarding transparency of processes and awards?
4. How effectively are CEDF program modifications administered?
  - a. Is there adequate notice and opportunity for input by stakeholders?
  - b. Are the purposes of the changes adequately conveyed to stakeholders so they understand the purpose of the changes?
  - c. Have the changes served their purpose?
  - d. Could these changes be administered in a way that achieves the goal of the modification but with lower levels of disruption?
5. Comparisons to other similar state clean energy funds/programs for benchmarking

### **IV. Conclusions & Recommendations**

1. Provide recommendations based on the following questions:
  - a. To what extent are CEDF projects producing practical lessons learned, and are those lessons available to potential beneficiaries?
  - b. What changes, if any, should be made to data collection practices in order to enable effective program evaluation?
  - c. To what extent did projects and programs succeed in contributing to CEDF goals?
  - d. To what extent did program modifications achieve their goals, and should CEDF consider changes in how it puts such changes in place in order to minimize consumer confusion and/or market disruption?

2. Provide a summary of conclusions and recommendations based on an identification of the key lessons learned, including factors that:
  - contributed to successful CEDF program outcomes
  - require attention to improve CEDF program performance
  - will improve the ability of the PSD to evaluate and improve CEDF program performance on a regular basis