

## Responses to Inquiries and Questions from Potential Bidders

### For:

Contract No. **NAT11123EM&V**eval, Request For Proposals To Provide:  
*Professional Services for the Evaluation, Measurement, & Verification of  
Energy Efficiency and Demand Response Programs in Delaware*

### Issued By:

Department of Natural Resources and Environmental Control  
Division of Energy and Climate  
1203 College Park Drive, Suite 101  
Dover, DE 19904

### Questions submitted prior to pre-proposal conference:

1. For the Weatherization Assistance Program (WAP), has the administrator started tracking the physical unit energy savings yet (as recommended by the SEU administrator in 2009)? (Clarification: We were referring to whether the savings associated with measures installed in the WAP were now being tracked).  
Efficiency measures are tracked in WAP but the savings associated with these measures are not yet tracked. The Hancock Energy Audit Tool (HEAT) is capable of tracking savings, and once approved by DOE, will be used to track energy savings for WAP projects. For more details on HEAT, see [www.hancocksoftware.com/hancock\\_energy\\_products/energy\\_audit/heat/](http://www.hancocksoftware.com/hancock_energy_products/energy_audit/heat/)
2. Will billing and contact information be provided for participants and eligible non-participants of the WAP for use in the impact evaluation?  
No. Billing information is available for the WAP program but contact information for WAP eligible non-participants from the waiting list can be provided.
3. In Table 1, the matrix of roles and responsibilities, it states that the Contractor will be responsible for the Primary EM&V for the State Programs. Does this include field investigations and technical M&V (development of baselines, data analysis) for these programs?  
The level of field investigations and technical M&V will be decided as part of Task# 2.1. However, DNREC does not expect extensive field investigation for the first year and no field investigations for the WAP. It is also expected that State program project staff will be collecting site data, as appropriate, for their own purposes of defining projects, projecting savings, and making customer and/or contractor payments.
4. Can you please provide the annual program level implementation budgets for the energy efficiency and demand response programs that are to be included in this EM&V work?  
SEU: \$20M (excluding the \$70M for the Performance Contracting program)  
EECBG: \$9M  
WAP: \$14M to \$20M  
Other utilities: Demand Response programs will be part of the 'Year Two' evaluation process and the budgets for these programs have not been compiled by DNREC.
5. In the budget template, Task #2.2 asks for EM&V costs at the program level. Are you looking for the estimated cost of implementation of EM&V or are you looking for the cost of the development of the EM&V plan as described under Tasks #2.1 & #2.2?  
Task #2.2 is for estimated cost of EM&V implementation by program.

6. Have the utilities done any independent evaluation of their programs yet and are those reports available?

SEU: The SEU's Contract Administrator (CA) and Implementation Contractors (IC) have reported ex-ante estimated savings and have done quality assurances (QA). The SEU/Energize Delaware conducted ex-post calculation of savings and has documentation for the energy savings methodology used for SEU programs.

WAP: No ex-ante estimated savings are available but WAP has a rigorous QA process.

Other Utilities: DNREC is unaware of any independent evaluation efforts, yet.

7. Are the utilities responsible for their own evaluations and will the utilities hire their own EM&V contractors?

The state is responsible for implementation of EM&V for State programs. All EM&V for utility programs is the financial responsibility of the utility. DNREC has oversight and due diligence responsibility for documenting the savings reported for utility programs.

8. The table on page 9 notes that the DNREC EM&V Contractor is to provide primary EM&V for the state programs but only oversight and due diligence for the Energize Delaware/SEU Programs, however Task #2.2 asks for the implementation of the EM&V for both State and SEU programs. Can you please clarify the winning contractor's role on the EM&V for the SEU programs?

The SEU's CA and ICs have reported ex-ante estimated savings and have done QA. The SEU/Energize Delaware conducted ex-post calculation of savings and has documentation for the energy savings methodology used for SEU programs. DNREC anticipates that impact evaluations of SEU programs will consist largely of "third-party" verification of savings documentation, some site inspections, and process evaluations; with perhaps some independent analysis and calculation of savings (impact evaluation).

#### **From Pre-proposal Conference:**

9. When will the detail and timeline for programs that are marked TBD in Table 1 will be known?

DNREC does not have an exact schedule for the TBD programs. We anticipate some programs will start prior to July 31, 2012. The Energy Efficiency Investment Fund Program activity will start in the fall of 2011. Program activity for EO18 and the Green Energy Program is expected in 2011 and 2012.

Details for the EECBG, WAP, and SEU programs in Year One are available in section 1.6 and Appendix A. Table 1 provides a preliminary determination of the EM&V contractor roles and responsibilities and intends to assist bidders in preparation of proposals. The extent of EM&V activities will be determined in Task #3.1. DNREC suggests that bidders provide their assumptions regarding programs in their proposals.

10. In Table 1, what does the "EM&V Priority" column represent?

The EM&V Priority column was included to provide a preliminary indication of priority based to be used in Task #3.2 framework developed on a combination of:

- Timing issues;
- Scale of a program/savings;
- Anticipated EM&V needs for a program (e.g., due to underdeveloped EM&V methodology for the type of program); and
- Anticipated importance of a program to DNREC or a utility in current cycle and in the future.

11. Provide a list of Implementation Contractors for all programs.

SEU Programs:

- Efficient Lighting Program APT & EFI
- Home Performance w/ENERGY STAR® - Incentive ICF
- Home Performance w/ENERGY STAR® - Financing AFC
- Green for Green (new residential) DE Home Builder Association
- Efficiency Plus Business- Incentives SIAC
- Efficiency Plus Business- Financing Catalyst and SAIC
- Low Income Multi-Family Housing Loan (closed) DE State Housing Authority
- ENERGY STAR® Residential Appliance Rebate (closed) OHANA and AEG

EECBG: DNREC has not compiled this data.

WAP: First State Community Action Agency, Inc. and Neighborhood House, Inc are WAP's subgrantees.

Utilities: DNREC does not have a complete listing of implementation contractors.

12. Are there any existing baseline and market assessment studies?

The Delaware Energy Consumption Study and the Delaware Sustainable Energy Utility, Summary of Research Results and Recommendations are available on request. Please contact Bahareh van Boekhold ([Bahareh.vanBoekhold@state.de.us](mailto:Bahareh.vanBoekhold@state.de.us)) for a copy. Bidders may wish to consider studies from neighboring states that they consider applicable.

13. In Task #3.3, how fleshed out are program details?

Currently, DNREC has a varied level of information for programs being evaluated for Year Two but we anticipate having more detailed information available to the Contractor for Task #3.3 in 2012. For programs not being evaluated in Year One, the EM&V Plans will be based on the details available during the evaluation planning process. One role of the Contractor will be to obtain program details from utilities.

14. Has SEU or the Utilities hired EM&V contractors?

See responses to question 6 and 7. DEC has issued an RFP for an EM&V contractor but suspended the RFP process until the DNREC RFP process is complete. DNREC expects that one of the outcomes of the EM&V Framework (Task #3.1) will be that utilities will hire EM&V contractors.

15. What does "third party verification" mean in Task #2.1?

It is an independent assessment of the reliability (considering completeness and accuracy) of claimed energy savings and is equivalent to oversight and due diligence of reported saving estimates. It can include checking of documents, verifying analyses and assumptions, site inspections, and other necessary activities. The actual activities and level of effort is to be determined in the planning phases.

16. For Task #3.3, which program will be included in the EM&V Plan?

EM&V plans are to be developed for all active State and SEU programs in Year One and Two and the selected utility programs will be determined by the utilities.

17. Can you provide: program funding breakdown/budget breakdowns for programs for Table 8 4?

See Table QA below.

18. There were several questions related to any preferences or initiatives for minority and woman-owned business enterprises.

MWBE status does not affect the proposal evaluation score. DNREC follows a Supplier Diversity Action Plan pursuant to Executive Order 29 and we highly encourage participation of MWBE bidders. The Plan can be found here:

EO 29 can be found here: [http://governor.delaware.gov/orders/exec\\_order\\_29.shtml](http://governor.delaware.gov/orders/exec_order_29.shtml)

19. What is primary EM&V?  
To perform all or most EM&V activities for a program, including over sight/due diligence procedures. DNREC expects that “Primary EM&V” for programs being evaluated in the Year One will be less robust than Year Two because of the shorter timeframe to plan and implement EM&V for Year One.
20. DNREC clarified that the Performance Contracting for Business Non-Profits and Institution Program is not part of the evaluation scope for the SEU, at this time.
21. DNREC noted a typo in the RFP for Task #4.2: The citation of Task #3.3 should be Task #3.5.

**Questions Submitted After Pre-Proposal Conference:**

22. Could you please clarify the term in Table 1 “Ex-post verification of impact metrics”? Does this mean auditing the work done by another entity? If so, is the expectation that the SEU and utilities will retain EM&V contractors to do this work?  
See responses questions 6, 7, 14, and 15.
23. Table 1 describes the EM&V Level of Responsibility as either “oversight and due diligence” or “primary EM&V.”
  - a. What activities are expected in “oversight and due diligence”?
  - b. The RFP calls for impact and process evaluations of the SEU programs in Year One. The EM&V Level of Responsibility for them is described as “oversight and due diligence.” Please explain what is specifically expected for these impact and process evaluations.  
See response to question 15.
24. What is meant by “co-benefits” in Section 1.1?  
The impacts of a program other than energy and demand savings. Examples include savings in other resources (e.g., water), emissions reductions, and job creation.
25. The Low Income Multi-Family Housing Loan program is closed and undergoing major re-design. Is there any research or primary data collection being conducted outside the proposed evaluation to assist in its re-design?  
No.
26. Will the ENERGY STAR® Residential Appliance Rebate program be re-opened in 2012? If so, will it have the same structure and approach as in 2010?  
No.
27. For each of the programs to be evaluated in Year One (WAP, EECBG, and all SEU programs), please provide the following information:
  - a. Program cost (administrative plus incentive cost)
  - b. Number of participants to date
  - c. Number of participants projected through the end of program period
  - d. Number of program staff with primary responsibility for program implementation
  - e. Any implementation contractors—how many?See the Table QA below.

28. About how many individual projects are covered by the six state programs listed in Table 1 of the RFP? For instance, the Delaware WAP program lists 1600 homes.  
**See the Table QA below.**
29. About how many individual projects are covered by the Energize Delaware/ SEU Programs listed in Table 1 of the RFP?  
**See the Table QA below.**
30. About how many individual projects are covered by the utility programs listed in Table 1 of the RFP.  
**DNREC has not compiled this data.**
31. What is the approximate market penetration of ‘smart grid’ technologies by the utilities in Delaware, for the residential, commercial and industrial sectors?  
**Delmarva Power’s goal is to have all of its old meters exchanged with smart meters for Delaware customers by the end of 2011. DEC has an automated metering reading system capable of hourly but does not qualify as an advanced metering infrastructure by US. DOE’s Energy Information Administration.**
32. What program and customer data will be available for the evaluation?  
**For WAP and SEU programs, the EM&V Contractor will have access to all program data. For EECBG, the available data will be inconsistent in quality and completeness, but the Contractor will have access to all program data. Regarding customer data, see response to question 35.**
33. What information will be available for the work performed for participants in programs such as Home Performance with ENERGY STAR, Green for Green, Efficiency Plus Business, and Low-Income Multi-Family?  
**The EM&V Contractor will have access to all program data.**
34. Will evaluators be allowed to contact program participants for surveys?  
**Yes. The decision will be made on a program basis in consultation with DNREC, utilities, and stakeholders during the EM&V planning process.**
35. Will billing data be available for program participants and non-participants for the impact evaluations?  
**While DNREC does not currently have an agreement with utilities to access such data, DNREC is hopeful to develop such an agreement after this RFP is awarded.**
36. For the WAP, have participants received exclusively WAP funding, or could they have received additional funds from other organizations for weatherization?  
**The Delaware Weatherization Assistance Program has four major sources of funding: (1) DOE WAP annual grant; (2) Utility funds allocation; (3) Regional Greenhouse Gas Initiative (RGGI) auction funds; and (4) Federal Department of Health and Human Services (HHS) Low Income Home Energy Assistance Program (LIHEAP) annual grant allocation.**
37. On page 45 of the Delaware EM&V Contractor RFP under the “Building Energy Code” heading there is mention that Senate Bill No. 59 adopted the 2009 IECC and ASHRAE 90.1-2007 energy codes for Delaware and was signed into law in July 2010. Are there any plans for Delaware to adopt the ASHRAE 90.1-2010 standards?  
**Yes, Delaware reviews updated code triennially and has plans to adopt ASHREAH 90.1.2010 and IECC 2012 in 2013.**

38. Chapter 15, section 1505 of the EERS states that affected energy providers may collect an energy efficiency charge from energy customers, not to exceed the equivalent of an average charge of \$0.58 per month per customer for electricity and \$0.41 per month per customer for natural gas. This energy efficiency charge is then remitted to the Sustainable Energy Trust Fund.
- Will the available EM&V budgets for the energy providers be proportional to the contributions of these providers, or is redistribution possible to best meet the overall EM&V needs of the state?
  - Will there be any additional funding made available to the energy providers with smaller numbers of customers to balance out the resulting disparity in the EM&V budgets of the entities in Delaware?
  - Would the DNREC accept varying levels of rigor for EM&V according to the program size and budget or should it be consistent across all energy providers for a given program type?  
**For a. and b., the chapter cited above is not currently in effect. For c., yes, DNREC has not predetermined rigor levels for any program.**
39. Chapter 15, section 1502 (a) (1) describes the mandated energy and demand savings from the provider's 2007 consumption and peak demand.
- Has DNREC conducted a baseline study to assess a baseline study to determine what values the programs are to be compared against? If not, is it up to the contractor to propose proxy baseline values for comparison?
  - If yes, are baseline values weather-adjusted or taken as nominal values?  
**Please see the two EERS reports in Section 1.6 of the RFP.**
40. Has data been collected for the purposes of determining FY 2008 energy consumption by State Executive branch agencies, departments, and offices?  
**Yes. FY08 baseline data for energy consumption has been gathered by each agency and entered into EPA's Portfolio Manager.**
41. Has the new Energy Efficiency Investment Fund been targeted for specific purposes or does DNREC have authority to distribute a proportion of this to EM&V as it determines is appropriate?  
**The Fund was created to help Delaware businesses make strategic investments in capital equipment and facility upgrades that will help reduce operating costs and support job creation while reducing energy consumption and improving environmental performance. While DNREC has issued a funding opportunity announcement regarding the Fund, how the Fund will be spent, including reserving any proportion for EM&V, has not been determined.**
42. Section 7.3.7 of the RFP states that "Any firm providing services, of any type, for active energy efficiency and demand response programs in Delaware is ineligible to respond to the RFP."
- Does this include services rendered for an entity in which a Delaware energy provider is affiliated?  
**DNREC's is unable to respond to this question because further information is needed: type of affiliation, the relationship between the affiliate and utility, and what is meant by "Delaware energy provider".**
  - Does "services" in this context mean direct EM&V only or does it include services which in and of themselves are not evaluating an energy program but could be used in conjunction with other information for the purpose of evaluation?  
**Basic data collection or other activities for a utility, that are not directly deployed for the implementation or evaluation of an energy efficiency or demand response program, are unlikely to cause a firm to be ineligible.**

43. The RFP includes language about conflicts of interest. "Any firm providing services, of any type, for active energy efficiency and demand response programs in Delaware is ineligible to respond to the RFP". We request clarification related to the timing and nature of services.

*Timing* - Since the language refer to firms "providing" services, we believe that firms that may have provided such services in the past are eligible as long as they do not perform the services currently. This is doubly true if those programs are no longer "active".

Past experience providing EM&V or program services to Delaware's utilities does not cause ineligibility as long as none of the programs that received such previous services are to be evaluated by the Contractor.

*Type of Service* - We encourage the following interpretation based on a distinction between firms contracted to administer programs and firms that have done work that simply interacted with the programs. Excluded firms are those that are program administrators or are contracted directly by the program administrator. Firms that have been a user of the programs, such as by assisting a customer obtain an incentive or by performing an energy audit, are typically contracted by utility customers rather than the program administrator. Such firms are not excluded from participation.

The language in Section 7.3.7 is intended to avoid conflicts of interest and situations where a Contractor is evaluating EM&V conducted by its firm or evaluating other services conducted by its firm. DNREC intends to avoid any conflicts of interest for the Prime Contractor. A subcontractor to the Prime Contractor may be eligible if the services provided by the subcontractor (to the Prime Contractor) are unrelated to previous services provided in Delaware.

44. On page 22, the RFP states: "Any firm providing EM&V services to utilities for programs in Delaware is ineligible to respond to the RFP." As a small state with multiple partners (e.g., DPL, DEC, Chesapeake, Munis, etc.), this prohibition eliminates significant potential opportunities for economies of scale and efficiencies by allowing the same party to conduct coordinated data collection and analysis activities across several partners/programs including those sponsored by DNREC. Since the RFP states a willingness to entertain alternative EMV scope and budget options, will DNREC consider alternative EMV support designs that do not include the oversight scope?

If DNREC understands this question correctly, it is asking whether DNREC would consider an EM&V scenario where one EM&V Contractor conducts all EM&V for all utilities in Delaware, and thus, the oversight role would be irrelevant. DNREC would consider such an arrangement as an outcome of an Activity 3 recommendation. However, this arrangement would require funding from and agreements with utilities that have not been secured prior to the issuance of this RFP.

45. DNREC compiled the following table for the purposes of responding to this RFP and this information and data is to be used only in the preparation of a response to the RFP. Budget, cost, and participation figures are unverified and subject to change.

**Table QA**

<b>Program</b>	<b>Spent to date (August 2011)</b>	<b>Current Estimated Budget</b>	<b>Participants To Date</b>	<b>Participants Projected for Program Year</b>	<b>Program Staff</b>	<b>Implementation contractor</b>
Efficient Lighting Program	\$1,200,000	\$1,200,000	860,920	TBD	5 DNREC Staff + AEG	APT
Home Performance with ENERGY STAR ® (existing homes)- Incentive	\$3,071,379	\$4,000,000	3264	TBD	5 DNREC Staff + AEG	ICF
Home Performance with ENERGY STAR ® (existing homes)- Financing	\$146,080	\$2,000,000	15	TBD	5 DNREC Staff + AEG	AFC
Green for Green (new residential)	\$222,000	\$650,000	60	TBD	5 DNREC Staff + AEG	DE Home Builder Association
Efficiency Plus Business-Incentives	\$904,703	\$2,000,000	171	TBD	5 DNREC Staff + AEG	SIAC
Efficiency Plus Business-Financing	0	\$7,800,000	1	TBD	5 DNREC Staff + AEG	Catalyst
Low Income Multi-Family Housing Loan (closed)	\$ 1,200,000	\$ 1,200,000	1	1	5 DNREC Staff + AEG	DE State Housing Authority
ENERGY STAR® Residential Appliance Rebate (closed)	\$500,000	\$500,000	16,004	16,004	5 DNREC Staff + AEG	Ohana
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EECBG	\$3,00,500	\$9,593,500	41 towns, 3 state agencies	41 towns, 3 state agencies	3	Local governments and agencies were responsible for procuring ICs.
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WAP	\$13,700,000	\$20,000,000	1,596	TBD	15 (5 State Staff & 10 implementing agencies)	15 ICs – providing auditing and inspection services and

46. Pre-bid conference attendee list.

2rw Consultants, Inc
ADM Associates, Inc.
Antares Group Inc
Constellation Energy
DLB Associates
Energetics Incorporated
Entech Engineering, Inc.
GDS Associates, Inc.
Global Energy Partners
Heschong Mahone Group, Inc.
Integrative Growth, Inc.
KEMA, Inc.
MCFA
Motley Solutions
Navigant
Nexant, Inc.
Noveda Technologies
Opinion Dynamics Corporation
Practical Energy Solutions
Tetra Tech
Tibiri Energy Group, LLC
Warren Energy Engineering, LLC

47. Word versions of Attachments 1 to 4 and Tables 8-3 and 8-4 from the RFP are available per request. Please send your request to Bahareh van Boekhold ([Bahareh.vanBoekhold@state.de.us](mailto:Bahareh.vanBoekhold@state.de.us)).