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# Request for Proposals

For Delaware Public and Institutional  
Energy Performance Contracting  
Program Evaluation

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# I. Introduction

## A. Purpose

Delaware Sustainable Energy Utility (“SEU”) is currently seeking proposals in response to this Request for Proposals (“RFP”) from qualified organizations or individuals interested in conducting a program evaluation of the Delaware Public and Institutional Energy Performance Contracting Program (“Program”). The program evaluation would provide impact analysis throughout the program’s existence and a thorough process study.

## B. Program Background

The Performance Contracting Program is a comprehensive energy-saving program for publicly owned facilities, such as schools, universities, municipalities, hospitals, and other nonprofits and privately held institutions. It provides a comprehensive approach to assess energy use and implement energy and water efficiency improvement projects by providing contractual and financing mechanisms to execute the upgrades with minimal financial risk.

The program uses long-term utility cost savings derived from implemented projects to fund the improvements and is delivered through a pool of area Energy Services Companies (ESCOs) that have been prequalified. The ESCOs offer guaranteed energy savings that cover annual payments for project costs, usually over a contract term of 15 to 20 years. The SEU program can utilize 3 different financing mechanisms, Bonds, Master Leases, and Direct Loans.

A list of projects to be reviewed, as well as relevant sample documents, can be found in the Appendices, including:

- A. Project list and general description
- B. Example Investment Grade Audit/ESA
- C. Example M&V Report
- D. 2016 Program Guidebook

## C. SEU Background

The SEU is a 501c (3) non-profit organization that serves Delawareans by promoting the use of affordable, reliable clean energy and energy efficiency through its Energize Delaware initiatives. Energize Delaware operates as the premier one-stop shop for connecting and empowering energy consumers with the resources to reduce costs, improve the environment and ensure energy independence for future generations.

Energize Delaware develops and implements energy efficient solutions as well as clean energy and air pollution reduction programs. These programs include funding, financing,

and educational programs. In addition, the SEU provides highly valuable technical and financial services to its clients so that they can make informed decisions regarding their energy future.

Energize Delaware offers programs by fully utilizing the authority granted to the SEU by the State of Delaware to issue tax-exempt bonds, use Regional Greenhouse Gas Initiative (RGGI) funds and bank solar renewable energy credits (SRECs). Energize Delaware also utilizes private sector entrepreneurial strategies.

Energize Delaware focuses on building relationships with residents and businesses so that they are motivated to use less energy, generate clean energy and reduce harmful emissions. Energize Delaware serves people of all incomes and housing styles. The organization also serves businesses, industries, and institutions from all sectors. The Energize Delaware programs apply to new construction projects, the rehabilitation of existing buildings, transportation projects and innovative technologies.

Respected as an accountable, transparent, effective, and nimble non-profit organization, the SEU operates at the highest standards recognized in its industry.

## II. Scope of Work

### A. Key Components

It is anticipated that, at a minimum, the selected contractor will be required to undertake the following tasks. Proposal should address these tasks in detail:

- **A process evaluation** draws on qualitative analysis to help program sponsors and administrators to understand overall program performance indicators, customer satisfaction, and the effectiveness of the program's design, communication strategy, and implementation processes. This process evaluation will focus on the 2016 guidance and 2019 Bond Program.
- **An impact evaluation** seeks to measure and verify gross energy and demand savings realized by energy conservation measures (ECMs) and renewable energy generated as a result of the ESPC program. Savings should be compared to guaranteed savings, and the cause or reason for any shortcoming should be identified.

### B. Key Activities and/or Elements to Include

It is anticipated that, at a minimum, the selected contractor will be required to undertake the following tasks. Proposal should address these tasks in detail:

#### 1. Regular Check-in

The contractor will be required to provide to the SEU point of contact bi-weekly

(every other week) status reports detailing progress toward completion and any obstacles encountered.

Contractor will meet with SEU staff within 2 weeks of contract signing and present proposed evaluation methodologies, data collection plan, analysis, report preparation and delivery, and any other activity contractor and SEU feel pertinent to the evaluation. The first draft of the work plan will be developed based on outcomes from this meeting. This statement of work will become part of the contract and will become the basis for this evaluation.

## **2. An Agile Work Plan**

The contractor will keep a living document of the work plan. The work plan will include evaluation goals, a schedule of tasks and delivery dates, and evaluation methodologies. One version of this plan must be approved in writing by SEU prior to contractor continuing further evaluation.

## **3. Secondary Research**

The EM&V contractor will conduct secondary research/benchmarking to support their understanding of program best practices and industry standards, market characteristics, and general trends. Benchmarking provides a context for evaluation findings and sets precedents for recommending program improvements. This secondary research will include a comparison/contrast of defined metrics from similar programs in jurisdictions with, and datasets containing, similar customers, building types and similar regulatory environments, and must account for the impact of program maturity and design differences on program outcomes. These metrics can include comparisons of customer and ESCO participation levels, satisfaction ratings, workforce development, increase in energy investment and additional incentives accessed (grants, rebates, etc.), customer energy reduction, IGA to ESPC success rate, number and type of ECMs implemented (by DOE Technical Category and simple payback), persistence of M&V reviews, and maintained and realized savings, as well as other metrics as appropriate to contextualize identified issues within a given program. The EM&V contractor will recommend secondary research tasks based on program needs and will suggest benchmarking metrics to support a contextual understanding.

## **4. Nonparticipant Surveys**

Nonparticipant surveys provide information about the market awareness of Performance Contracting programs, sources of program and energy funding information, reasons for not participating (barriers), interest in future participation, and opinions about energy-efficient measures and practices. Nonparticipant surveys will be drawn from a random sample of program-eligible, potential participants. The SEU expects the EM&V contractor to consider SEU program staff input and allow the SEU to review survey questions and design, but the EM&V contractor will have ultimate decision-making authority of the survey questions and design.

## **5. M&V Savings Analysis**

The EM&V contractor will use this analysis to confirm that savings data are collected

accurately and consistently, that up-to-date information is included in the reports, that savings algorithms and unit-level parameter values are applied correctly, and that assumptions are in alignment with established M&V and O&M plans.

Through an RFI submittal process, the EM&V contractor will collect M&V reports and review the process for M&V report custody, ensuring that DESEU is receiving M&V reports in a timely fashion, and where that is not the case, identifying the root cause. Then, the EM&V contractor will verify the reported savings estimates. and the accuracy of inputs and correct application of savings algorithms, using evaluation methodologies consistent with ESPC protocols.

## **6. Remote Verification**

Since ESPC projects include commissioning and M&V as fundamental elements of the contracts, remote verification is the most reasonable procedure for verifying project installation and performance. With all contracts in their performance period this procedure involves reviewing commissioning and M&V reports and contacting on-site personnel to interview them on the performance and current status of any ECMs. These interviews should leverage any current, available M&V reports and focus on connecting existing conditions with the ESPC and M&V reports.

## **7. On-Site Verification as Needed**

Based on the Remote Verification, the EM&V contractor can propose an appropriate sampling plan for on-site verification visits and propose the plan for approval by SEU prior to any visits. Once an on-site sampling plan has been approved by SEU, the contractor will visit the proposed sites to verify the M&V reports and investigate any savings shortfalls. Please provide rates for the expected on-site sampling.

### **C. Reporting**

The EM&V contractor will document their findings from the process evaluation activities, draw conclusions, and provide recommendations in a written report provided to the SEU.

The EM&V contractor will organize, and report impact evaluation results to include but not be limited to:

- **Verified Contractual Savings.** Reported and Verified gross savings are those the SEU reports in its tracking database. The EM&V contractor will review M&V Reports, the tracking database, and ensure their validity through remote and on-site verification, as applicable, to confirm that all data and assumptions associated with reported gross savings values were captured accurately and consistently, and that prescriptive savings estimates are applied correctly, where applicable. As appropriate, the EM&V contractor will conduct participant surveys and interviews and ESCO/Consultant interviews as part of the process evaluation to confirm that equipment listed in the ESPCs and M&V Reports is generating

savings as reported.

- Savings Explanations and Context. The EM&V contractor will explain savings deviations from the guarantee and put realized/verified savings into context for the SEU to communicate to key stakeholders. This first includes explaining the root cause of any saving shortfalls or surpluses. The EM&V contractor will also provide the SEU with savings in total cost savings, total GHG emissions avoided, and the ratio of verified savings to contractual savings.
- The EM&V contractor will provide a draft report to the SEU point of contact upon completion of all tasks. This draft will be reviewed by SEU and comments will be provided to the contractor for clarification as necessary. The contractor will provide to the SEU point of contact the final version of the report. Graphs, tables and excel spreadsheets are recommended for information not easily conveyed in narrative form. The draft and final report is required to contain, at a minimum, sections containing an executive summary, evaluation methodologies, and findings and conclusions.

### III. General Information for Respondent

SEU at its sole discretion reserves the right to alter the dates listed below and/or add to or remove scheduled activities.

#### A. Accessing the RFP

Entities with an interest in responding to this RFP can download a PDF copy of this document online at <https://www.energizedelaware.org/home/rfps/> . Submitted questions and answers can be found at the same location.

#### B. RFP Schedule

Event	Estimated Completion Date
RFP Issued	May.10.2023
Virtual Q&A Meeting	May.23.2023
Final Date for Submitting Questions	June. 5, 2023
RFP Responses Due	June. 20, 2023
Interview - Contractors Presentations	July. 11 -18, 2023
Contract Signing	Aug. 6, 2023
Project Start	Aug. 15, 2023

Applicants who have questions about information contained in this RFP may submit questions via email with “ESPC Program Evaluation RFP Question” in the subject line on or before the date specified on the RFP schedule. The Questions submitted and DESEU’s responses will be posted at <https://www.energizedelaware.org/home/rfps/>. All

proposals must be received through email on or before the date specified on the RFP schedule.

C. RFP Coordinator

Athena J. Bi Ph.D.

Email: [Athena.bi@deseu.org](mailto:Athena.bi@deseu.org)

Research and EM&V Manager

Delaware Sustainable Energy Utility (SEU)

D. Content of Proposals

Respondents submitting a proposal shall use the following outline and criteria:

- A description of the firm’s qualifications to measure the energy impacts of the Program. Include the firm’s experience with Energy Performance Contracting projects and programs.
- A technical proposal must include the following elements, and may be provided in outline or chart format:
  - Evaluation activities to be conducted and the purpose/rationale for each activity.
  - Person(s) responsible for each activity
  - The time frame for completion of each activity
  - Type of data to be collected and method of analysis.
  - Progress report to SEU as indicated in the [Task 8. Reporting](#).
- A management plan and proposed schedule of deliverables including a kickoff meeting scheduled within 2 weeks of contract signing.
- Response to each objective and task listed in [Section II](#).
- An estimated budget broken out by task and by individual. Key staff should be identified by name, with billing rates for each. Budget should also include any travel costs. In addition, the applicant must provide a budget narrative that details each budget category for which funding is allocated, what each expenditure includes and how each of these costs was calculated.
- Resumes of key staff and subcontractor qualifications. (Staff with AEE CMVP credentials will be viewed favorably)
- Descriptions of similar projects you have completed in the past five years, including three references from previous process and impact evaluation clients [if available] with contact information.
- One example of previous process and impact evaluation reports [if available].
- Supplemental Information – Include any additional information including resumes, client reference information, and any other material that demonstrates your company’s qualification for successfully completing this project. General information provided by Respondent that is not specifically requested in this RFP should be attached separately and clearly labeled “Supporting Materials”.



E. Selection Criteria for Applicant Responses

<b>Proposal Components</b>	<b>Maximum Points</b>
1. Applicant Capacity to Conduct the Evaluation	5
2. Expertise in Program Process Evaluation, Ex-Post Impact Evaluation and Performance Contracting Program	30
3. Evaluation Design and Implementation Plan	30
5. Key Staff Qualification and Experience	10
6. Budget and Budget Narrative	25
<b>Total Point Possible</b>	<b>100</b>

## **IV. Proposal Submission and Review Process**

A. Submission

Respondents who wish to compete for funding for the ESPC Program Evaluation contract must submit **ALL** of the following:

1. An electronic copy of the entire proposal
2. One paper copy of the entire proposal with original signatures

All proposals (electronic and paper) must be submitted to the SEU office by 4:30 PM EST on **June 20<sup>th</sup>, 2023**. Proposals received after this time will not be accepted, reviewed or evaluated.

**Email** the electronic copy to: [Athena.bi@deseu.org](mailto:Athena.bi@deseu.org).

**Mail or Deliver** the original signed paper copy to:

*Delaware Sustainable Energy Utility*

*500 W. Loockerman Street, Suite 400*

*Dover, DE 19904*

B. Format and Length of the Proposal

Proposal should be formatted to letter size, with one-inch margins on all sides, using a font of not less than 12 points. The suggested maximum length of the technical proposal, excluding Resumes, References and Supporting Materials, is not more than 40 double spaced pages.

### C. Application Review and Award Process

Proposals received by the submission deadline will be reviewed first for technical compliance with the RFP instructions and completeness of the application in responding to all required information. Applications that pass the initial technical compliance screening will then be reviewed by a team of SEU staff and rated according to the scoring criteria provided in this RFP.

A recommendation for awarding the contract will be made to the Executive Director and will result in a contract award letter from the SEU and contract acceptance conditions to be signed and returned by the contractor. The SEU reserves the right to shortlist, interview the best candidates, and negotiate the final contract. Further information about the contract process will be provided to the successful applicant following the awarding of the contract.

## Attachment A

Project	Funding	ESCO	Date	Approximate Savings (\$k)	Total Project Cost (\$M)	Performance Period
DE State University	2011 Bond	Johnson Controls	Mar-13	\$840	\$11	20
DE Department of Correction (DOC)	2011 Bond	NORESCO	Jul-15	\$3,600		20
Del Tech	2011 Bond	PEPCO	Apr-14	\$330		
Delaware National Guard	2011 Bond	Siemens	Feb-17	\$270	\$5	20
Christiana School District	2011 Bond	Johnson Controls	Jun-15	\$290	\$5	20
DE Kids	2011 Bond	NORESCO	Nov-12	\$160	\$64	20
Office of Management & Budget	2011 Bond		Mar-16		\$37	20
DOC	2019 Bond	NORESCO	Jul-22		\$3	20
DHSS	2019 Bond	Trane	Sep-19	\$275	\$4	20
Colonial School District	2019 Bond	Trane	Mar-18	\$505	\$8	20
Indiana River School District	2019 Bond	Trane	2019	\$490	\$8	
DHSS Phase II	Master Lease		Oct-22	\$700	\$11	20
NCCVT	Master Lease					
Red Clay 2022	Master Lease					
DHSS phase III	Master Lease					