



Energy Smart Focus Program Focus on Industrial and Process

Request for Proposal (RFP) 1263

\$6,000,000 Available

Proposals Due: Wednesday, June 3, 2009 by 5:00 PM Eastern Time*

The New York State Energy Research and Development Authority (NYSERDA) Energy Smart Focus Program goal is to achieve greater energy efficiency awareness and program participation through a sector-based approach to program delivery. The proposer(s) selected through RFP 1263 will help NYSEDA develop statewide strategies to address customers in the Industrial and Process sector and improvements in process energy efficiency. This sector includes industrial facilities and data centers. Strategies to consider include, but are not limited to: targeted outreach; one-on-one interaction; performance-based recruitment incentives; training; leveraging partnerships with trade associations; integration with local, state, regional, and national efforts; recognition of sector leaders; and guidance for and assistance to customers using NYSEDA programs and services.

NYSERDA's preference is to award one contract. However, separate contracts may be necessary to effectively serve both industrial facilities and data centers. A team approach is encouraged. The initial contract will be for a one-year period with two optional one-year contract extensions at NYSEDA's discretion.

Informational Meeting: A non-mandatory, informational meeting will be held for potential proposers on April 28, 10:30 AM at NYSEDA's New York City office and on April 30, 1:00 PM at MACNY's office in Syracuse. A conference call dial-in number will be available. The meeting will serve as a question and answer session for the RFP as well as a venue for networking and team development opportunity for industrial facility and data center service providers. Additional information, including site addresses and call in numbers, is available at www.nyserda.org.

Proposal Submission: Proposers must submit two (2) paper copies of the proposal with a completed and signed Proposal Checklist attached to the front of each copy, both of which **must** contain an original signature. One (1) electronic copy of the proposal must also be submitted on a standard compact disk (CD). This electronic document (.pdf format only) must be an exact scanned image of the final paper copy proposal and include all relevant forms and signatures. Proposals must be clearly labeled and submitted to:

Roseanne Viscusi, RFP 1263
NYS Energy Research and Development Authority
17 Columbia Circle
Albany, NY 12203-6399

If you have technical questions concerning this solicitation, contact any of the following Designated Contacts:

Susan Andrews, Senior Project Manager at (518) 862-1090, extension 3234 or sta@nyserda.org

Sandy Hwang, Project Manager at (212) 971-5342 extension 3009 or sh2@nyserda.org

Jessica Zweig, Project Manager at (518) 862-1090 extension 3346 or jlz@nyserda.org

If you have contractual questions concerning this solicitation, contact Venice Forbes at (518) 862-1090, ext. 3507 or vwf@nyserda.org.

Proposal Evaluation: A two-phased evaluation format will be used. All proposals will be reviewed by a Technical Evaluation Panel. The top proposers from this evaluation will be invited to NYSEDA's office in Albany to give an oral presentation about specific aspects of their written proposal.

No communication intended to influence this procurement is permitted except by contacting the Designated Contacts listed above. Contacting anyone other than this Designated Contact (either directly by the proposer or indirectly through a lobbyist or other person acting on the proposer's behalf) in an attempt to influence the procurement: (1) may result in a proposer being deemed a non-responsible offerer, and (2) may result in the proposer not being awarded a contract.

* Late proposals and proposals lacking the appropriate completed and signed Proposal Checklist will be returned. Faxed or e-mailed proposals will not be accepted. Proposals will not be accepted at any other NYSEDA location other than the address above. If changes are made to this solicitation, notification will be posted on NYSEDA's web site at www.nyserda.org.

I. INTRODUCTION

The objective of the Energy Smart Focus Program (the Program) is to increase NYSERDA penetration within targeted sectors. Sectors have varying technological needs, value propositions, and future prospects. Energy efficiency services and programs keyed to sector-distinct characteristics will supplement and enhance other broad-scale efforts in reaching customers. New York State's Energy Efficiency Portfolio Standard (EEPS) has placed special emphasis on the Industrial and Process sector for its substantial energy efficiency and energy cost savings potential. As part of the EEPS, NYSERDA is seeking to reduce this sector's energy use by 840,000MWh by 2013.

The proposer(s) selected through this RFP will use strategies and services customized to overcome sector-specific barriers as well as recruit Industrial and Process customers to NYSERDA programs. Relevant programs include: Flexible Technical Assistance (FlexTech), the Existing Facilities Program (which includes Demand Response Programs), and the New Construction Program. Strategies and services to be considered may include, but are not limited to: targeted outreach; one-on-one interaction and site visits; performance-based recruitment incentives; training; development input and content for outreach materials, messages and informational resources; leveraging partnerships with trade associations; leveraging available tools and resources; integration with local [e.g. Technology Development Organizations (TDOs), New York City Economic Development Corporation (NYCEDC)], state [e.g. utilities, New York Power Authority (NYPA), Empire State Development Corporation (ESDC)], regional [e.g. Northeast Energy Efficiency Partnership (NEEP)], and national [e.g. U.S. Department of Energy (DOE), the American Council for an Energy Efficient Economy (ACEEE), the Consortium for Energy Efficiency (CEE)] efforts; recognition of sector leaders; etc.

For the purposes of this RFP, the Industrial and Process sector includes customers and facilities involved in manufacturing, forest products, agriculture, mining and extraction, and data centers. Data centers are included in the Industrial and Process sector as their process energy consumption is similar to manufacturing consumption in its load shape, process-oriented characteristics, economic development impact, power quality requirements, mission-critical nature, and load growth potential.

NYSERDA recognizes that, although the general approach will be similar, the strategic detailed approaches to industry will differ from data centers. Proposers are able to respond to this RFP for the Industrial sub-sector, the Data Center sub-sector, or both sub-sectors. Teaming arrangements are encouraged to fulfill the needs of this RFP where one contract is awarded to the prime contractor with support from subcontractors. However, NYSERDA reserves the right to select only one sub-sector from a proposal that responds to both sub-sectors, if it determines that one contract for each sub-sector may provide the best portfolio of services.

Services will be focused on facilities within the SBC Territory, the electric utility service areas of: Central Hudson Gas & Electric Corporation; Consolidated Edison Company of New York, Inc.; New York State Electric & Gas Corporation; National Grid; Orange and Rockland Utilities, Inc.; and Rochester Gas and Electric Corporation.

NYSERDA reserves the right to add focus and funding for SBC and non-SBC facilities to the contract should other Program funding sources become available.

II. PROGRAM REQUIREMENTS

A. General Description

Customized services within the Industrial and Process sector will help customers better understand how NYSERDA incentives apply to energy efficiency at their facilities. Energy efficiency projects can include, but are not limited to, studies and implementations involving: energy and peak-demand reduction, process improvements, sustainable design and operation, and other projects that positively impact productivity pertaining to energy use. In addition to energy-related benefits, non-energy benefits such as satisfying environmental regulations, improving productivity, reducing waste, promoting economic development, improving indoor environmental quality, reducing green house gases, and implementing operational and maintenance savings, can be leveraged to influence energy efficiency decisions as well.

The Program for the Industrial and Process sector will be a strategic outreach effort that will use the proposer's existing relationships and sector-specific knowledge to recruit Industrial and Process customer participation in NYSERDA's core programs. A NYSERDA project manager will be responsible for overseeing the selected proposer(s)'s efforts. The selected proposer(s) will be required to coordinate with other NYSERDA Programs, project managers, and contractors.

Proposals should outline services and strategies specifically tailored to present NYSERDA programs as a solution to Industrial and Process customer financial and operational obstacles pertinent to energy use and attaining EEPS goals. Specifically targeting large customers and energy consumers is important in helping NYSERDA reach the EEPS goals. Proposers must explain how their proposed services and strategies will directly translate into increased customer participation in NYSERDA programs. Unique ability to provide or leverage services and benefits should be identified as part of the proposal.

Proposers are encouraged to propose and justify the best portfolio of services after reviewing the RFP's Section C, Scope of Services. This portfolio may or may not require use of all available funds. The services outlined may be modified or built upon at NYSERDA's discretion during contract negotiations or over the course of the contract. NYSERDA reserves the right to tailor proposed services within the bounds of the contract based on cost-effectiveness, performance, participation, or other considerations.

It is essential that the selected proposer(s) has a vested interest in ensuring continued customer participation in NYSERDA programs through project completion, as well as educating potential customers about energy efficiency. The proposal must address how to directly increase customer participation in NYSERDA programs and facilitate projects through NYSERDA programs from point-of-entry to completion.

The proposal must address how Program success will be tracked and monitored for the Industrial and Process sector. Items may include reporting on metrics, maintaining a state-wide database of customer contacts and details of Program impacts, developing feedback tools to evaluate the service, and recommending opportunities for continuous improvement.

B. Qualifications

Past experience with and understanding of the Industrial and Process sector is paramount to the success of this Program and NYSERDA meeting the EEPS goals. Proposers must demonstrate significant understanding, relationships, and experience with either the Industrial sub-sector, the Data Center sub-sector, or both sub-sectors specifically in New York State.

Please clearly distinguish proposed qualifications for the Industrial sub-sector and Data Center sub-sectors separately.

Sector Understanding

Understanding of the Industrial and Process sector in New York State is vital to success.

The proposing team must:

- Demonstrate an understanding of the sub-sector landscape including: key stakeholders, high-energy use customers, near-term policy changes, or initiatives taking place in or affecting New York State.
- Demonstrate knowledge of, and direct experience with, strategies to engage sub-sectors and recruiting large energy saving improvements.
- Show knowledge of sector-specific characteristics, business priorities, and decision making processes.
- Describe an effective plan for engaging manufacturing process professionals and data center information technology professionals.
- Highlight any specific areas of process expertise within the sub-sector.
- Demonstrate successful outreach experience.
- Describe barriers that prevent sector participation in energy efficiency in New York State.

Existing Relationships and Relationship Development

Existing relationships with key SBC-participating players in the sub-sectors in New York State will expedite the penetration of this effort. The proposal must explain the proposer's existing relationships with the following:

- Sub-sector stakeholders;
- Sub-sector service providers such as industrial technical consultants or design consultants;
- Key sector customers. Relationships with high energy users are essential to achieving Industrial and Process Efficiency goals; and
- Trade associations or professional societies and their customer membership.

Experience

Experience within New York State is crucial to gaining access to customers and providing effective outreach to the sub-sectors. It is most crucial to demonstrate SBC-related experience. For example; experience with electrical efficiency projects, SBC eligible customers, etc.

Industrial sub-sector requirements:

Proposing teams must:

- Exhibit knowledge of the high-energy user industrial customer groups.
- Demonstrate knowledge of major energy consuming processes at industrial facilities.
- Five or more years experience working with manufacturers. Provide a description of the specific type of energy-related industrial work performed. Reference at least three different projects.

Indicate:

- types of industrial facilities (glass/ceramics, wood products, chemicals, etc.);
 - process familiarity and the ability to engage the support of process-specific consulting expertise;
 - process support systems influenced (compressed air, process heating, pumping system, etc.);
 - type of assistance provided (feasibility studies, implementation assistance, etc.);
 - project drivers beyond energy efficiency (productivity increases, reduced scrap, increased throughput, waste reduction, etc.); and
 - project outcomes.
- Provide a list of five (5) industrial clients as references. At least three of these references must be in New York State.

Data Center sub-sector requirements:

- Exhibit an understanding of the unique energy and technical challenges of data centers.
- Five or more years experience in data center energy efficiency. Provide a description of the specific type of data center work performed by any or all of the following broad work areas:
 - server virtualization;
 - distributed server power management;
 - energy efficient IT hardware such as servers and storage;
 - computational fluid dynamic (CDF) thermal mapping;
 - energy efficient facilities including cooling systems, uninterruptible power supplies (UPS), and power conversion systems;
 - assessment of site infrastructure energy performance;
 - IT and building-related metering and measurement;
 - benchmarking;
 - air flow management; and
 - other relevant data center efficiency measures that achieve significant energy savings.

If the consultant has less than 5 years experience, NYSERDA may review the consultants past data center studies to understand if this work demonstrates credible experience and knowledge.

- Provide a list of six (6) data center clients as references related to SBC participant success. At least four (4) of these references must be for energy efficiency projects.

C. Scope of Services

The following are brief descriptions of requested information and services specific to the Industrial and Process sector and should be included in the proposal. The overall goal is to offer a portfolio of services and strategies that provides the greatest impact on energy savings, energy awareness, and energy efficiency penetration into the sector in a cost-effective manner. Proposers should address how their plan could assist NYSERDA in reaching the 840,000 MWh of energy savings in the sector by 2013. The proposal should also address how the outreach approach may differ depending on the upstate or downstate location of the customer. Partnering or subcontracting is encouraged especially if an entity brings expertise that will strengthen the proposal.

Please clearly distinguish proposed services for the Industrial sub-sector and Data Center sub-sectors separately.

Develop an Outreach Plan

The proposal should contain an outline of the proposing team's outreach plan.

- Work with NYSERDA's existing Industrial and Data Center Stakeholder group to discuss the needs and challenges of the Industrial and Process sector in an energy-related capacity and receive input on how NYSERDA's programs address those needs.

Direct Outreach to the State's Key and Largest Customers

Large Industrial and Process customers, particularly those with energy intensive manufacturing processes or large data centers, are the key audience. Large customers are equipped with the capital required for large-scale efficiency upgrades and operate facilities/processes in a capacity such that savings may be quickly realized to offset investment costs. The proposal must demonstrate how the outreach strategy will apply to large customers and target projects that achieve short-term energy savings. Proposals should present a strategic outreach plan keeping in mind the goal of providing the greatest impact on energy awareness and energy efficient process improvement penetration into the sub-sectors. Successful proposals will identify areas within each sub-sector that should be targeted to maximize energy savings in a cost-effective manner.

Proposals may prioritize target areas for outreach (see *Market Research* section below) and site-specific services. General outreach must be available to all types of sector facilities.

Techniques that can be employed include, but are not limited to:

- Targeted / direct outreach to key and largest customers.
- Direct and continuous assistance to customers with program requirements, project ideas, project packaging, and project applications. The intent is to motivate customer participation in NYSERDA's programs – with special focus on FlexTech and Industrial and Process Efficiency Programs – by communicating energy and non-energy benefits that align with the objectives, goals, and metrics common to the or sub-sector's facilities.
- One-on-one interactions - direct customer contact with CEOs, CFOs, plant managers, facility engineers, process engineers, data center engineers, and decision-makers to develop action plans and take advantage of energy efficiency, productivity improvements, and demand management . The intent is to invigorate existing and develop new, long-term customer relationships to extensively explore contemplated projects and look for new opportunities.
- Work with utility account representatives to prioritize and set up customer meetings.
- Meet with key stakeholder groups and organizations to discuss how to reach key members or customers and opportunities for systematic outreach to all members or customers.
- Work with key vendors to set up meetings and promote energy efficiency through existing market channels.
- Benchmark facilities.
 - Industrial* – plants and specific processes
 - Data Centers* – using the Data Center Energy Profiler or DC Pro
- Identify and reach facilities that have made commitments to sustainability plans or “go green” initiatives such as: LEED, ENERGY STAR[®], New York City Mayoral Challenge, etc.
- Identify and direct outreach to facilities with large capital plans.
- Present at meetings of key trade associations within each sub-sector and/or host conferences for potential customers and consultants to educate them on NYSERDA's programs and energy efficiency, and facilitate dialogue between professionals and service providers.
- Develop a mechanism(s) to deliver stakeholder feedback to NYSERDA regarding incentives or new program design.
- Develop outreach material content, messages, and informational resources designed to motivate key market stakeholders to take action. This content may offer technical or historical sector information as well as comprehensive technical and financial strategies designed to assist customers in program participation. Outreach material development and production will be coordinated with NYSERDA's Marketing and Economic Development group.

Provide Performance Based Recruitment Incentives

Sector stakeholders are an important connection to customers. NYSERDA may set aside funds to pay stakeholders performance based (\$/kWh or mmBTU) incentives for directly and actively recruiting customers to participate in NYSERDA programs. NYSERDA may pay the incentives directly to the stakeholders, however, the selected proposer(s) will manage and confirm successful recruitments and make recommendation for payment to NYSERDA. The proposal should address how the stakeholders will be monitored and recommended for recruitment incentives.

Provide Training

Customer understanding of energy efficiency benefits, best practices, and process improvements are important aspects of advancing efficiency within each sub-sector. Provide a plan for providing and

coordinating training to best advance energy efficient process and data center improvements. Leveraging existing training programs and partnering with existing stakeholders should be emphasized.

Strategies may include, but are not limited to:

- Train CEOs, senior management, and sustainability leaders on the benefits of developing and executing a management-led energy policy and protocol.
- Train CFO on the energy-cost-risk mitigation benefits of energy efficiency.

For the Industrial sub-sector:

- Educate process engineers on the energy benefits inherent in process improvements.
- Train manufacturing engineers and operators on efficiency opportunities in specific systems for which DOE has developed screening and analysis tools, such as: compressed air, pump systems, motors, etc.

For the Data Center sub-sector:

- Develop objective, credible information about energy efficiency and best practices that span both IT and facilities and their impact on data center availability and reliability.
- Building on best practice information already available, develop and deliver education curricula about energy efficiency in data centers, emphasizing best practices and cross-functional approaches.
- Educate data center decision makers on benefits of specific strategies (such as virtualization) that influence the capacity and energy efficiency of existing infrastructure.
- Partner with vendors to couple software and hardware training with energy efficiency training.
- Train the existing pool of data center service providers as well as other capable recruits on the benefits of assessing and servicing data centers for energy efficiency improvements.
- Develop standard methodology to be used in measurement and verification of data center energy efficiency projects.

Engage Expertise

Many national and international consulting experts are trusted by the Industrial and Process sector. Strong working relationships with these entities will be essential to recruiting process improvements in this sector. The proposal should describe how these experts will be identified and engaged to evaluate and design energy efficient upgrades to processes or systems.

Leverage Other Funding Opportunities

Many local, state, regional and national organizations target Industrial and Process facilities. Most provide conferences, newsletters, training, site-specific assistance, etc. to engage customers and facilitate project development. The proposal must present a plan for collaboration with these efforts and organizations such as the: TDOs, utilities, NYPA, the U.S. Environmental Protection Agency (EPA), DOE, NEEP, CEE, ACEEE, Motor Decisions Matter, ENERGY STAR[®], Pump Systems Matter, and the Compressed Air Challenge. Understanding and prioritizing these efforts and partnering with these organizations will help keep NYSERDA programs on the leading edge of process and technology innovation and provide opportunities to leverage these resources into New York State.

Given current economic conditions, customer access to and ability to commit capital to energy efficiency and process improvements projects is an ever increasing barrier to program success. Proposals should include a multi-faceted plan for facilitating customer investment.

Market Research

The businesses of the Industrial and Process sector in New York State vary widely in size and type. Market research can improve outreach effectiveness by identifying specific customers or groups of customers that

consume the most energy, are involved in sustainability efforts, have capital plans, are members of trade associations, etc. The proposal should include a market research strategy to target key areas and customers.

Reporting and Data Management

Measuring Program success and tracking Program activities is necessary for understanding the effectiveness of the Program. The proposal should provide a plan for data management (project tracking), metrics collection, and evaluation to measure the Program success.

D. Sector Funding and Geographic Coverage

There is \$6 million available for the entire effort. The initial year breakdown is for \$1.25 million for the Industrial sub-sector and \$750,000 for the Data Center sub-sector. The second and third year effort allocations are \$1.4 million per year for the Industrial sub-sector and \$600,000 per year for the Data Center sub-sector. NYSERDA reserves the right to adjust funding based on Program success, funding source approval requirements, availability of new funds, or other factors addressing the Program. NYSERDA reserves the right to incorporate Program changes as needed.

Services will be focused on facilities within the SBC Territory, the electric utility service areas of: Central Hudson Gas & Electric Corporation; Consolidated Edison Company of New York, Inc.; New York State Electric & Gas Corporation; National Grid; Orange and Rockland Utilities, Inc.; and Rochester Gas and Electric Corporation.

NYSERDA reserves the right to add focus and funding for SBC and non-SBC facilities to the contract should other Program funding sources become available.

E. Contracting

This Program shall not serve as a marketing vehicle for any specific firm. Current NYSERDA contractors are eligible under this RFP, however, the proposer(s) selected through this RFP will not be permitted to use customer leads that are developed while performing services under this contract to participate in other NYSERDA programs (i.e. FlexTech). Include a listing of all current contracts with NYSERDA and how conflict between contracts will be avoided.

The initial contract term for each sub-sector will be for one-year with provisions for renewal with two optional one-year extensions at NYSERDA's discretion.

Due to the nature of the Program, proposers may consider teams to better leverage the diverse range of expertise necessary. If the proposer is in a unique position to provide or leverage services from their own, or other organizations, this opportunity should be identified. A prime contractor and a single contact will be required for all proposals. The pre-bid meeting is intended as an opportunity for potential team members to network.

III. PROPOSAL REQUIREMENTS

Proposers must submit eleven (11) copies of the completed proposal to the attention of Roseanne Viscusi at the address on the front of this Request for Proposal. A completed and signed Proposal Checklist (Attachment A) must be attached as the front cover of your proposal, one of which must contain an original signature. **Late proposals and proposals lacking the appropriate completed and signed Proposal Checklist will be returned.** Faxed or e-mailed copies will not be accepted.

Proposals that include teaming arrangements must designate one party as the prime contractor. Proposals should not be excessively long or submitted in an elaborate format that includes expensive binders or graphics. A single staple in the upper left hand corner is preferred. Text font size should be no smaller than 11 and care should be taken not to exceed page limits provided. Double sided printing is encouraged. Unnecessary attachments beyond those sufficient to present a complete, comprehensive, and effective response will negatively influence the evaluation of the proposal. Each page of the proposal should state the name of the proposer, the RFP number, and the page number.

Proposers may respond to the Industrial sub-sector only, Data Centers sub-sector only, or both sub-sectors. If responding to both sub-sectors, please delineate the targeted approach to each sub-sector separately.

A. Procurement Lobbying Requirements - State Finance Law sections 139-j and 139-k

Procurement lobbying requirements contained in State Finance Law sections 139-j and 139-k became effective on January 1, 2006. (The text of the laws is available at: <http://www.ogs.state.ny.us/aboutogs/regulations/advisoryCouncil/StatutoryReferences.html>). In compliance with §139-j and §139-k of the State Finance Law, for proposals submitted in response to this solicitation that could result in agreements with an annual estimated value in excess of \$15,000, additional forms must be completed and filed with proposals: (1) a signed copy of the Proposal Checklist (Attachment A) including required certifications under the State Finance Law and (2) a completed Disclosure of Prior Findings of Non-Responsibility form (Attachment B). Failure to include a signed copy of the Proposal Checklist referenced in this solicitation will disqualify your proposal.

B. Proposal Format

Please clearly distinguish proposal substance for the Industrial and Data Center sub-sectors separately.

Executive Summary (two page limit)
Summarize the proposed effort.

Introduction and Background (three page limit)

- Discuss the rationale for the proposed approach.
- Identify all entities/team members collaborating in the proposal.
- Identify the major goals and objectives of the proposed approach and strategy.

Statement of Work (ten page limit)

The Statement of Work should be a detailed plan of how the proposer will accomplish the objectives. The Statement of Work should clearly articulate a set of tasks consistent with the Section II - C Scope of Services established in this solicitation. The Statement of Work will also serve as the primary contractual document that identifies the deliverables. It is an action document that specifically delineates each step or procedure required to accomplish the objectives. Therefore, each action should be identified, indicating who will perform it, how it will be performed, timing, deliverables, and its anticipated result(s). Proposals should be realistic, clear, and specific.

Outcome and Benefits (five page limit)

Describe the anticipated impacts of the proposed effort, both in terms of energy and non-energy impacts. Explain how the proposal's approach is comprehensive and why the proposer is in the best position to

undertake this effort. Explain how the approach is unique and why it will work compared to other approaches. Define the economic benefit to New York State, as well as the data collection and evaluation plans that will measure success. Explain what metric information (market penetration, number of sites, projects recruited for implementation services, etc.) are recommended to determine success.

Proposer Qualifications (seven page limit)

- Identify all team members (name, business address, telephone number), including the party who will assume the ultimate responsibility for success and their qualifications to undertake the proposed work. Attach resumes of key personnel in an appendix (will not count towards page limitations).
- Address how you are poised to weather the current economic situation.
- Provide an organization chart displaying relevant staff and define their roles and responsibilities.
- Provide the information required within Section II – B Qualifications established in this solicitation. Describe each area in enough detail to convey your depth of sub-sector knowledge.

Work Schedule and Staffing Plan (four page limit)

Prepare a work schedule highlighting tasks and major milestones in terms of weeks or months after execution of the Agreement. Define an appropriate and realistic schedule consistent with the Statement of Work for task deliverables, including progress reports (*e.g.*, monthly quarterly, etc) and a final report, and incorporate them into the work schedule. The schedule should allow time for approval of tasks by NYSERDA. The work schedule should also include a staffing plan which indicates the roles, responsibilities, and anticipated hours allocated to all key personnel. Note that hours allocated in the work schedule must be consistent with those in the budget.

Budget

A budget, including all cost elements, must be provided. This must be a task-based budget that shows cost details including direct and indirect costs, production, overhead, labor, and subcontractors, if applicable, related to each task. The intent must be to define the cost and emphasis of individual tasks in relation to others. The Proposal must also provide budget estimates for materials, equipment, and travel. A Contract Pricing Proposal Form should be submitted with each proposal (see Attachment C).

Attach supporting documentation to support indirect cost (overhead) rate(s) included in your proposal as follows:

1. Describe the basis for the rates proposed (*i.e.*, based on prior period actual results; based on projections; based on federal government or other independently-approved rates).
2. If rate(s) is approved by an independent organization, such as the federal government, provide a copy of such approval.
3. If rate(s) is based on estimated costs or prior period actual results, include calculations to support proposed rate(s). Calculation should provide enough information for NYSERDA to evaluate and confirm that the rate(s) is consistent with generally accepted accounting principles for indirect costs.

NYSERDA reserves the right to audit any indirect rate presented in the proposal and to make adjustment for such difference. Requests for financial statements or other needed financial information may be made if deemed necessary.

Letters of Commitment

Include letters of commitment from any subcontractors, co-funders, or other organization directly involved.

NYSERDA reserves the right to direct limitations or expansions of these proposed services within the bounds of the proposal based on cost-effectiveness and other related considerations.

IV. PROPOSAL EVALUATION

Eligible proposals, meeting solicitation requirements, will be reviewed by a Technical Evaluation Panel (TEP) consisting of NYSERDA, a Department of Public Service staff member, and selected outside reviewers. A two-phased evaluation format will be used. The TEP will review the written proposals, score and rank the proposals.

The top ranked proposers will be invited to NYSERDA's office in Albany to give an oral presentation. The oral presentation will consist of an overview and a question and answer period to explain the proposed approach and the proposer's qualifications presented in the written proposal. The oral presentation should be given by a team consisting of the prime contact and staff who will be interacting with stakeholders and customers. Oral presentations are also reviewed, scored and ranked by the TEP.

Final rankings will be made based on the written proposals and oral presentations. The highest ranked proposer will be recommended for contract negotiations. The TEP will review both the written proposals and oral presentations using the Evaluation Criteria below in order of importance. The Industrial sub-sector and the Data Center sub-sectors will be evaluated independently of each other by the same TEP.

Qualifications of Proposer and Experience

Does the proposer have the necessary background and experience in New York State? Does the proposer demonstrate sufficient, relevant experience? Does the proposer demonstrate the ability to reach the largest customers in the sub-sector? Does the proposer show a balance of technical, operations, marketing, administrative or other expertise necessary to accomplish the objectives? Is there depth to the proposing team where full implementation responsibility does not fall on one individual? Does the proposer demonstrate in depth knowledge of and existing relationships with the sub-sectors and key stakeholders? Does the proposer have previous experience in the conduct and delivery of sector services? Does the proposer clearly demonstrate a history of past energy-related work? Is the proposer poised to weather the current economic situation?

Strategy and Overview

Will the proposed approach maximize the potential for NYSERDA to achieve Industrial and Process Efficiency goals? Is the proposed strategy feasible? Does the proposed strategy address the unique characteristics of each sub-sector? Does the proposed strategy reflect an understanding of the sub-sectors in New York State? Is the Statement of Work comprehensive, realistic, and consistent with the proposal requirements? Is the proposed strategy likely to recruit the largest, cost-effective energy savings opportunities?

Measuring and Reporting Effectiveness

How does the reporting plan effectively track Program activities? Is the reporting plan reasonable and appropriate for the tasks? Is the metrics tracking plan sufficient to demonstrate Program success? Does the proposal include a plan to measure success?

Cost

Is the overall cost reasonable? How cost-effective is the proposal based on the strategy and overview included? Are allocations of task hours justifiable? Are the billing rates reasonable and appropriate? Is there documentation in support of the indirect cost rates? Does the proposal team describe the ability to use junior and senior staff as appropriate to be cost effective while achieving Program success?

Other

Does the proposal leverage added value opportunities? Does the proposer have past experience or familiarity with NYSERDA and its programs? Does the proposal clearly define the economic benefit to New York State? The proposer who possess, or can obtain through cooperative or joint ventures, the following capabilities will be favored under this RFP:

- The ability to dedicate staff as appropriate.
- The ability to deliver service effectively and economically.
- Other factors deemed appropriate by NYSERDA.

V. GENERAL CONDITIONS

Proprietary Information - Careful consideration should be given before confidential information is submitted to NYSERDA as part of your proposal. Review should include whether it is critical for evaluating a proposal, and whether general, non-confidential information, may be adequate for review purposes. The NYS Freedom of Information Law, Public Officers law, Article 6, provides for public access to information NYSERDA possesses. Public Officers Law, Section 87(2) (d) provides for exceptions to disclosure for records or portions thereof that "are trade secrets or are submitted to an agency by a commercial enterprise or derived from information obtained from a commercial enterprise and which if disclosed would cause substantial injury to the competitive position of the subject enterprise." Information submitted to NYSERDA that the proposer wishes to have treated as proprietary and confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure. This information should include a written request to accept it from disclosure, including a written statement of the reasons why the information should be excepted. See Public Officers Law, Section 89(5) and the procedures set forth in 21 NYCRR Part 501 www.nyserda.org/nyserda.regulations.pdf. However, NYSERDA cannot guarantee the confidentiality of any information submitted.

Omnibus Procurement Act of 1992 - It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority- and women-owned business enterprises, as bidders, subcontractors, and suppliers on its procurement Agreements.

Information on the availability of New York subcontractors and suppliers is available from:

Empire State Development
Division for Small Business
30 South Pearl Street
Albany, NY 12245

A directory of certified minority- and women-owned business enterprises is available from:

Empire State Development
Minority and Women's Business Development Division
30 South Pearl Street
Albany, NY 12245

State Finance Law sections 139-j and 139-k - NYSERDA is required to comply with State Finance Law sections 139-j and 139-k. These provisions contain procurement lobbying requirements which can be found at <http://www.ogs.state.ny.us/aboutogs/regulations/advisoryCouncil/StatutoryReferences.html>

The attached Proposal Checklist calls for a signature certifying that the proposer will comply with State Finance Law sections 139-j and 139-k and the Disclosure of Prior Findings of Non-responsibility form includes a disclosure statement regarding whether the proposer has been found non-responsible under section 139-j of the State Finance Law within the previous four years.

Tax Law Section 5-a - NYSERDA is required to comply with the provisions of Tax Law Section 5-a, which requires a prospective contractor, prior to entering an agreement with NYSERDA having a value in excess of \$100,000, to certify to the Department of Taxation and Finance (the "Department") whether the contractor, its affiliates, its subcontractors and the affiliates of its subcontractors have registered with the Department to collect New York State and local sales and compensating use taxes. The Department has created a form to allow a prospective contractor to readily make such certification. *See*, ST-220-TD (available at http://www.tax.state.ny.us/pdf/2006/fillin/st/st220td_606_fill_in.pdf). Prior to contracting with NYSERDA, the prospective contractor must also certify to NYSERDA whether it has filed such certification with the Department. The Department has created a second form that must be completed by a prospective contractor prior to contacting and filed with NYSERDA. *See*, ST-220-CA (available at http://www.tax.state.ny.us/pdf/2006/fillin/st/st220ca_606_fill_in.pdf). The Department has developed guidance for contractors which is available at http://www.tax.state.ny.us/pdf/publications/sales/pub223_606.pdf.

Contract Award –NYSERDA anticipates making one or more awards under this solicitation. The initial contract term will be a one year period with the potential for two one-year extensions. NYSERDA reserves the right not to award any contracts in one or more sub-sector areas. NYSERDA also reserves the right to award only one sub-sector to a proposer or teaming arrangement who has proposed to both sub-sectors. It may award a contract based on initial applications without discussion, or following limited discussion or negotiations pertaining to the Statement of Work. Each offer should be submitted using the most favorable cost and technical terms. NYSERDA may request additional data or material to support applications. NYSERDA will use the Sample Agreement (Attachment E) to contract successful proposals. NYSERDA reserves the right to limit any negotiations to exceptions to standard terms and conditions in the Sample Agreement to those specifically identified in the submitted proposal. NYSERDA expects to notify proposers in approximately twelve (12) weeks from the proposal due date whether their proposal has been selected to receive an award.

Limitation - This solicitation does not commit NYSERDA to award a contract, pay any costs incurred in preparing a proposal, or to procure or contract for services or supplies. NYSERDA reserves the right to accept or reject any or all proposals received, to negotiate with all qualified sources, or to cancel in part or in its entirety the solicitation when it is in NYSERDA's best interest. NYSERDA reserves the right to reject proposals based on the nature and number of any exceptions taken to the standard terms and conditions of the Sample Agreement.

Disclosure Requirement - The proposer shall disclose any indictment for any alleged felony, or any conviction for a felony within the past five years, under the laws of the United States or any state or territory of the United States, and shall describe circumstances for each. When a proposer is an association, partnership, corporation, or other organization, this disclosure requirement includes the organization and its officers, partners, and directors or members of any similarly governing body. If an indictment or conviction should come to the attention of NYSERDA after the award of a contract, NYSERDA may exercise its stop-work right pending further investigation, or terminate the agreement; the contractor may be subject to penalties for violation of any law which may apply in the particular circumstances. Proposers must also

disclose if they have ever been debarred or suspended by any agency of the U.S. Government or the New York State Department of Labor.

VI. ATTACHMENTS

Attachment A - Proposal Checklist

Attachment B - Disclosure of Prior Findings of Non-Responsibility Form

Attachment C - Contract Pricing Proposal Form

Attachment D - Sample Agreement