

Commercialization Option Program

Program Opportunity Notice 2251

\$ 2,225,000 Available

Proposals Due by: Round 1: Monday, September 19 th , 2011, by 5:00 PM Eastern Time* Round 2: Thursday, November 10 th , 2011, by 5:00 PM Eastern Time* Round 3: Thursday, January 5 th , 2012, by 5:00 PM Eastern Time* Round 4: Thursday, March 1 st , 2012, by 5:00 PM Eastern Time*

Program Summary

The New York State Energy Research and Development Authority (NYSERDA) assists clean energy technology companies in New York State by supporting both technology development and business activities. This Program Opportunity Notice (PON) provides funding for business development and commercialization activities identified as critical to successful technology commercialization.

Proposals

Respondents to this program will select from a list of business development and commercialization activities that are strategically relevant to their business operations and necessary for the successful launch of a product or service. Proposers are required to demonstrate strategic relevance and need, that the company is at the level of business and technical maturity required to complete the tasks, and how the company plans to complete the tasks and associated deliverables.

Funding

Four rounds are schedule under this PON and the total available funding is \$2,225,000. All, or none, of the available funds could be allocated in any round. The maximum project award is \$100,000, which must be matched by contractor cost share at or above 20% of the total project value. Contracts resulting from this solicitation will be milestone based, with preset award amounts set for each activity approved under the contract.

Eligibility

Proposers must be a current or recent NYSERDA R&D contractors (NYSERDA contract end date within one year of the solicitation due date) who has or is currently engaged in either a feasibility study related to the planned development of a product, a product development project, or a demonstration project. Business development or commercialization tasks supported through this solicitation must directly relate to the product, technology, or service being developed as part of the current or recent NYSERDA R&D award. Additionally, proposers must be businesses with operations in New York State seeking to initiate new operations or expand existing ones, or businesses outside NYS willing to open operations in NYS as part of work under this PON.

Proposal Submission

Proposers must submit one signed copy of the proposal with a completed and signed Proposal Checklist attached and a CD which contains a PDF format digital copy of the proposal. Proposals must be clearly labeled and submitted to:

**Roseanne Viscusi, PON 2251
NYS Energy Research and Development Authority
17 Columbia Circle
Albany, NY 12203-6399**

If you have technical questions concerning this solicitation, contact Bryan Berry at (518) 862-1090, ext. 3537 or bbp@nyserda.org. If you have contractual questions concerning this solicitation, contact Nancy Marucci at ext. 3335, or at nsm@nyserda.org.

No communication intended to influence this procurement is permitted except by contacting Bryan Berry at (518) 862-1090 ext. 3537, email bbp@nyserda.org. 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 NYSERDA location other than the address above. If changes are made to this solicitation, notification will be posted on NYSERDA's web site at www.nyserda.org.

I. Introduction

The New York State Energy Research and Development Authority (NYSERDA) is a public benefit corporation established by the New York State Legislature in 1975. Its mandate is to use innovation and technology to solve some of New York's most difficult energy and environmental problems in ways that improve the State's economy. NYSERDA does so through research and development programs and consumer-oriented efforts.

Through this solicitation, NYSERDA seeks to help clean energy technology companies grow and develop new markets for clean technologies through targeted investment in business development activities such as business plan development, market research, sales forecasting, marketing and sales strategy development, supply chain and strategic partnership development, intellectual property analysis and protection, and others. This solicitation is intended to help fill gaps in the product development process commonly omitted or insufficiently completed by technology developers or other cleantech companies.

The product/technology development process traditionally follows four general steps: Discovery, Business Case, Development, and Commercialization. Following these steps, which occur either in series or in parallel, greatly improves the likelihood of commercial success. Early stage companies regularly engage in product development efforts without conducting a meaningful analysis of the potential for commercial success or completing activities that prepare their organizations to address the needs of a changing business model. This introduces a level of risk that could be mitigated by conducting the activities associated with the Business Case and Commercialization phases of the development cycle. By placing an added emphasis on these phases through targeted and timely support, cleantech companies in New York State will improve their chances of successful commercialization of their technologies and for lasting commercial success and competitiveness.

As such, this solicitation identifies and provides support for key activities associated with the business case and commercialization phases of product development.

Informational Webinar: NYSERDA will conduct an information webinar to be held on August 17th, 2011, at 2 pm. NYSERDA staff will describe the Commercialization Option program and answer questions relating to possible projects, program applicability, selection criteria, and any other appropriate topics. Prior registration for the webinar conference is available, but not required. Participants can join up to 30 minutes beforehand. Instructions to participate are as follows:

Step 1 - JOIN THE WEBINAR TO VIEW PRESENTATION SLIDES AND SUBMIT QUESTIONS

From a web browser go to <https://nyserda.ilinc.com/join/yvfbytx>.

Enter your name and email and click SUBMIT.

In the "Welcome to iLinc!" window, select the "Dial into the teleconference" radio button.

- Dial-In number 1-888-394-8197 and Passcode 303066 are displayed.

Write down the "Unique Identifier" number preceded by *29. (i.e. *29 502#).

Click OK.

Step 2 - JOIN TO THE AUDIO CONFERENCE

Dial 1-888-394-8197

Enter Passcode 303066

Once in the conference and it has begun, press *29, then enter your "Unique Identifier" (see above) number followed by the # key (i.e. 502#). This optional step will enable you to 'raise your hand' to ask questions during the webinar by linking your phone and internet presence.

II. Eligibility

Proposers must be a current or recent NYSERDA Research & Development contractor who is engaged in or has recently completed a project to develop a new power generation or energy efficiency technology, application, or process, or a project involving the demonstration or testing of such technology or process. For the purposes of this solicitation, a current contractor is defined as any business who is currently engaged in an active NYSERDA research & development project or has been notified of a pending award and is engaged in the contract negotiation process. A recent contractor is defined as any business receiving NYSERDA R&D funding who has completed a contract within one year of the first due date of this solicitation. The current or recent NYSERDA R&D contract (baseline contract) must be a feasibility study focused on the evaluation or planning for the development of a technology or service, a product development project, or a demonstration project. The business development and commercialization activities supported through this solicitation must relate directly to technology, product, or service investigated as part of the baseline contract.

Companies who wish to submit proposals must be businesses with operations in New York State seeking to initiate new operations or expand existing ones. This solicitation is solely intended to advance the business development and commercialization state of a technology developed or currently being development under NYSERDA's Research and Development program. Proposals that seek funding for product development or demonstration activities are not eligible.

Eligible technologies include systems or components of systems that generate power from renewable resources, as well as technologies in the power generation, energy storage, transportation, industrial, or building sectors that use alternative fuels or reduce the consumption of electricity or fossil fuels and provide environmental benefits. Software products or service offerings which accomplish the above goals are also eligible for support. The technology to be commercialized must be at the proof-of-concept phase or later and must be ready for commercial launch within 24 months of the project end.

Proposers must have sufficient financial resources to perform the proposed work, and must also have appropriate technical expertise, access to adequate information, and a good performance record on current or past NYSERDA projects.

III. Program Requirements

Proposals are sought for projects that address the business development and commercialization tasks listed below. These items have been identified as key steps towards the successful commercialization of products or services.

Specific tasks and activities eligible for support include the following:

1. Freedom-to-Operate (FTO) analysis
2. Development of patent applications
3. Performance of market research
4. Completion of key financials and pro-forma financial statements
5. Development or redevelopment of a business plan
6. Development and execution of a marketing plan
7. Performing market tests
8. Development of go-to-market strategy
9. Development of distribution channels
10. Development of strategic alliances to access new markets or channels
11. Development of a web-based transaction system
12. Development and execution of a sales strategy/program
13. Preparation of investor presentations
14. Preparation of due diligence documents and materials
15. Development of a manufacturing plan
16. Negotiation of manufacturing contracts or strategic alliances to manufacture goods
17. Development of supply chain plan and supply agreements

18. Implementation of customer relationship management (CRM) systems and software

19. Implementation and registration of quality management systems

Because most small clean energy technology companies do not have in-house expertise to complete many of the tasks listed above, the use of third-party vendors or consultants to complete the tasks is expected and encouraged. When possible, these third-party providers should be identified in the proposal.

Project Funding and Deliverables

Four rounds are scheduled under this PON and total available funding is \$2,225,000. All, or none, of the available funds could be allocated in any one round. NYSERDA will provide funding for each of the tasks listed above **up to** the amounts listed in the chart below. Proposers may select, and include in one proposal, more than one task. The total funding provided to any one company shall not exceed \$100,000. NYSERDA funding shall not be used for activities that are underway or completed prior to contract award.

Each activity has pre-defined deliverables which must be submitted and approved prior to submission of the associated invoice.

The activity, maximum funding amounts, and required deliverables for each activity are listed below:

#	Activity	Milestone Payment	Deliverable(s)
1.	Freedom-to-Operate (FTO) analysis	\$20,000	Final FTO report; including subject invention claims, patent search results, geographic/regional limitations, evaluation and analysis by patent attorney, recommendations, conclusions, path forward.
2.	Development of patent applications	\$30,000	Development of subject invention claims, patent search results, & completed patent application.
3.	Performance of market research	\$35,000	Market research report including the problem statement, methodology and limitations (including audience description, data collection forms, interview materials, focus groups, etc.), competitive analysis, data, findings, recommendations, and conclusions.
4.	Completion of key financials	\$20,000	Income statement, statement of retained earnings, balance sheet, and cash-flow statement for last two full fiscal years. Pro-forma financials for 3, 5, and 10 year windows.
5.	Development or redevelopment of a business plan	\$35,000	Completed business plan
6.	Development and execution of a marketing plan	\$30,000	Proposed scope provided by 3rd party marketing firm. Documentation of finalized plan. Identification of program metrics. Documentation relating to execution of plan.
7.	Performing market tests	\$25,000	Report detailing and assessing possible marketing scenarios, target markets, competitors, product pricing. Market test plan. Execution of tests and report describing methodology, findings, and recommendations.
8.	Development of go-to-market strategy	\$30,000	Final GTM strategy including size/scope of business opportunity, value of product/service to customers, strategy, timeline, and scope of the launch, revenue potential, initial costs and resources associated with launch, ongoing costs, risks, and strategies for mitigating those risks
9.	Development of distribution channels	\$25,000	Description and assessment of possible channel strategies. Description, assessment (including cost, pricing, impact) of possible distribution partners. Leads generated and meeting minutes from partner outreach. Finalized distribution agreements.
10.	Development of alliances (new markets or channels)	\$25,000	Description and assessment of possible alliances and subsequent markets or channels. Description, assessment (including cost, pricing, impact) of entering into partnerships. Leads generated and meeting minutes from partner outreach. Finalized partnership or alliance agreements.
11.	Development of a web-based transaction system	\$30,000	Description & comparison of possible transaction systems. Selection, implementation, and launch of system.
12.	Development and execution of a sales strategy/program	\$30,000	Identification and comparison of possible sales strategies. Documentation of chosen sales strategy including message crafting, sales and marketing materials.
13.	Preparation of investor presentations	\$20,000	Powerpoint presentation slide-deck. In-person simulated investor pitch.
14.	Preparation of due diligence documents and materials	\$25,000	Due diligence documents.
15.	Development of a manufacturing plan	\$35,000	Manufacturing plan
16.	Negotiation of mfg contracts or alliances to mfg goods	\$30,000	Contract manufacturing agreement

17.	Development of supply chain plan and supply agreements	\$25,000	Development of component specifications. Identification and evaluation of possible suppliers. Finalized supplier agreements.
18.	Implementation of CRM system	\$30,000	Identification and evaluation of CRM systems. Documentation describing migration to and implementation of selected CRM.
19.	Implementation and registration of QMS	\$35,000	Identification and evaluation of possible QMS. Attendance at QMS training. Development of QMS documentation (e.g. Quality Manual). Registration of QMS & proof of compliance/licensing.

All funding provided under this solicitation must be matched by co-funding provided by the proposer at a minimum level of 20% of the total project value and may be in the form of cash or in-kind labor, materials, equipment, facilities, and other resources, subject to reasonable and verifiable valuation. Co-funding may be from the proposer or other private or government sources. The quality of the proposer's co-funding is examined during the proposal evaluation process. Cash, labor, and materials are considered superior to other types of co-funding. The level of co-funding will be considered an indicator of the proposer's commitment to the success of the project.). Co-funding contributions provided for the NYSERDA project already underway or recently completed may not be used for the project funded under this solicitation.

NYSERDA reserves the right, in its sole discretion, to make no awards, or to award less than the maximum amount set forth in this solicitation. Production incentives or subsidies for the installation and operation or demonstration of any technology will not be funded under this PON, nor will technology development activities. Due to program funding limitations, project funding may be limited for businesses not paying into the Systems Benefit Charge (SBC).

Project Scope and Contracting

Projects selected for funding must advance the commercialization of a technology, product, or service supported by a recent or existing NYSERDA R&D feasibility, product development, or demonstration project. The technology being commercialized must be a renewable energy system or component of such a system, or a technology in the power generation, energy storage, transportation, industrial, or building sectors that provide quantifiable energy, environmental, and economic benefits in New York State once commercialized.

When multiple activities are proposed, the evaluation panel will evaluate each activity separately and may recommend supporting some but not all of the proposed activities. This decision could be based on a lack of task relevance or the need for the proposer to complete other preceding activities before the proposed task.

Contracts resulting from this solicitation will be milestone based; funding will be provided to contractors using the following scale and once the deliverables associated with each supported activity have been submitted and accepted: **10% - Third-party signed agreement (when applicable), 20% - Draft deliverable(s) submitted, 70% - Final deliverable(s) submitted and approved.** In some case, the NYSERDA Project Manager will modify this payment scale to better reflect project progress.

Project Schedule, Phasing and Teaming

Projects are expected to begin within six months of the proposal due date and should not exceed 6 months once started. Teaming arrangements are encouraged, where appropriate, to enhance the likelihood of project success. Teams may include commercial firms, industry associations or research organizations, universities, government agencies, end-users, and other stakeholders. Include letters of interest or commitment from each identified team member in an appendix to the proposal.

Other Considerations

A proposal may be considered non-responsive if it fails to comply with the requirements above, the Proposal Requirements of Section IV, or the General Conditions of Section VI. Prior to an award or contracting with a successful proposer, potential contractors may be required to demonstrate: access to financial resources sufficient to perform the proposed work, technical experience and adequate facilities (or the ability to access them), a good performance record, and the ability to qualify for an award under applicable laws and regulations.

IV. Proposal Requirements

Proposers **MUST** use the proposal template provided. The proposal **MUST** be limited to 15 pages or less plus letters of interest or commitment in an appendix. Suggested page limits for each section are provided below in parentheses. If you believe proprietary information must be submitted to present an adequate proposal, comply with the instructions in Section VI for submitting proprietary material. Rigid bindings and other elaborate presentation material should not be used – a staple in the upper left corner is preferred. Your goal as a proposer should be to concisely present the information needed to fully address the evaluation criteria (see Section V). **PROPOSALS THAT EXCEED THE PAGE LIMIT OR FAIL TO FOLLOW THE FORMAT GUIDELINES WILL BE REJECTED AS NON-RESPONSIVE.**

Proposers must submit **one paper hard copy of the completed proposal and one electronic (cd or dvd) version** to the attention of Roseanne Viscusi at the address on the front of this Program Opportunity Notice. A completed and signed Proposal Checklist must be attached as the front cover of your proposal and 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.**

Unnecessary attachments beyond those sufficient to present a complete, comprehensive, and effective response will not influence the evaluation of the proposal. The proposal should clearly state and describe the following:

1. A description of the company, the technology to be commercialized, description of the recent or ongoing NYSERDA contract, and the business opportunity.
2. What tasks supported by this solicitation are relevant and necessary to the commercialization of the technology and how they relate to the overall operations of the company.
3. How the proposer plans to complete the proposed activities.

Proposal Checklist

Complete the specific Proposal Checklist attached as part of this PON, and include it as the front cover of the hard copy of the proposal. The signed checklist should also be scanned and included as the first page of the digital version of the proposal. Please note the following:

- Indicate whether you accept the standard terms and conditions as contained in the attached Sample Agreement. If you do not accept the standard terms and conditions, provide alternate terms with justification based on the risk and benefit to NYSERDA and New York State. NYSERDA reserves the right to consider only exceptions to terms that are specifically included with the proposal. Any negotiation of terms will be at NYSERDA's sole discretion.
- Be sure the individual who is signing the Proposal Checklist is authorized to commit the proposer's organization to the proposal as submitted.

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 are 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 including required certifications under the State Finance Law and (2) a completed Disclosure of Prior Findings of Non-Responsibility form. Failure to include a signed copy of the Proposal Checklist referenced in this solicitation will disqualify your proposal.

Proposal Format and Sections

Proposers MUST use the proposal template provided and should follow the suggestions and guidelines listed below:

Executive Summary (*one page*) – Briefly summarize the major elements of your proposal by providing:

- A two to three sentence description of your company and what products and/or services it provides.
- A one to two sentence description of your qualifications and identification of any pertinent project teaming arrangements, if applicable.
- A three to four sentence summary of the objective(s) of the proposed project and what activities it will include. For example, the objective may be a new business venture, an expansion of a current business, or a solution to an existing problem or challenge of the current business. Major tasks or activities involved in achieving the objective(s) should be summarized.
- A two to three sentence description of the potential benefits to New York State once the company launches the subject product or technology, quantified to the degree possible, and identification of how those benefits will be measured and verified. Benefits may include, but are not limited to, items such as new business ventures started and expended, product sales, new jobs created, financing received, patents obtained, certifications achieved, publications, and presentation at conferences.
- Total project costs and the funds requested of NYSERDA. The amount and source of proposer cost-share should also be identified.

Section 1: Background (*two to three pages*) - Describe the company, background, and technology or product.

- **Company Description:** Provide a brief description of your company, its business model, the type(s) of products and/or services you currently provide, number of employees, sales and other sources of funds
- **Technology or Product Description:** Describe the technology, product, or service to be commercialized and the current or recent NYSERDA project supporting its development or demonstration. This description should present the key relevant technical characteristics of the technology, what energy or environmental problem it addresses and how, and any key differentiators between it and similar or competitive technologies. Summarize the state of development and present key performance or modeling results to date.

Section 2: Business Case (*two to three pages*) – Describe the business rationale, and need for the proposed project. This section may draw upon and present analyses, forecasts, risk assessments, and other information completed prior to the proposal submission.

- **Business Opportunity:** Describe the current opportunity to expand your business, the need for the proposed project, and any barriers that exist. This might be the introduction of new products, services or business models, or the introduction of existing ones to new market segments, or a substantial expansion of the business into existing market segments. Summarize the data and analyses employed to estimate the size of this opportunity.
- **Target Market:** Identify the target customers, and if possible, the distribution channel, and business model that will be employed to generate new revenue. Also if possible, describe the economics of the product or service and identify the value proposition to the customer and briefly describe your place in the value chain and describe your value added.

- **NYS, Energy, Environmental, and Other Benefits:** Describe how success in pursuing the business opportunity will benefit New York State. These benefits should be economic and in terms of energy savings and environmental impacts. Quantify the following potential direct benefits to New York State to the extent possible due to the successful commercialization and launch of the subject technology:
 - Energy benefits (e.g.: reduced fossil fuel use through displaced conventional technologies, fuel economy improvements, amount of alternative fuel use, etc.)
 - Environmental benefits (e.g.: emission reduction, elimination of hazardous materials, etc.)
 - Economic benefits (e.g.: manufacturing jobs or technical services jobs created or retained, financing received, products/services sold, etc.)

Also Identify any other benefits (e.g.: new business ventures started and expended, patents obtained, UL certification achieved, publications, presentation at conferences, etc.). Describe how the success of the project can be measured or verified.

Section 3: Business Development and Commercialization Task Relevance (*one page*) – Describe how the proposed activities are relevant to the operations of the company.

- **Relevance of Proposed Activities:** Indicate which tasks supported by this solicitation the contractor proposes to complete. For each, clearly describe how and why the activities are relevant given the stage of technology development and the operations of the company. **Identify the preparatory work necessary prior to completing the proposed activities, and show that the company has completed that preparation.** Summarize how completion of those tasks will be accomplished. Explain how it will benefit the company by supporting or enabling the pursuit of the expansion opportunity. Identify how success will be measured. Provide best-case, worst-case, and most likely outcomes.

Section 4: Project Plan (Statement of Work) and Schedule (*two to four pages*) – The project plan must identify what Business Development or Commercialization tasks the contractor proposes to complete and clearly present how the contractor plans to complete those tasks. This includes indicating whether the project work will be completed in-house or by third-party vendors or consultants. No weight is given to either scenario; but rather, it is important that the proposer presents a concise and effective project plan.

The project plan must include the following:

- **Project Plan/Task List:** Describe how the selected activities will be completed. Identify each task necessary to complete the business development or commercialization activity. A three- to four-sentence description of the work to be performed under each task should be included.
- **Deliverables:** For each proposed activity, provide the list of deliverables associated with each and the milestone payments assigned to the deliverables as listed in *Section III – Program Requirements* of this solicitation.
- **Schedule:** Provide an overall schedule of the project and timing of major tasks and deliverables. Show the tasks associated with the project funded under this solicitation in the context of and as it relates to the wider technology development/demonstration & commercialization effort. Each task should be identified in the Project Plan should be included in the schedule. The entirety of the project funded under this solicitation should be completed within 6 months.

Section 5: Proposer, Team, Vendor, or Consultant Qualifications & Experience (*two to four pages, depending on team size*) – Identify:

- Proposer and any other team members with a clear description of the roles and responsibilities of each team member in completing the work plan. (Note: Subcontracts of \$50,000 or more are subject to competitive bid procedures except where the proposal identifies a specific subcontractor as an integral participant in the proposed work; see Sample Agreement).
- Project Manager and other key individuals.

- Relevant qualifications, abilities, and experience of all individuals named above. Brief summary resumes of key individuals should be included in the Appendices. Note, prior to an award being made, potential contractors may be required to demonstrate: access to financial resources sufficient to perform the proposed work, pertinent technical experience, adequate facilities (or the ability to access them), a good performance record, and the ability to qualify for an award under applicable laws and regulations.
- The level of involvement of each team member in relevant past projects, with specific roles and responsibilities identified, along with the deliverables/key results of those project(s).
- Identify the recent or current NYSERDA R&D contract which is supporting the development of the technologies. Identify any other NYSERDA contract awarded to the proposer and any proposals submitted by the proposer, if any, in the past five years, with the status of those contracts briefly described.

Section 6: Budget (*one page*) – Using the budget worksheet included in the solicitation package, provide a detailed project budget which includes estimates for labor, including hours and rates, equipment, travel, subcontractor costs, and any other costs or information which justifies the overall cost of the proposed project. The budget amount for each proposed activity must not exceed the amounts listed for that activity in the solicitation document, and must not exceed a total budget amount of \$100,000. If possible, include subcontractor quotes in the appendix of this proposal. This budget will be used as the basis for calculating project milestone payments. Fee/profit is not permitted under any circumstances. A worksheet must be filled out and provided as part of the proposal submission for EACH proposed activity.

Cost Sharing - The proposal should show non-NYSERDA funding of at least 20% of the total cost of the project. Cost sharing can be from the proposer, other team members, and other government or private sources. Contributions of direct labor (for which the laborer is paid as an employee) and purchased materials may be considered "cash" contributions. Unpaid labor, indirect labor, or other general overhead may be considered "in-kind" contributions. NYSERDA will not pay for efforts which have already been undertaken. The proposer or proposing team cannot claim as cost-share any expenses that have already been incurred. Show the cost-sharing plan in the following format (expand table as needed):

	Cash	In-Kind Contribution	Total
NYSERDA	\$	\$	\$
Proposer	\$	\$	\$
Others (list individually)	\$	\$	\$
Total	\$	\$	\$

Appendices – As an attachment to the proposal, include any resumes, company qualifications, financial statements, or ancillary information which is deemed necessary to support your proposal. These attachments should be as brief as possible and relate directly and succinctly to the information provided in this proposal. Superfluous and unnecessary information will be discarded and may result in the proposal being deemed non-responsive. If appropriate, also include:

- **Letters of Interest or Commitment** – If you are relying on any other organization to do some of the work, provide services or equipment, or share in the non-NYSERDA cost, include a letter from that organization describing their planned participation and signed by a person authorized to contractually obligate the organization. Also include letters of interest or commitment from businesses or other organizations critical to the future commercialization, demonstration, or implementation of the project. Absence of letters of interest or commitment will be interpreted as the proposer not having support from the identified parties.

- **Exceptions to the Terms and Conditions** – If you do not accept the standard terms and conditions as contained in the attached Sample Agreement, provide alternate terms with justification based on the risk and benefit to NYSERDA and New York State.
- **Potential Conflicts of Interest** – Identify the nature of any potential conflicts of interest among team members in providing services to NYSERDA under this PON. Fully discuss possible conflicts of interest, actual and perceived, which could arise in connection with performance by team members of the proposed contract. Describe how your firm would resolve conflicts of interest. In the event that NYSERDA determines that a team member may have a conflict of interest or the appearance of such, NYSERDA may: (1) take this into consideration in evaluating the proposal; (2) exclude the proposer from consideration for an award; (3) adjust the scope of work to avoid the conflict of appearance of conflict; or (4) negotiate other appropriate actions with the team member to avoid the conflict or appearance of conflict.

V. Proposal Evaluation

Proposals that meet the Proposal requirements will be reviewed by a Technical Evaluation Panel (TEP) using the Evaluation Criteria below. When multiple activities are proposed, the evaluation panel will evaluate each activity separately.

Task Relevance and Appropriateness

- Is the selected business development or commercialization task needed and relevant to the operations of the proposer?
- Has the proposer identified and completed the relevant technical development, business development, and commercialization tasks which would be considered predecessors of the selected task(s)?
- How much impact might NYSERDA funding have in mitigating the risks of the anticipated expansion of the business? How critical is the proposed project to the proposer's ability to expand its business as expected?

Quality of the Business Case

- Has the proposer adequately identified and defined the business opportunity for the innovation? How substantial is the expected business expansion opportunity to the proposer?
- Does the proposal present sound business reasons for undertaking the proposed project? Do these reasons relate to the expansion of the business?
- Are the technologies utilized in the future product and service at a relevant level of development? Are subsequent development plans well defined and realistic?
- Is the proposer's assessment of its opportunities supported by presented data, information, and analysis?
- Are the proposer's forecasts reasonable based on presented data, information, and analysis?
- Are the operational objectives of the project clearly related to the attainment of business benefits?
- How well have potential risks been identified and described? How sound is the proposer's approach to mitigating these risks?
- How do the financial and operational risks of the project balance against its potential benefits?

Quality of the Proposal and Project Plan

- Is the description of the technology being developed and commercialized and relevant background sufficient to evaluate its technical merit and stage of development?
- Does the plan contain information sufficient to evaluate its merits? Are relevant background materials included including the business plan, financial data, market assessments, marketing plan, and other analyses and forecasts of a sufficient level of refinement, as appropriate for the stage of development of the proposer?

- Are the proposed project plan and schedule well-conceived, clear, and likely to succeed? Is the plan likely to achieve the objectives and attain the business benefits set forth in the proposal?
- Are the strategies and tasks proposed appropriate to meet the objectives?
- Are significant project milestones identified and scheduled?
- How feasible is the proposer's plan to coordinate all team members' activities?
- Does the proposal clearly indicate the proposer's specific role in and relationship to proposed activities?

Proposer & Team Qualifications

- Are the roles of the project team, including external team members, clearly defined?
- How complementary are the skills and background of the team members? Is team experience appropriate for carrying out the project as proposed?
- Do the proposing company's history, core capabilities and technology enhance its likelihood of success in this project?
- How firm are the commitments from the subcontractors and/or external team members?
- What has the proposers' past performance in NYSERDA programs been, if applicable?

Budget and Schedule

- Are the budget and schedule for proposed activities and deliverables reasonable (e.g., budgeted costs match the scope of planned activities)?
- How effective are the proposed milestone payments in ensuring project success?
- Can the effort be financially supported by the proposer or team?
- To what degree are NYSERDA funds leveraged by proposer cost sharing? Can cost-sharing be verified?
- Does the allocation of cost sharing demonstrate an appropriate level of risk sharing between NYSERDA and the proposer?

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 exempt it from disclosure, including a written statement of the reasons why the information should be exempted. See Public Officers Law, Section 89(5) and the procedures set forth in 21 NYCRR Part 501 www.nyserda.org/about/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/2007/fillin/st/st220td_507_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.pdf>.

Contract Award - NYSERDA anticipates making multiple awards under this solicitation. 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 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 8 weeks from the solicitation due date whether your 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 – Budget Worksheet

Attachment D – Proposal Template

Attachment E – Template Instructions

Attachment F – Sample Agreement