REQUEST FOR PROPOSALS

FOR AS-NEEDED ENERGY PERFORMANCE CONTRACTING SERVICES

FOR THE COLORADO ENERGY PERFORMANCE CONTRACTING PROGRAM

THE GOVERNOR'S ENERGY OFFICE

1580 Logan St, Suite 100

Denver, CO 80203

April 17, 2012

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REQUEST FOR PROPOSALS
FOR
AS-NEEDED ENERGY PERFORMANCE CONTRACTING SERVICES

1.0 Overview and Background

The Colorado Governor's Energy Office (GEO), through its Energy Performance Contracting (EPC) Program seeks proposals from Energy Service Companies (ESCOs) to be pre-qualified for as-needed energy performance contracting services in Colorado's public buildings including but not limited to state agencies/institutions, higher education, K-12 school districts, and local governments. ESCOs selected through this RFP that enter into a subsequent contract with GEO will be eligible to provide EPC services to these governments that may choose to participate in GEO's EPC Program.

Selected ESCOs will commit to GEO's EPC Program guidelines via a Base Agreement ESCO contract with GEO. ESCOs under contract with GEO will be pre-qualified to provide as-needed Energy Performance Contracting (EPC) services to GEO's Energy Performance Contracting Program participants. Facility Owner participants will sign a Facility Owner's Memorandum of Understanding (MOU) to follow program guidelines and will be directed to use the pre-qualified list to select an ESCO for their performance contracting project, using a recommended secondary selection process.

Small, medium and large firms are encouraged to submit proposals for consideration. The primary intent of this selection process is four-fold:

- To increase the number of successful performance contracts state-wide, as a means to implement comprehensive energy-efficiency projects in existing buildings that would otherwise be cost-prohibitive;
- To provide the GEO EPC Program participants the opportunity to procure services of qualified firms in a timely and cost-effective way
- To ensure minimum qualifications of ESCOs to implement successful energy performance contracting projects.
- To offer all qualified firms the opportunity of equal access to work generated by GEO.

The Base Agreement ESCO Contract will contain rate schedules as proposed by the responding ESCO or as negotiated. Maximum rates will be established. Compensation for specific work will be detailed in the resulting contracts for specific projects.

GEO has promoted energy performance contracting for over a decade, providing technical assistance to state and local governments to help implement over $150 million in performance contracting projects. GEO provides a standardized process with clear direction and accountability for all participants in development, implementation, and measurement and verification of energy performance contracting projects by defining roles and responsibilities; formalizing process steps; establishing maximum cost schedules; providing standard contract documents; and establishing measurement and verification guidelines. Potential GEO EPC Program participants include state and local governments (state departments, higher education institutions, public school districts, municipal and county governments, recreation/library districts, as well as multi-family building operations and other approved entities identified by GEO. Energy performance contracting enables these participants to accomplish energy projects without using capital budgets, paying for projects through resulting savings.

2.0 Proposal Submittal and Selection Process

2.1 POLICIES

2.1.1 All submittals shall become the property of the State of Colorado and will not be returned.

2.1.2 No specific work is associated with the Base Agreement ESCO Contract, as participation by facility owners in the GEO EPC Program is voluntary.

2.1.3 The actual extent of services required under any contract as a result of this solicitation is not known.

2.1.4 No individual firm is assured of obtaining any work as a result of selection.

2.1.5 The roles, responsibilities and requirements of the ESCO are outlined in the Base Agreement ESCO Contract.

2.2 SUBMITTAL INSTRUCTIONS

2.2.1 All submittals shall become the property of the State of Colorado and will not be returned.

2.2.2 Late submittals shall not be evaluated.

2.2.3 The State reserves the right to reject any or all proposals on the basis of being unresponsive to these guidelines or for failure to disclose requested information.

2.2.4 The State shall not be liable for any costs incurred by respondents in the preparation of submittals and proposals nor in costs related to any element of the selection and contract negotiation process.

2.2.5 Pre-proposal Conference

A Pre-proposal Conference will be held at:

Location: Governor's Energy Office, 1580 Logan St., Suite 100
Date and Time: Thursday, May 3rd, 10am – 12pm

The purpose of the Pre-proposal Conference will be to review the requirements of this RFP and answer questions from ESCOs in

attendance. Attendance by ESCO representatives in person or via conference call at the Pre-proposal Conference is mandatory for submission of a response to this RFP.

2.2.6 Communications Regarding This RFP

Questions and requests for clarification on this Request for Proposals must be submitted *in writing via email* following the instructions posted in the Notice.

No verbal inquiries will be addressed. In the event it becomes necessary to revise any part of this RFP, a notice revision will be posted on the Colorado Construction and Design Notices website. Written modifications only will be legally binding. No employee or agent of the State may verbally alter the contents of the RFP.

Communication with other State officials, the Selection Committee, or others associated with the GEO and public facilities with regard to this Request for Proposals is prohibited.

2.3 SUBMITTAL FORMAT

2.3.1 Prepare proposals to respond to the items in the ESCO Response to Request for Proposals (Attachment B), identically following the same sequence and outline as found in Attachment B. State each number and question prior to your response.

2.3.2 Submit *Request For Proposal Cover Sheet* and submit five CD, DVD or USB Flash Drive copies (IBM platform) of the submittals. Each copy of the CD, DVD, or Flash Drive shall include only two files, both in the .pdf format. The Response (Attachment B) shall be converted in entirety to a single .pdf formatted file and submitted on the CD, DVD, or Flash Drive. Similarly, the requested sample investment grade audit report shall be converted in its entirety to .pdf format and copied as a single file onto the same CD, DVD or Flash Dive. Security protection of the pdf file is allowed, but printing shall be enabled.

2.3.3 Deliver proposals to:

Governor's Energy Office
1580 Logan Street, Suite 100
Denver, CO 80203
Attn: Hillary Dobos

No later than 4:00 PM MT, May 16, 2012

SUBMITTAL SCHEDULE

The following schedule has been established for this Request for Proposals. Note that this schedule may be subject to change.

1.	RFP Published on the Colorado BIDS Systems, Colorado Construction and Design Notices and first advertisement in Colorado Daily Journal	April 17, 2012
2.	Pre-Proposal Conference	10:00 am MT on May 3, 2012
3.	Prospective Offeror(s)' written inquiries	5:00 pm MT on May 8, 2012
4.	Responses to Inquiries	5:00 pm MT on May 11, 2012
5.	Proposal Submission	4:00 pm MT on May 16, 2012
6.	Proposal Review Period	May 17 thru June 1, 2012
7.	Interviews (if required)	June 4 thru June 8, 2012
8.	Notice of Intent to Award	June 15, 2012
9.	ESCo Contracts	TBD

2.4 SELECTION PROCESS

2.4.1 Pre-Qualification.

A Selection Committee will review and score proposals and make recommendations to GEO. The Committee may schedule oral interviews with one or more responding companies to gain clarification as needed. ESCOs that are selected for pre-qualification shall sign a Base Agreement ESCO Contract prior to being listed as a pre-qualified ESCO.

2.4.2 Base Agreement ESCO Contract with GEO

Successful companies will enter into an ESCO Contract with GEO (Attachment A) in order to be listed as a pre-qualified ESCO. The ESCO shall engage in a good faith effort to promote the GEO and shall adhere to its guidelines, requirements, and provisions. GEO reserves the right to amend the contract upon annual renewal.

An ESCO Contract will be for a one-year period. GEO will monitor and review ESCO performance for compliance with GEO guidelines, requirements, process, and documentation. There is no right or expectation of renewal and any renewal

will be determined at the discretion of the GEO. Changes in ownership or other factors can be submitted at any time for consideration.

2.4.3 Selection for Projects

A GEO EPC Program participant may use a secondary selection process to select an ESCO to implement a performance contracting project at the participant's facilities. The secondary ESCO selection process will vary with the participant's procurement policies (see Attachment C).

3.0 Scope of Work

3.1 ENERGY PERFORMANCE CONTRACT PROJECT PHASES

3.1.1 Marketing and Preliminary Project Evaluation

GEO will actively market the GEO Energy Performance Contracting Program to potential participants within the State, providing the pre-qualified list of ESCOs along with the program guidelines.

Pre-qualified ESCOs under contract with GEO are encouraged to directly market their services under the GEO's Program to potential participants within the State. When a potential project is identified, the ESCO shall work with the Facility Owner to engage the GEO for project support. The ESCO may also be required to develop initial feasibility studies for potential projects.

3.1.2 Technical Energy Audit and Project Development

The ESCO and the Facility Owner will execute a Technical Energy Audit (TEA) and Project Proposal Contract (Attachment F). This contract sets specific expectations and provides a detailed process for both the ESCO and the Facility Owner. The contract also defines the deliverables to the Facility Owner and establishes the basis for the Energy Performance Contract to follow. It incorporates current state statutes that directly relate to performance contracting for state agencies and institutions (Attachment D) and for Colorado local governments (Attachment E).

The Technical Energy Audit will identify and evaluate cost-saving measures and define the proposed project scope, cost, savings and cash-flow over the proposed financing term. As part of the TEA, a project proposal will present aggregated measures that can be financed through guaranteed savings.

3.1.3 Energy Performance Contract Implementation

Upon satisfactory completion of the Technical Energy Audit, the Facility Owner will have the option to execute an Energy Performance Contract with the ESCO to implement the recommended facility improvement measures. (Attachment G). The Energy Performance Contract will define

the final agreed upon scope of work and all its associated costs and mutual responsibilities between the ESCO and the Facility Owner, as well as facility improvement measures, the equipment and labor costs associated with them, and all guaranteed energy and maintenance cost savings. It incorporates current state statutes that directly relate to performance contracting for state agencies and institutions (Attachment D) and for Colorado local governments (Attachment E). A separate financing agreement will be developed including ESCO payment schedules and lender financing terms and schedules.

Upon execution of the Energy Performance Contract, the ESCO proceeds to final design, construction, and commissioning of the improvement measures.

3.1.4 Performance Period

The Energy Performance Contract Performance Period begins upon construction completion and acceptance by the facility owner. The Energy Performance Contract will include a number of services the ESCO will provide until the end of the contract including but not limited to measurement and verification of savings persistence, the savings guarantee, staff training, and, possibly, contract maintenance services.

3.2 RESPONSIBILITIES OF ALL PARTIES

Attachment A: Baseline Agreement ESCO Contract outlines the responsibilities and services to be provided by the ESCO, by GEO and by the Facility Owner.