

COMMONWEALTH OF VIRGINIA

Department of Mines, Minerals and Energy

Washington Building / 8th Floor
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Request for Proposals To Provide Support for Energy Efficiency Residential Retrofit Programs Virginia Department of Mines, Minerals and Energy (DMME)

Specific Authority: These funds are authorized by the 2010 U. S. Department of Energy Grant, Funding Opportunity Number: EE-0000208, CFDA Number: 81.041, SEP American Recovery and Reinvestment Act (ARRA).

Request Issued By: Virginia Department of Mines, Minerals and Energy (DMME)

Request Issued: **November 10, 2014**

Project Performance Period: **December 1, 2014 through November 30, 2015**

Proposal Due: Unsealed proposals shall be received at the address identified below no later than 2:00 p.m. on Friday, December 5, 2014. Any proposals received after 2:00 p.m. on that date will be rejected and returned to the submitter in their entirety and all electronic copies received and associated with late proposals will be deleted without being read. DMME reserves the right to reject any and all proposals, at any time, whenever such is in the best interest of the Commonwealth of Virginia.

Proposal Process: The Offeror is encouraged to submit **1 complete electronic copy** of the entire proposal and attachments, to be submitted via email. Offeror is allowed to submit 1 paper copy of the entire proposal in lieu of an electronic copy.

Proposals may be mailed or hand-delivered to:

**Barbara Simcoe, State Energy Program Manager
Virginia Department of Mines, Minerals and Energy
Washington Building/8TH Floor
1100 Bank Street
Richmond, VA 23219**

Electronic copies should be emailed to:

barbara.simcoe@dmme.virginia.gov

Technical Questions: Please direct inquiries (written via email, mail or fax only, no phone calls) to:

Barbara Simcoe, State Energy Program Manager
VA Department of Mines, Minerals and Energy
Washington Building/8th Floor
1100 Bank Street
Richmond, VA 23219
804-692-3218
barbara.simcoe@dmme.virginia.gov

Questions on RFP Process: Please direct inquiries to:

Jackie G. Lynch, Buyer
VA Department of Mines, Minerals and Energy
Washington Building/8th Floor
1100 Bank Street
Richmond, VA 23219
804-692-3209
Jackie.lynch@dmme.virginia.gov

1. Request For Unsealed Proposals (RFP)

1.1 Goal:

The DMME is looking to provide a limited amount of financial assistance (up to \$250,000 total) to Regional Energy Alliances (REAs) that have demonstrated a proven and successful track record of operating a Building Energy Efficiency Retrofit Program in Virginia.

In Virginia, REAs are incorporated, non-profit organizations that were formed to undertake “home performance” building retrofit projects. The REA staff work with homeowners, as well as some commercial building owners, including multi-family building owners, to design and implement energy efficiency projects that include conducting building energy audits, developing a customized energy reduction plan for each home/business, lining up energy retrofit certified contractors and overseeing Quality Assurance/Quality Control Services to ensure that projected energy savings are met.

DMME’s goal is to assist one or more REAs as they transition from organizations that were initially funded with a high level of governmental financial support to a business model with less reliance on government funds; and to characterize and quantify economic benefits of “home performance” programs and verify that the economic benefits exceed the economic value of the minimum public investment required to sustain a REA that has transitioned to a mostly market based business model.

1.2 Proposal Contents

Proposals shall contain the following elements, most of which will be incorporated into the scope of work in the contract that is awarded to the selected proposal(s):

1. A comprehensive list of residential and commercial retrofit, marketing and educational services, some of which are described above, that the REA provides to its clients, including historical retrofit accomplishment metrics, such as:
 - the number of residential and commercial buildings retrofitted by calendar year, quantity of energy, environmental and economic benefits produced by unit retrofits on average and in aggregate,
 - the dollar value of unit retrofit investments on average and in aggregate, broken down by funding sources, i.e. incentives provided by the REA, public sourced or subsidized loans, private sourced loans and cash.
2. A written Business Plan with pro forma budgets, staffing, services, funders, strategic partners, objectives, goals for the number and depth of retrofits to be achieved, and short and long-range (1-5 years) strategic steps to move further away from a business model dependent on a high level of governmental financial support to a business model with less reliance on government funds.
3. A clear organizational chart showing staff positions and responsibilities.
4. A Marketing Plan describing marketing strategy in accordance with the Business Plan, including detailed allocation of marketing resources.
5. An analysis of the organization's use of its Board members, funders, and clients.
6. A summary view of the REA's community energy efficiency services, communications, pricing, funding.
7. A list of key strategic partners with which the REA is affiliated, including lenders, state and local governments, advocacy and policy organizations, consulting firms, private vendors, direct energy efficiency providers, and others.
8. Written commitments from other participating partners who will provide the REA with funding and descriptions of how such funds will be used.
9. A detailed statement of how the REA will spend the DMME funding and how the DMME funding will be pivotal in helping the REA transition to a market based business model, and assist with other energy efficiency goals of the 2014 Virginia Energy Plan, such as increasing the use of Energy Performance Contracting (EPC) by governments.
10. A description of proposed approach and methodology to characterize and quantify economic benefits of "home performance" programs and verify that the economic benefits exceed the economic value of the minimum public investment required to sustain a REA that has transitioned to a mostly market based business model.
11. A list of proposed performance metrics to demonstrate measureable progress to achieve:
 - a. The proposed goals for the number and depth of retrofits.
 - b. Significant progress to transition further away from a business model dependent on a high level of governmental financial support to a business model with less reliance on government funds.

2. Unsealed RFP Process

2.1 RFP Schedule

Barbara Simcoe, State Energy Program Manager at the DMME, is overseeing this RFP. Key steps and the schedule for the RFP process are as follows:

RFP issued by the DMME	November 10, 2014
Proposals due	December 5, 2014
Proposals reviewed	November 10 - December 12, 2014
Vendor(s) selected by the DMME for negotiations	December 12, 2014
Target date to finalize contract with selected vendor(s)	December 19, 2014

These dates are subject to change by the DMME. The DMME will post notice of any proposed changes to this RFP on the DMME website.

2.2 Question and Answer Procedures and Addenda

Questions and answers will generally be handled in writing and answered on the DMME website and through Addendums published on the Virginia Business Opportunities (VBO) website. Any written questions shall be submitted to the DMME at the addresses specified for the receipt of proposals or to the following email addresses: barbara.simcoe@dmme.virginia.gov for technical questions and jackie.lynn@dmme.virginia.gov for RFP process questions. Faxed questions or inquiries will be accepted until 2 pm on December 3. The DMME may modify this RFP prior to the date fixed for submission of proposals by issuance of an addendum posted on the DMME and VBO websites. Addenda will be numbered consecutively, the first being A-1.

2.3 Due Date

Proposals will be due no later than 2:00 p.m. Eastern Time on Friday, December 5, 2014. The Offeror is encouraged to submit **1 complete electronic copy** of the entire proposal and attachments, to be submitted via email. Offeror is allowed to submit 1 paper copy of the entire proposal in lieu of an electronic copy.

Proposals may be mailed or hand-delivered to:

**Barbara Simcoe, State Energy Program Manager
Virginia Department of Mines, Minerals and Energy
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1100 Bank Street
Richmond, VA 23219**

Electronic copies should be emailed to:

barbara.simcoe@dmme.virginia.gov

The DMME is not responsible for lost or misdirected proposals. Verbal communications with the DMME staff are encouraged, but shall not be binding on the DMME and shall in no way modify this RFP or excuse

proposers from the requirements set forth in the RFP. Such modifications shall only be made in writing through RFP addenda as indicated above.

The DMME's selection of a vendor(s) to this RFP process does not mean that the DMME accepts all aspects of the proposal, modifications to which may be requested and agreed to during contract negotiations. Costs for preparing proposals are entirely the responsibility of each proposer and shall not be chargeable to the DMME. If the DMME is unable to reach an agreement with the vendor(s) originally selected, it may select the next highest-ranking respondent from the original list, without the need to conduct a separate RFP.

2.4 Form of Proposals

Instructions and Proposal Outline

These instructions prescribe the general contents of the proposals.

1. Cover letter,
2. Proposal Outline, and
3. Cost.

Cover Letter

The cover letter transmitting the proposal must be executed by a responsible authorized official of the vendor.

Proposal Contents

The proposal narrative shall address the elements listed above and shall be no more than 20 pages in length. This is a competitive process. Proposers are asked to be creative in their proposals, addressing and suggesting trade-offs, submitting multiple options where reasonable—all aimed at achieving the fundamental goal as stated in Section 1.1 of this RFP.

2.5 Evaluation Criteria

Proposals will be reviewed and ranked by the DMME staff for completeness and scored according to the following criteria:

1. A comprehensive list of residential retrofit services, some of which are described above, that the REA provides to its clients, including historical retrofit accomplishment metrics, such as: the number of buildings retrofitted by calendar year; quantity of energy, environmental and economic benefits produced by unit retrofits on average and in aggregate; the dollar value of unit retrofit investments on average and in aggregate, broken down by funding sources, i.e. incentives provided by the REA, public sourced or subsidized loans, private sourced loans, cash - worth up to 20 weighted points.
2. A complete and implementable Business Plan - worth up to 5 weighted points.
3. A Marketing Plan that clearly develops an effective marketing strategy and allocation of marketing resources, including a component to assist with other energy efficiency goals of the 2014 Virginia Energy Plan, such as increasing the use of Energy Performance Contracting (EPC) by governments - worth up to 20 points.

4. An integrated analysis of the organization's use of its Board members, funders, clients, other community energy efficiency service providers and other key strategic partners – worth up to 5 points.
5. Written commitments from other participating partners who will provide the REA with funding and descriptions of how such funds will be used – worth up to 5 points.
6. A detailed statement of how the REA will spend the DMME funding and how the DMME funding will be pivotal in helping the REA transition to a market based business model – worth up to 15 points.
7. A description of proposed approach and methodology to characterize and quantify economic benefits of “home performance” programs and verify that the economic benefits exceed the economic value of the minimum public investment required to sustain a REA that has transitioned to a mostly market based business model - worth up to 20 points
8. A list of proposed performance metrics to demonstrate measureable progress to achieve:
 - a. The proposed goals for the number and depth of retrofits – worth up to 5 points.
 - b. Significant progress to transition away from a business model dependent on a high level of governmental financial support to a business model with less reliance on government funds – worth up to 5 points.