Request for Proposal

Energy Efficiency Programs Process and Impact Evaluation

Issued: 3/21/2017
Questions Due: 4/5/2017
Responses Due: 5/10/2017
RFP Coordinator: Rob Ward

Idaho Power Company
P.O. Box 70
Boise, ID 83707
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I. INTRODUCTION

A. Purpose

Idaho Power Company ("IPC") is currently seeking proposals in response to this Request for Proposal ("RFP") from qualified organizations or individuals interested in providing assistance in conducting impact and/or process evaluations of three Idaho Power residential and commercial/industrial programs. Impact evaluations would provide analysis for the 2016 program year. Process evaluations would analyze current program processes. Contractors are encouraged to provide a proposal for all or part of the scope of services requested in this Request for Proposal (RFP).

Commercial/Industrial Program (Process Evaluation)

Note: Prior to 2016, there were three separate commercial/industrial programs. In 2016, these programs were combined to create one program. Previously, the programs were: Building Efficiency, Custom Efficiency, and Easy Upgrades. The measure offerings to the customers remained relatively unchanged with prescriptive measures for new construction and major renovations, custom incentives for complex projects, and prescriptive measures for simple retrofits. The programs were combined with the intention to clarify program offerings and to improve marketing to customers. The combined program continues to be successful, with a reported overall savings of 88,161 MWh and 1,903 projects in 2016. The components of the Commercial/Industrial program are summarized below:

New Construction
New Construction (previously the Building Efficiency program), enables customers to apply energy-efficient design features and technologies in new commercial and industrial construction, expansion, or major remodeling projects. The program offers a menu of measures and incentives for lighting, cooling, building shell, controls, appliances, and refrigeration-efficiency options. Program ex-ante savings are determined by third party lighting calculations and a technical reference manual provided by a third-party engineering and evaluation firm.

Retrofits
Retrofits (previously the Easy Upgrades program), is a prescriptive measure program for the commercial and industrial retrofit market. The program encourages customers to implement energy efficiency retrofits by offering specific incentives on a defined list of measures. Customers can also apply for incentives for non-standard lighting measures. Eligible measures cover a variety of energy saving opportunities in lighting, HVAC, building shell, VFD’s, food service equipment, and other commercial measures. Program ex-ante savings are determined by third party lighting calculations and a technical reference manual provided by a third-party engineering and evaluation firm.

Custom
Custom (previously the Custom Efficiency program) targets energy savings by implementing customized energy efficiency projects at customer locations. Program offerings include energy efficiency training and education, energy auditing services, and financial incentives. Idaho Power engineers work with customers and vendors to gather sufficient information to support their energy savings calculations. In some cases, large, complex projects may take as long as two years to complete. Every project is verified post-completion by Idaho Power staff or an Idaho Power contractor.
Residential Programs

Heating and Cooling Efficiency (Process and Impact Evaluation)

The Heating & Cooling Efficiency Program provides incentives to residential customers in Idaho Power's Idaho and Oregon service area for the purchase and proper installation of qualified heating and cooling equipment and services.

Initiated in 2007, the objective of the program is to acquire energy savings by providing customers with energy efficient options for electric space heating and cooling. The available measures in 2016 included ducted air source heat pumps, ducted open loop water source heat pumps, ductless air source heat pumps, duct-sealing, whole-house fans, electronically commutated motors, evaporative coolers, and smart thermostats.

Idaho Power requires licensed contractors to perform the installation services related to these measures, with the exception of evaporative coolers that can be self-installed. A licensed contractor must also be an Idaho Power participating contractor for the ducted air source heat pump, ducted open-loop water source heat pump, ductless air source heat pump, and duct-sealing measures.

Home Energy Audit (Impact Evaluation)

The Home Energy Audit program is an in-home energy evaluation by a certified, third-party home performance specialist (HPS). It is used to provide specific recommendations to improve the efficiency, comfort, and health of the home. An audit includes a visual inspection of the crawl space and attic, a health and safety inspection, and a blower door test.

After the audit is complete, the customer is supplied with a hardcopy or password-protected electronic copy of the HPS's findings and recommendations. In addition to the evaluation, some energy-saving improvements are installed at no additional cost to the customer if appropriate including: 1) Up to 20 efficient light bulbs (CFLs and LEDs), 2) One high-efficiency showerhead, 3) Pipe insulation from the water heater to the home wall (approximately 3 feet).

To qualify for the Home Energy Audit program, a participant must live in Idaho and be the Idaho Power customer of record for a home. The home must be an existing site built home, and up until 2016, homes had to be all electric. Renters may participate with prior written permission from the landlord. Single-family homes, duplexes, triplexes, and fourplexes qualify, though multi-family homes must have discrete heating units and meters for each unit.

Participating customers pay $99 (all-electric homes) or $149 (other homes: gas, propane or other fuel sources) for the audit and installation of measures, with the remaining cost covered by the Home Energy Audit program. The difference in cost covers the additional testing that is necessary for homes that are not all-electric.

For more information regarding these programs, please refer to the 2016 DSM Annual Report by using the link below:  https://www.idahopower.com/EnergyEfficiency/reports.cfm

B. Company Background

IDACORP, Inc. is a holding company formed in 1998. Comprised of regulated and non-regulated businesses, its origins lie with Idaho Power, a regulated electric utility that began operations in 1916.

Today, IPC is the largest regulated electric utility in the state of Idaho and IDACORP’s chief subsidiary. IPC serves over 500,000 residential, business, agricultural, and industrial customers. The company's
service area covers approximately 24,000 square-miles, including portions of eastern Oregon. Learn more about Idaho Power at www.idahopower.com.

C. Scope of Work/Specifications and Requirements

Key Objectives

The key objectives of the impact evaluation include:

- Determine and verify the energy (kWh, kW) impacts attributable to the 2016 programs. Ex-ante savings estimates are determined using various sources including the Regional Technical forum deemed savings, program technical reference manuals, lighting calculator, and internal/external engineering.
- Provide credible and reliable program energy and non-electric impact estimates and ex-post realization rates attributed to each program for the 2016 program year.
- Report findings and observations, and provide recommendations that enhance the effectiveness of future ex-ante savings analysis and the accurate and transparent reporting of program savings.

The key objectives of the process evaluation include:

- Evaluate program design including program mission, logic, and use of industry best practices.
- Evaluate program implementation including quality control, operational practice, and outreach.
- Evaluate program administration including program oversight, staffing, management, training, documentation and reporting.
- Report findings and observations and recommendations to enhance program effectiveness.

Key Tasks

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

**Task 1: Statement of Work Meeting**
Contractor will meet with Idaho Power staff within two weeks on contract signing and present proposed evaluation methodologies, data collection plan, analysis, report preparation and delivery, and any other activities contractor and IPC feel pertinent to the evaluation. A final Statement of Work will be developed based on outcomes from this meeting. This Statement of Work will become part of the contract and will become the basis for this evaluation.

**Task 2: Work Plan**
The contractor will develop a detailed work plan based on the Statement of Work. The work plan will include evaluation goals, a schedule of tasks and delivery dates, evaluation goals, evaluation methodologies, and a sampling plan. This plan must be approved in writing by IPC prior to contractor beginning further evaluation.

**Task 3: Site Visits and Participant Interviews**
Where appropriate, the contractor will verify installation of energy efficiency measures and associated energy impacts including kW, kWh, MBtu, by conducting site visits to program
participant locations. Contractor should recommend and propose the appropriate number of site visits based on their experience and expertise with similar evaluations.

It is necessary that the contractor coordinate efforts with Idaho Power Major Customer Representatives regarding customer contact and conduct research in such a manner as to minimize the time impact on IPC’s customers participating in this evaluation. Information provided by program participants will be considered confidential in terms of attribution and shall not be shared with any other party.

**Task 4: Impact Analysis**
The contractor will analyze the data collected from previous tasks to develop estimates of energy impacts at the program and measure levels. Contractor will provide these estimates by comparing deemed values to the source, data collected from site visits, desk reviews, customer interviews, and “best practice” engineering methods. Contractor will provide an estimation of program realization rates to assist in determining ex-ante gross energy savings.

**Task 5: Process Analysis**
The contractor will evaluate program design including program mission, logic, and use of industry best practices. Contractor will evaluate program implementation including quality control, operational practice, and outreach. Contractor will evaluate program administration including program oversight, staffing, management, training, documentation and reporting, and seamlessness of C/I program integration.

**Task 6: Reporting**
The contractor will be required to provide to the IPC Energy Efficiency Evaluator bi-weekly status reports detailing progress toward completion and any obstacles encountered. These status reports will be due by the 1st and 15th of each month and will include an updated schedule of future activities.
The contractor will provide a draft final report to the IPC Energy Efficiency Evaluator upon completion of all tasks. This draft will be reviewed by IPC and comments will be provided to contractor for clarification as necessary. The contractor will provide to the Energy Efficiency Evaluator, the final version of the report. Graphs and/or tables are recommended for information not easily conveyed in narrative form. The draft and final report is required to contain, at a minimum, sections containing: an executive summary, evaluation methodologies, and findings and conclusions.
II. GENERAL INFORMATION FOR RESPONDENTS

A. Key Events and Dates

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

<table>
<thead>
<tr>
<th>Event</th>
<th>Estimated Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFP Issued</td>
<td>3/21/2017</td>
</tr>
<tr>
<td>Last Day for Respondents to Submit Questions and Notice of Intent to Bid</td>
<td>4/5/2017</td>
</tr>
<tr>
<td>RFP Responses Due</td>
<td>5/10/2017</td>
</tr>
<tr>
<td>RFP IPC Review and Evaluation Complete</td>
<td>5/22/2017</td>
</tr>
<tr>
<td>Contractors Presentations, if any</td>
<td>5/22/17 through 5/26/2017</td>
</tr>
<tr>
<td>Contract Signed</td>
<td>6/13/2017</td>
</tr>
<tr>
<td>Begin Project</td>
<td>6/16, 2017</td>
</tr>
<tr>
<td>Final Report</td>
<td>10/27/2017</td>
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</tbody>
</table>

B. Deadlines

NOTICE OF INTENT TO BID

A notice of Intent to Bid must be submitted through the Power Advocate tool to the RFP Coordinator by the date and time specified on the RFP schedule. This notice identifies you as a bidder and insures that you will receive any updates or amendments to the RFP in a timely manner. You may notify IPC of your intent to bid through Power Advocates messaging (e-mail) tool.

QUESTIONS

Respondents should carefully review this RFP for questions, clarifications, defects and questionable or objectionable material. Comments and questions concerning clarifications, defects and questionable or objectionable material must be submitted through the Power Advocate tool to the RFP Coordinator and must be submitted on or before the date and time specified on the RFP Schedule. No questions will be accepted after this date.

All questions and their applicable responses will be provided to every Respondent via Power Advocate.

Protests based on any omission or error, or on the content of this solicitation, will be disallowed if they have not been brought to the attention of the RFP Coordinator in the timeframe outlined in this document.

PROPOSALS

All proposals must be received through Power Advocate on or before the date and time specified on the RFP Schedule.
All copies of the proposal and accompanying documentation become the property of IPC and will not be returned.

C. Contact Information

RFP COORDINATOR

Throughout the duration of the information gathering and proposal process, all questions, submission of references, responses and other communications concerning this RFP are to be directed through Power Advocate to the RFP Coordinator. Respondent agrees that, during the RFP process and prior to the response deadline, Respondent shall not discuss this procurement with any IPC employee other than the designated RFP Coordinator as identified below. Failure to comply with these requirements may result in Respondent disqualification and elimination from the RFP process.

Name: Rob Ward
Email: rward@idahopower.com

1221 W. Idaho Street
Boise, Idaho 83702

D. Content of Proposals

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

- A description of the firm's qualifications to measure the energy impacts of the Custom Efficiency Program
- A technical proposal not to exceed 20 pages.
- A management plan and proposed schedule of deliverables including a kickoff meeting scheduled within two weeks of contract signing.
- Response to each task and subtask listed in Section 1, H of this RFP.
- A detailed budget broken out by program, task, and by individual. Key individuals should be identified by name, with billing rates for each. Budget should also include any additional hardware and installation costs.
- Resumes of key staff and subcontractor qualifications. (Existing Idaho Power contractors may omit this requirement unless key staff have either left or been added to the firm).
- Three references from previous impact/process evaluation clients (if available).
- Example of previous impact/process evaluation reports (if available).
- Response to the Exhibit A – Professional Services Agreement.
- Response to the Security Questions
- Supplemental Information – Include any additional information including resumes, client reference information, and any other material that demonstrates your company's qualifications for successfully completing this project. (There is no maximum number of pages. However, the additional information provided should be concise and relevant to this project). General information provided by Respondent that is not specifically requested in this RFP should be attached separately and clearly labeled “Supporting Material.”

E. Failure to Comply

Respondent is specifically notified that failure to comply with any part of the RFP may result in disqualification of the proposal, at IPC’s sole discretion.
F. Contractual Status of Proposals

This RFP has been prepared solely to solicit proposals, and is not a contract offer. This RFP is not binding on IPC. The only document that will be binding on IPC is a contract duly executed by IPC and the successful Respondent (if any) after the completion of the selection process and the award and negotiation of a contract. IPC reserves the right to reject any and all proposals submitted by Respondents. The issuance of this RFP does not obligate IPC to purchase any product or services offered by Respondent or any other entity, or requested herein. Furthermore, IPC may choose, at its sole discretion, to abandon the RFP process in its entirety. Respondents agree that they submit offers without recourse against IPC, IDACORP Inc., any of IDACORP Inc.’s affiliates, or any of their respective employees, agents, officers, or directors for failure to accept an offer for any reason.

G. In Whole or In Part

IPC reserves the right to accept the proposal in whole or in part, and to award to more than one Respondent. Furthermore, Respondent understands that any "award" by IPC does not obligate IPC in any way. IPC will not be obligated to any party unless and until IPC executes a definitive agreement between the parties.

H. Revisions to the RFP

The requirements specified in this RFP reflect those presently known. IPC reserves the right to vary, in detail, the requirements and/or to issue addenda to the RFP. IPC also reserves the right to cancel or to reissue the RFP in whole or in part, prior to the execution of a contract, if any. In the event it becomes necessary to revise any part of the RFP, addenda will be provided to Respondents included in the current and applicable stage of the RFP.

I. Cost to Propose

Respondent will absorb all costs incurred in responding to this RFP, including without limitation, costs related to the preparation and presentation of its response. All materials submitted by the Respondent immediately become the property of IPC. Any exception will require written agreement by both parties prior to the time of submission.

J. Respondent to Conform with Law

Respondent shall conform in all material respects to all applicable laws, ordinances, rules, and regulations and nothing in this RFP shall be construed to require IPC or Respondent to act in a manner contrary to law.

K. Business Conduct Policy

In responding to this RFP, Respondent shall adhere to best business and ethical practices.


L. Proprietary Information—Confidentiality

Respondent acknowledges and agrees that all information obtained or produced in relation to this RFP is the sole property of IPC and shall not be released or disclosed to any person or entity for any purpose nor used for any purpose other than providing a proposal to IPC, without the express written consent of
IPC. Respondent agrees not to make any public comments or disclosures, including statements made for advertising purposes, regarding the RFP to the media or any other party without the prior written consent of IPC. In the event Respondent receives any inquiries regarding the RFP from the media or any other Party, said inquiries shall be forwarded to IPC.

Respondent shall specifically designate and clearly label as “CONFIDENTIAL” any and all material(s) or portions thereof that they deem to contain proprietary information.

**M. Accountability**

Respondent whose proposal may be selected in response to this RFP acknowledges that it assumes full legal responsibility for the accuracy, validity, and legality of the work provided in conformance with this RFP. Respondent agrees to maintain sufficient resources to perform its obligations.

**N. Small Business and Small Disadvantaged Business Program**

IPC is committed to the implementation of a Small and Disadvantaged Business Program. It is the intent of IPC that small business concerns and small businesses owned and controlled by socially and economically disadvantaged individuals have the opportunity to participate in the performance of contracts awarded by IPC. Consequently, we request that you indicate your eligibility as a small business based upon the regulations in Title 13, Code of Federal Regulations, Part 121. (If in doubt, consult the Small Business Administration Office in your area).

Eligibility as a small disadvantaged business is first based on eligibility as a small business, as noted above. Second, the business must be majority owned (51 percent or more) and controlled/managed by socially and economically disadvantaged person(s). The Small Business Administration designated the following groups as “presumed socially disadvantaged”: Black Americans, Hispanic Americans, Native Americans, and Asian-Pacific Americans. Other individuals may be found socially disadvantaged and eligible for the program on a case-by-case basis. If you have any questions, please see 13 CFR 124.1-124.1016 or contact your local Small Business Administration office.

**O. Physical and Electronic Protection**

IPC is required by federal law and regulations to protect access to its critical assets, both physical and electronic. Certain portions of IPC’s premises may have restricted access and may require prior authorization or an IPC designated escort to all access by IPC contractors.

In the event IPC moves forward with Respondent, IPC will require Respondent to comply with federal, state, or local laws or regulations, and any applicable IPC policies, standards, and procedures related to physical security of IPC’s premises prior to performing any work for IPC. These include, but are not limited to, any policies, standards and procedures requiring drug screening, background checks, and social security verifications. Should Respondent require access to IPC’s network, or unescorted access to IPC’s or its customer’s premises as part of the work under a definitive contract, Respondent will not be able to perform any work for IPC until this criteria has been satisfied. Respondent will also be required to sign and comply with all IPC forms related to the same.

**III. RFP EVALUATION PROCESS**

**A. RFP Evaluation Team**

An IPC evaluation team will determine the proposal(s) that best meets the requirements of this RFP and provides the best overall value for IPC. Proposals will be evaluated in accordance with the requirements...
set forth in this RFP, any addenda that are issued, and any other factor IPC deems appropriate. Based upon RFP response evaluation and scoring, references, and any subsequent activities identified during the evaluation process (clarifications, etc. that may be required), IPC may identify the top candidate(s) for further clarifications and/or a Respondent presentation.

Those Respondents whose proposals have not been selected will be notified via an email or a written letter at the number and address provided in their proposal.

B. RFP Evaluation Criteria

At a minimum, proposals will be evaluated based on the response to this RFP, which may include, but not be limited to the following criteria:

- Ability to meet requirements
- Financial stability of company
- Total Cost
- Minimal exceptions to Professional Services Agreement
- Reputation for thoroughness, credibility, and client responsiveness as demonstrated through references
- Any other factors deemed appropriate by IPC

C. Form of Contract

IPC directs Respondent to Attachment A, Professional Services Agreement. In the event IPC decides to move forward with Respondent, Respondent will be required to enter into a legally binding contract substantially similar to Attachment A. As part of this RFP, Respondents must indicate acceptance of IPC's Professional Services Agreement in its response to this RFP. Alternatively, if the Respondent is unwilling to agree to a proposed clause or term, Respondent must provide redlines of the Professional Services Agreement indentifying any proposed changes requested by Respondent. **Respondent's proposal will be deemed non-responsive if Respondent fails to either acknowledge acceptance of the Professional Services Agreement “as is” or to provide redlines to that document. Please be advised that Respondent's proposal will be judged, in part, on Respondent's willingness to comply with the original terms of the Professional Services Agreement. The Professional Services Agreement provided by Respondent in its response should be Respondent's best and final offer as to the legal terms and conditions Respondent is willing to accept.**

If IPC is unable to reach agreement on all contract terms and conditions with the designated Respondent, IPC at its sole discretion reserves the right to extend or terminate negotiations and begin negotiations with another Respondent.

D. Entire RFP

This RFP and all Attachments or Exhibits attached hereto and incorporated herein by this reference represent the final expression of this RFP. Only information supplied by IPC in writing through the parties listed herein or by this reference made in the submittal of this RFP shall be used as the basis for the preparation of Respondent’s proposals.

E. Attachments

Attachment A: Professional Services Agreement
Attachment B: Security Questions