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February 19, 2014

RFP No. 2014-001

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
REQUEST FOR PROPOSALS**

**Multi-Year Monitoring and Evaluation Plan for Core Energy Efficiency
Programs**

To Prospective Bidder:

The New Hampshire Public Utilities Commission (NHPUC) is seeking proposals from qualified firms or individuals to develop a multi-year Monitoring and Evaluation (M&E) plan for the New Hampshire electric and gas utilities' Core energy efficiency programs that addresses the needs of New Hampshire as well as the measurement and verification requirements of the ISO-NE Forward Capacity Market.

Pertinent dates and information:

1. Bidders may submit written inquiries about this RFP by e-mail to: CoreEnergyRFP@puc.nh.gov no later than February 28, 2014. Inquiries and their responses will be posted on the NHPUC's website as they are received.
2. Proposals must be received by the NHPUC prior to 4:30 p.m. on March 14, 2014. Proposals should be submitted to:

Lynn Fabrizio
Director of Administration
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

3. Follow-up conferences/interviews will be scheduled as needed.
4. An Evaluation Team consisting of NHPUC Staff and/or other qualified personnel will be established to evaluate responses to this bid proposal.

The NHPUC is an administrative agency with executive, legislative and quasi-judicial powers. The NHPUC's prime responsibility is as an arbiter between public utilities and their ratepayers. Proceedings in this regard address such areas as public utility rates, financing, terms and conditions of utility service, quality of service, safety and reliability, eminent domain matters, public utility exemptions from local zoning ordinances, public utility franchises, utility crossings of public lands and waters, wholesale relationships between utilities, energy efficiency, rulemakings and consumer complaints.

I. Introduction

In accordance with its responsibility to monitor and evaluate the Core electric and natural gas energy efficiency programs funded by ratepayers through the System Benefits Charge (SBC) and the Local Delivery Adjustment Clause (LDAC), and in order to help inform the prospective planning of energy efficiency programs in New Hampshire, the NHPUC is seeking proposals from firms experienced and knowledgeable about planning and performing monitoring and evaluation studies of energy efficiency programs. Specifically, the NHPUC is seeking contractor services to assist in developing an overall evaluation plan for energy efficiency programs in the residential, low-income, commercial and industrial sectors. The plan will include annual, on-going monitoring and evaluation as well as addressing the need for more long term monitoring.

Primary assignments will include:

- Develop a 6-Year Evaluation Plan for each program (or customer sector) that takes into account the priorities of multiple parties.
- Develop evaluation recommendations for the 2015-2016 program implementation period by July 31, 2014 (needed to meet 2-year filing requirement).
- Establish a market assessment framework, overall or by sector, which includes indicators of progress toward market transformation. In developing the framework, the evaluator should review the two Market Assessment Frameworks proposed by the Energy Efficiency Working Group in 1999, as well as other frameworks that may be instructive.
<http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>
(Scroll to the bottom of this web page and click on "Docket DE 96-150 EE Working Group Report"; the Framework can be found in Appendix 2A and 2B of this report.)
- Review NH Core Energy Efficiency Program goals and provide recommendations for program performance metrics and evaluation goals through a collaborative process with the Evaluation Team.

This RFP will be granted to one firm, or a team of firms, to provide assistance as needed for the period commencing on or about May 22, 2014, with a draft plan to be submitted by August 1, 2014, and a final plan due no later than August 22, 2014. The firm(s) must show expertise in statewide evaluation planning, thorough knowledge of current

evaluation practices as implemented in state level programs and demonstrated expertise in working with multiple parties to identify and prioritize needs, an understanding of both residential and commercial energy efficiency markets, and an understanding of the Measurement and Verification (M&V) requirements of the ISO New England Forward Capacity Market (FCM).

II. Background

In June 2002, the New Hampshire electric utilities developed and implemented a set of “core” energy efficiency programs that use the same eligibility requirements, design, etc. to ensure consistency among the utilities. In December 2002, the two natural gas utilities (EnergyNorth and Northern Utilities) developed and implemented a set of energy efficiency programs. The NHPUC Staff and the utilities collaboratively work together to prioritize the Monitoring and Evaluation (M&E) needs of New Hampshire. One area identified as a priority was to establish a multi-year evaluation plan that addresses the needs of New Hampshire as well as the measurement and verification requirements of the ISO-NE Forward Capacity Market.

On November 1, 2000, the NHPUC issued Order No. 23,574 in DR 96-150: Order Establishing Guidelines for Post-Competition Energy Efficiency Programs. That Order emphasized the importance of a “thoughtful and thorough monitoring and evaluation program...[and that] an assessment of energy efficiency programs and measures should analyze the effects of the programs and measures on removing and reducing market barriers or transforming the market for those products. Impact and process evaluations are important, as well.”

On December 31, 2002, the NHPUC issued Order No. 24,109 in DG 02-106. This order approved energy efficiency programs for the gas utilities, EnergyNorth and Northern Utilities.

In Order No. 24,599, issued on March 17, 2006, the NHPUC approved an agreement for PUC Staff to “take direct responsibility for the monitoring and evaluation of the Core energy efficiency programs...on a collaborative basis” with utilities and other interested parties. As a result, PUC Staff has had primary responsibility for overseeing M&E of the Core programs since that time.

As part of the evaluation of current Core electric and natural gas energy efficiency programs over the course of 2008, the NHPUC and electric and gas utilities engaged a consultant, GDS Associates, Inc., to undertake a major study on energy efficiency potential, that among other things, analyzed current saturation rates of energy-using equipment and penetrations of energy efficiency equipment and practices in each end-use category, evaluated the extent to which past and current energy efficiency programs have achieved energy savings to date, including various sensitivity analyses and recommended

modifications to program and measure offerings that could increase the likelihood of achieving the identified potential. This report can be found at:

www.puc.nh.gov/Electric/GDS%20Report/GDS%20Final%20Report.htm.

On December 31, 2010, the NHPUC issued Order No. 25,189 approving the Core electric and natural gas energy efficiency programs for 2011 and 2012. In that order, the Commission found that it would be appropriate for Staff to provide quarterly reports on monitoring and evaluation activities. On February 1, 2013, the NHPUC issued Order No. 25,462 requiring the continuation of quarterly reports on monitoring and evaluation activities. These reports can be found at:

<http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>

In addition to traditional process and impact evaluation work to be conducted on behalf of the Core electric and natural gas energy efficiency programs and market assessment activities, the evaluation plan should include other activities and opportunities to leverage the annual M&E budget for the Core electric programs of approximately 5 percent of the overall Core program budget.

The NHPUC and the electric utilities are partners in the Northeast Energy Efficiency Partnership's (NEEP) Regional Evaluation, Measurement and Verification (EM&V) Forum and, as such, they participate in a number of regional EM&V activities. These efforts target larger efforts such as protocol development projects (Glossary of Terms and Definitions, development methods and guidelines)¹ as well as research and evaluation projects (load shape studies, measure life and persistence) that can be done cost effectively on a regional basis.

The natural gas companies explore opportunities to decrease the cost of planned evaluation efforts by performing research in collaboration with industry partners such as NEEP and GasNetworks™.

III. Scope of Work

The NHPUC Staff, the electric and natural gas utilities, and interested parties (M&E Team) will work closely with the selected consultant to develop evaluation goals and objectives, establish a market assessment framework, determine what types of evaluations are appropriate for the Core energy efficiency programs and develop components of an evaluation plan for residential and commercial and industrial programs. The scope of work would comprise three steps as follows:

¹ See <https://neep.org/emv-forum/forum-products-and-guidelines/>.

Step 1: Evaluation Framework

The evaluation planning process will require a top down review and assessment of the evaluation needs for the Core electric and natural gas programs.

Deliverables would include defining assessment and evaluation goals and the development of a set of priorities for program evaluation and market assessment.

The consultant will be required to work closely with NHPUC Staff and other interested parties.

Step 2: Market Assessment Framework

The Consultant will identify or establish a new market assessment framework, using the market assessment frameworks established by the NH Energy Efficiency Working Group in its report to the NHPUC in 1999 as one source of information.

The NH Energy Efficiency Working Group, in its 1999 report to the NHPUC, performed an analysis of market segmentation, developed a set of indicators to consider when assessing whether to enter or exit a particular type of market, and a list of principles for applying the framework. The contractor can utilize information used by other secondary sources and provide recommendations as appropriate for use in NH with special attention directed to the Core Energy Efficiency programs.

Deliverables will include a report evaluating the 1999 document and include a list of updating and remediating strategies. While the deliverable for this step is a memorandum that reports the results of the review and recommendations for a market assessment framework for review by the Evaluation Team, the documentation of the review and framework will be incorporated into the evaluation plan.

Step 3: Components of the Evaluation Plan

The Consultant will develop an energy efficiency program evaluation plan that can be clearly understood by regulators, policy makers, utility evaluation staff, program administrators, and other stakeholders. To this end, the Consultant will need to review past evaluation efforts conducted in New Hampshire in order to benchmark existing levels of evaluation data and to conduct a gap analysis. The Consultant will be required to develop a detailed top down evaluation plan that is user friendly and meets the information needs of stakeholders and policy makers and which will enable them to assess the effectiveness of current programs, including detailed recommendations for strategies/studies that will improve program performance and facilitate progress toward the attainment of program participation, savings and market transformation goals. The contents of the plan will include the following elements:

- (a) A statement of the specific objectives and priorities developed in Step 1 that guided the development of the plan.
- (b) The identification of specific evaluation projects and assigned priorities that can be completed by January 1, 2020.
- (c) A detailed description of evaluation projects and budgets for the 2015-2016 program implementation period including the following:
 - Data collection needs;
 - Metrics to evaluate transformational effects;
 - Frequency and content of progress reports;
 - A description of the types of studies proposed;
 - An explanation for proposed types of evaluations;
 - Recommended approaches;
 - Proposed timeframe for the studies;
 - An estimated budget; and
 - Address established evaluation goals and how each goal will be met.

The proposed plan should be consistent with the current two-year Core program funding cycle to enable planning, implementation, and completion of evaluations to be completed within the program cycle and in time to inform planning efforts for the next program cycle.

The Consultant will work closely with Staff and the M&E Team to facilitate access to relevant data and experience, to encourage knowledge transfer and to ensure that there will be a common understanding of the Consultant recommendations and priorities going forward.

Methodologies

While the details regarding methods to be used in each study will be determined through the evaluation planning process and the actual implementation of the evaluation plan, the following assumptions should be kept in mind:

- a) Certain levels of statistical precision may be required for key evaluation results.
- b) Impact evaluations may need to meet protocols developed by ISO-NE for the Forward Capacity Market Measurement and Verification requirements.
- c) Evaluation strategies recommended in the plan must cover all programs listed in Commission-approved Core electric and natural gas energy efficiency programs approved for 2013 and 2014. A description of these programs can be found at:

<http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>

[Scroll down to “DE 12-262 Core Energy Efficiency Program Proposal” and click on the respective electric and natural gas program proposals.]

- d) Programs with a significant market transformation component should include an evaluation of appropriate market indicators.
- e) Evaluation activities must be designed to support a mix of resource acquisition and market transformation strategies covering the full range of markets and customer segments.

Additional Detail with Respect to Current Program Evaluation Activities

Most New Hampshire electric utility evaluation activities to date have focused on process and impact type evaluations. The electric utilities have conducted or participated in the following joint evaluation activities since the inception of the Core programs in 2002. These reports are available on the NHPUC website at:

<http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>.

Some of the studies performed to date include:

1. ENERGY STAR® Homes Baseline Awareness Study (2003)
2. New Hampshire Commercial & Industrial New Construction Baseline Evaluation (2003)
3. Low Income Process Evaluation (2003)
4. Residential Lighting Impact Study (2003)
5. National ENERGY STAR® Awareness Survey (2004-2008)
6. New Hampshire ENERGY STAR® Awareness Survey (2001, 2004)
7. Small Business Services Impact Evaluation (2004)
8. Home Energy Solutions Impact Evaluation (2004)
9. Home Energy Assistance Impact Evaluation (2005)
10. Large Business Solutions Impact Evaluation (completed in 2006)
11. New Hampshire Technical Potential Study (2009)
12. Cadmus Group, Inc., Process and Impact Evaluation of the New Hampshire Home Performance with Energy Star Program (HPwES), June 13, 2011.
13. Vermont Energy Investment Corporation, Independent Study of Energy Policy Issues, September 30, 2011. This report can be found on the Commission's Home page at
http://www.puc.nh.gov/Sustainable%20Energy/Reports/New%20Hampshire%20Independent%20Study%20of%20Energy%20Policy%20Issues%20Final%20Report_9-30-2011.pdf

Additional studies are listed in the January – August 2013 Quarterly M&E Report and can also be found at:

<http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>

Recent evaluation activities for natural gas companies are discussed in the 2011-2012 Energy Efficiency proposal at page 32 and can be found at:

<http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>

[Scroll down to DE 10-188 Core Energy Efficiency Programs and click on the natural gas efficiency proposal.]

Planned evaluation activities for electric and natural gas companies are discussed in the 2013-2014 Core NH Electric Energy Efficiency Programs and Gas Energy Efficiency programs located at:

<http://www.puc.nh.gov/Regulatory/Docketbk/2012/12-262/LETTERS-MEMOS-TARIFFS/12-262%202012-12-14%20PSNH%20ATT%20B%20CORE%20EE%20PROGRAM%20FILING%20REV%20PGS.PDF>

Review Program Descriptions

Descriptions of the current Core electric and natural gas energy efficiency programs are found in the 2013 Core and Natural Gas Energy Efficiency filing in Docket DE 12-262. This filing can be found at the above web address or the following link:

<http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>

IV. Schedule, Deliverables and Project Management

A. Schedule & Deliverables

- *Kick-off Meeting:* M&E Team meeting to ensure that there is a common understanding of the deliverables, the sequencing of deliverables, and establishment of expectations as to how the development of the multi-year evaluation plan will proceed. This meeting should be scheduled within two weeks following the Notice to Proceed. See “Project Schedule” below.
- *Final Work Plan:* A revised detailed work plan that documents a common understanding between the consultant and the M&E Team of how the evaluation plan will be developed and its recommendations delivered. The final work plan deliverable deadline shall be discussed at the kickoff meeting as will interim deadlines. Typically, a work plan should be expected to be submitted within two weeks following the Kick-off meeting. See “Project Schedule” below. The Final Work Plan should include a proposed detailed schedule of activities, date of commencement and conclusion of each activity and the man-hours and staff to be assigned to each activity.
- *Priority Needs:* Meet with the M&E Team to define the priorities for the

multi-year evaluation plan. This document should also provide recommendations for ongoing refinement to those needs and how they will be incorporated into the overall multi-year plan.

- *Draft Evaluation Plan:* Develop a draft multi-year evaluation plan that incorporates the priorities, specific program evaluation needs, regional initiatives, and potential impacts of State energy policies. See “Project Schedule” below.
- *Presentation of Evaluation Plan:* The consultant will schedule a presentation of the multi-year evaluation plan to the M&E Team. This will occur after review of the draft report but before the final report is issued. See “Project Schedule” below.
- *Final Evaluation Plan:* Incorporates the feedback given during the presentation into a final document. See “Project Schedule” below.

B. Consultant Selection and Program implementation Procedure

ACTIVITY	EXPECTED DATE
RFP Issuance	February 19, 2014
Bidders Inquiry Period Begins	February 19, 2014
Bidders Conference, if needed	TBD
Bidders Inquiry Period Ends	February 28, 2014
Final Posting of responses on NHPUC’s website	March 7, 2014
RFP Responses Due	March 14, 2014
Invitations to Oral Interviews (if required)	TBD, no later than March 21, 2014
Anticipated Contract Approval/ Notice to Proceed	May 21, 2014
Kick-off Meeting	May 29, 2014
Develop Priority Needs	TBD
Draft Multi-Year Evaluation Plan	August 1, 2014
Presentation of Evaluation Plan	TBD
Final Multi-Year Evaluation Plan	August 22, 2014

C. Project Management

The M&E Team expects to work closely with the selected contractor on this project. It is anticipated that Staff counterparts will be assigned to work alongside the selected consultants with a view to facilitating access to documentation and to encourage the transfer of knowledge capital. The frequency of contact and meetings (either in-person or by telephone) will be discussed at the kick-off meeting. In addition, the consultant shall prepare monthly written progress reports that detail activities conducted the previous month, the planned activities for the next month, and any

issues that need to be addressed. These reports must be submitted to Tom Frantz, Director, Electric Division by the 5th business day of the month. Day to day project management will be done by NHPUC Staff, in consultation with the M&E Team as needed.

All reports and supporting data are subject to review by the M&E Team.

V. Proposal Submission Requirements

Proposals shall include the following:

- A. Title Page (including contact information for project lead)
- B. Summary of Proposal (no more than 2 pages)
 - 1. Summary of project team
 - 2. Understanding of the scope of work and expected deliverables
 - 3. Summary of approach
- C. Qualifications and Experience (no more than 5 pages)
 - 1. Qualifications and experience of the project team, including qualifications and experience developing state-wide multi-year evaluation plans of energy efficiency programs of a scope comparable to the project requirements set forth in this RFP.
 - 2. Qualifications, experience, and roles of individual personnel on the project team
 - 3. Summaries of similar projects (date of project, summary of project, client name, name and phone number of contact for reference, website links to work product related to similar projects)
- D. Approach and Work Plan (no more than 8 pages)
 - 1. Overview: description of approach
 - 2. Work plan:
 - a) Description of task and approach for completing the task, including a description and explanation of methodology and data sources.
 - b) Deliverable(s) and due dates
 - c) Assignment roles and man hours of individual key personnel for each task
- E. Price
 - 1. Total fixed price

2. By task in the work plan, (a) labor hours, hourly rates, and costs for all personnel (including all subcontractors), (b) direct expenses, (c) Administration and Overhead Costs and (d) total task cost.
 3. Signature of the company official with authority to enter into a binding agreement.
- F. Resumes of Key Personnel (as an attachment)
- G. Estimate of work to be performed in house and by sub-contractors and identify potential sub-contractors.
- H. Statement of potential Conflicts of Interest including work performed by the firm or its subcontractors on behalf of the New Hampshire electric and gas utilities or their affiliates in the last five years.

VI. Proposal Selection Process and Criteria

Proposals will be reviewed and evaluated by the Evaluation Team, using a four-step process, as described below.

Step 1: Assess Completeness and Responsiveness of Proposals

Proposals must be complete and delivered by the appointed deadline or they shall not receive further consideration.

Step 2: Score Responsive Proposals

Cost is a consideration but may not be the determining factor in the Evaluation Team's decision. In addition to cost, the Evaluation Team will consider the following criteria:

1. **Quality** of the proposal in terms of organization, quality of the presentation as well as thoroughness and practicality of the proposed approach in meeting the objectives described in this RFP.
2. **Experience** of key personnel who have successfully completed similar projects or studies. Key areas of experience include the development of state-wide multi-year evaluation plans of energy efficiency programs that address the information needs of diverse stakeholders and policy makers and that includes the assessment of energy efficiency markets as well as program impact and process evaluations..
3. **Proposed Staffing Plan** of Bidder, including the number and type of person-hours allocated to each Task, shall be judged in terms of its appropriateness for the proposed Work plan; availability and accessibility of consultants will be taken into account, as well.
4. **The Bid Amount** should be appropriate to the level of effort and broken out by the main tasks identified above.

5. **Any Other Considerations** the Evaluation Team may deem appropriate in light of its objectives and review of proposals received.

Step 3: Conduct interviews

Step 4: Select contractor

VII. General Bid Conditions

1. Bids must be typed. Original and 5 copies of the bid must be submitted, along with an electronic copy in PDF format. Bids that are incomplete or unsigned will not be considered. The deadline for submitting bids is 4:30 p.m. March 14, 2014. Bids must be addressed to Lynn Fabrizio, Director of Administration, New Hampshire Public Utilities Commission, 21 S. Fruit Street, Suite 10 Concord, NH 03301-2429 and via email to Lynn.Fabrizio@puc.nh.gov
2. The NHPUC reserves the right to reject or accept any or all bids, to reject or accept all or any part of any bid, to determine what constitutes a conforming bid, to waive irregularities that it considers not material to the bid, to award the bid solely as it deems to be in the best interest of the State, to contract for any portion of the bids submitted and to contract with more than one bidder if necessary.
3. Bidders may submit written inquiries about this RFP by e-mail to: CoreEnergyRFP@puc.nh.gov no later than February 28, 2014. Inquiries and their responses will be posted on the NHPUC's website as they are received.
4. If the reviewers determine it is necessary to revise any part of this RFP, or to provide additional data to clarify any of its provisions, an addendum will be mailed to all Respondents who have been sent a copy of the RFP and others who have requested to be placed on the bidders list.
5. All information relating to this bid (including but not limited to fees, contracts, agreements and prices) are subject to the laws of the State of New Hampshire regarding public information.
6. Selection of the successful consultant(s) will be announced on or about May 21, 2014.

VIII. CERTIFICATES

Bidders will be required to provide the following certificates prior to entering into a contract:

Secretary of State’s Office Certificate of Good Standing (“CGS”)	Individuals contracting in their own name do not need a CGS. Business organizations and trade names need a CGS, except for nonresident nonprofit corporations
Certificate of Vote /Authority (“CVA”)	Individuals contracting in their own name do not need a CVA. Business entities and trade names need a CVA.
Certificate of Insurance	Certificate of Insurance form attached with insurance coverage required under the contract. Modifications of insurance coverage required under the contract will be specified in Exhibit C.
Workers’ Compensation	Contractor must demonstrate compliance with or exception from RSA 281-A (and if applicable, RSA 228:4-b and RSA 21-I:80, and any other applicable laws or rules).

IX. FORM OF CONTRACT

1. The terms and conditions set forth in Attachment 1 (Form P-37) General Provisions Agreement are part of the proposal and will apply to any contract awarded the bidder. Any contract resulting from this bid proposal shall not be deemed effective until it is signed by the NHPUC.
2. Any contract awarded from this Request for Proposal will expire on June 30, 2015. The NHPUC at any time, in its sole discretion, may terminate the contract, or postpone or delay all or any part of the contract, upon written notice.
3. The selected vendor must agree to maintain confidential all information to which it has access until it is instructed otherwise by the NHPUC.