

# REQUEST FOR QUALIFICATIONS

Date

**STATE OF WASHINGTON  
DEPARTMENT OF ENTERPRISE SERVICES  
DIVISION OF ENGINEERING & ARCHITECTURAL SERVICES  
ENERGY PROGRAM  
OLYMPIA, WASHINGTON**

## NOTICE TO ENERGY SERVICE COMPANIES (ESCOs)

ESCO services are required to identify, finance, design and install energy and utility efficiency measures for Project No. XX.

### Selection Process

ESCOs will be considered for selection based upon their proven ability to identify, design, finance, install, commission, as well as measure and verify energy and water efficiency measures. ESCOs must be a licensed Washington State general contractor at the time of submittal and have engineer(s) licensed in the State of Washington as part of the ESCO team. Following an evaluation of the ESCO's written response to this Request for Qualifications (Phase 1), qualified ESCOs, as determined by the Selection Panel, will be asked to participate in Phase 2 of the selection process.

Phase 2 will consist of an oral interview where the ESCO will describe their technical qualifications, outline personnel resources that are proposed to conduct the work, and present the results of a previously completed performance contracting project from the preliminary audit stage thru the post implementation measurement and verification period. The identified project should have been completed within the past two years and preferably be a facility in the State of Washington. The ESCO should be ready to describe the energy and utility efficiency measures identified (including pricing), and how accurate the ESCO was in estimating the utility incentive. Pricing will include an itemized breakdown of all costs and fees related to the recommended measures. If the ESCO's original audit results did not include a pricing breakdown, then the ESCO shall attach an addendum describing the costs associated with the recommended measures. The ESCO must also present financing options (including an ESCO proposed financing option with proposed interest rate and loan term) and recommendations made to the facility owner to fund the recommended final project. ESCOs will submit the project documentation as part of the **Phase 1** submission to this RFQ.

### SCOPE OF WORK

This project is for energy performance contracts throughout the State of Washington. The DES Energy Program will provide project management services to State Agencies, Public Higher Ed, Public School Districts, and Municipalities who select ESCOs from the prequalified selection.

An ESCO is an energy consultant and general contractor that engages in a performance-based contract with a client agency to implement energy, water, and solid waste efficiency measures (EEMs) that reduce net utility consumption and costs in a technically and financially viable manner.

ESCOs provide a range of professional services, including energy auditing, determination of client baseline energy consumption, multi-discipline engineering design, project construction management, financial and risk analysis and management, measurement and verification of savings and analysis of impact, commissioning of installed project elements, and operations and maintenance training for new or renovated systems. ESCOs provide a guaranteed maximum project cost, guaranteed minimum energy savings and guaranteed equipment performance for the projects they design and install. Guaranteed savings and performance are to be based upon detailed, site specific information collected in an investment-grade audit. ESCOs must have the financial

capability to fund their professional services and the installation of projects and be willing to be reimbursed based upon the savings over the term of the investment.

Performance Contracting means contracts for which payment is conditional on achieving contractually specified savings (RCW 39.35C.010). The key components of an energy savings performance contract are Guaranteed Maximum Construction Cost, Guaranteed Minimum Energy Savings and Guaranteed Equipment Performance.

ESCO services will include: conducting a preliminary energy audit, building benchmarking, conducting and providing an investment grade energy efficiency audit of various public facilities; preparation of the energy services proposal, engineering and design of approved efficiency measures; financing for the measures; assistance with obtaining and maximizing utility incentives; installation of the efficiency measures; construction administration services; guarantee of costs; guarantee of minimum energy savings; guarantee of performance; commissioning of the measures; measurement and verification of savings, and ongoing engineering assistance to ensure that savings are achieved. The scope of work may also include the installation of renewable energy projects, such as solar, wind, geo-thermal, etc.

## SELECTION PROCESS

### Phase 1

ESCO's Statements of Qualifications for this project will, at a minimum, address the following (32) topics and appendices.

## EXPERIENCE

1. The ESCO's experience in auditing and identifying energy efficiency projects. Provide a list of all energy performance contracting projects completed in the past two years (if the ESCO has completed more than 15 projects within Washington State in the past 2 years, the ESCO may list just the Washington State projects, in either case the list should be no longer than the most recent 30 projects), including contract value, client contact and client phone number.
2. Provide a matrix of the range of energy and utility management services provided by the ESCO, including the ESCO's capability to provide the following services: energy auditing, financing, design, general contracting, construction management/administration, testing and balancing, commissioning, warranty services, measurement and verification of savings, energy savings guarantees and facilitating utility participation to maximize utility rebates and incentives.
3. The ESCO's experience with measurement and verification (M&V) processes. The ESCO should describe its familiarity with M&V protocols and when each is most appropriately applied.
4. The ESCO's experience designing, costing and managing the construction of heating plants(including steam), chilled water plants, heating ventilation and air conditioning systems, heat recovery, energy management and control systems, lighting and lighting control systems, water efficiency, and other utility system improvements including renewable.
5. The ESCO's experience securing utility incentives for its customers. Discuss successful strategies implemented for maximizing utility incentives.
6. A description of the experience key staff have, who are responsible for administration of any potential work awarded thru this project. This is to include any sub-consultants routinely used for execution of performance contracting work. This is not to be the resumes or curriculum vitae (CVs) of personnel. Resumes or CVs may be attached as an appendix. Please indicate if the experience was obtained at other than this ESCO. Please identify the responsible licensed P.E.
7. A description of the ESCO's familiarity with EPA's Energy Star Portfolio Manager and other benchmarking tools.
8. A discussion of problems experienced on projects and the remedy for those problems.
9. What is the makeup of a typical project team with regards to local (WA, ID, OR) vs outside the region staffing.

## MANAGEMENT APPROACH

10. The ESCO's organizational structure and management approach to the project. Clearly describe the roles and responsibilities of typical ESCO staff who will be assigned to any project obtained under this selection and of any sub-consultants included on the ESCO's team. For sub-consultants, describe the ESCO's prior experience working with the sub-consultant.
11. The ESCO's policies and procedures for managing and delivering its committed work products in a timely fashion within contractual obligations, including project development, construction, and post implementation verification.
12. The ESCO's approach to marketing the DES Energy Program to potential client agencies in conjunction with DES personnel.
13. What is the minimum size project your firm would consider viable.
14. The ESCO's approach to effectively communicate project information with the DES Energy Program prior to sharing with client agency.
15. The ESCO's approach to project development from marketing to delivering the ESP.
16. The method for contracting the installation of the measures, maintaining cost competitive pricing, and whether the ESCO uses open book pricing.
17. The ESCO's procedures for timely closeout of construction projects delivery of O&M manuals, commissioning reports and other pertinent paperwork to the DES Energy Program and the client agency.
18. The ESCO's procedures for timely submittal of required documentation to Departments of Revenue, Employment Security, and Labor and Industries.
19. The ESCO's approach to mitigate risks associated with guaranteed cost, savings, and performance.
20. The ESCO's approach to sharing EPACT tax credits with client agencies.
21. The ESCO's experience and approach to meeting the public works requirements for apprenticeship training programs as directed by Chapter 39.04.320 RCW.
22. How Minority and Women Owned Business (MWBE) enterprises will be utilized on the project.
23. The ESCO's policies and procedures for recycling materials such as lamps, ballasts, fixtures, ceiling tiles, and other recyclable material.
24. How potential hazardous materials encountered in the installation of energy efficiency measures will be managed; and whether the ESCO has been cited by the Washington Department of Ecology, Federal Environmental Protection Agency, or any other regulatory agency for inappropriate handling, transportation or disposal of hazardous materials. If cited what was the ESCOs remedy. Being cited does not automatically constitute disqualification as an ESCO.

#### COMPUTATION OF ENERGY BASELINE AND POST-INSTALLATION ENERGY USE

25. Describe the methodology used to calculate baseline energy use and savings of different types of EEMs. This should include a description of various software tools that are utilized in the calculation process. Include the methodology used for campus settings that are master metered.
26. Describe potential scenarios where a modified baseline may be proposed.
27. Describe the ESCO's utilization of M&V processes in the establishment of baseline energy use and the post installation energy use.

#### SAVINGS AND EQUIPMENT PERFORMANCE GUARANTEES

28. The ESCO's project cost guarantee policies and procedures; including remedies when project costs exceed ESCO estimates.
29. The ESCO's energy savings guarantee policies and procedures, including remedies when actual savings are lower than the ESCO's estimates and guarantees, and the length of the savings guarantees.
30. The ESCO's equipment performance guarantee policies and procedures, including remedies when performance of equipment is not met.
31. Provide information on the ESCO's warranty enforcement role and the ESCO's responsibility, if any, when there is an equipment failure beyond the warranty period when the client agency has financed the project and assumed ownership of the installed equipment.

#### FINANCING ABILITY

32. The ESCO's project financing ability. Describe capability for carrying costs until completion of the installation of energy efficiency measures. Describe capability and willingness to fully finance project over a financing term including how the interest rate the ESCO would use is determined. Provide letters of commitment from funding sources or from ESCO's Chief Financial Officer if self-funded. **Tax-exempt municipal lease financing does not qualify for ESCO financing ability.**

#### APPENDICES

1. The sample performance contracting project called for herein. Include:
  - a. Preliminary Audit findings
  - b. Audit proposal
  - c. Measurement and Verification plan including key variables to be measured
  - d. Investment Grade Audit findings
  - e. Energy Services Proposal with detailed cost breakdown
  - f. Measurement and Verification Report
2. Resumes or CVs of key personnel and sub consultants, indicate if experience was not obtained in house.
3. Completed and signed Federal Form 330.

#### Phase 2

Phase 2 will consist of an oral interview where the ESCO will describe their technical qualifications, outline personnel resources that are proposed to conduct the work, and present the results of a previously completed performance contracting project from the preliminary audit stage thru the post implementation measurement and verification period. The identified project, to have been completed within the past two years and preferably of a facility within the State of Washington, should describe the energy and utility efficiency measures identified, including pricing of the recommended measures and how the ESCO did estimating the utility incentive. Pricing will include an itemized breakdown of all costs and fees related to the recommended measures. If the ESCO's original audit results did not include a pricing breakdown, then the ESCO shall attach an addendum describing the costs associated with the recommended measures. The ESCO must also present financing options (including an ESCO proposed financing option with proposed interest rate and loan term) and recommendations made to the facility owner to fund the recommended final project. ESCOs will submit the project documentation as part of the **Phase 1** submission to this RFQ.

The period of performance for these ESCO services shall commence once an Agreement is properly signed and expires on June 30, (two year period) unless altered or amended.

Voluntary numerical MWBE goals of 10% Minority Business Enterprise and 6% Women's Business Enterprise have been established for this project. Achievement of the goals is encouraged. Bidders may contact the Office of Minority and Women's Business Enterprise to obtain information on certified firms.

Apprenticeship requirements for this project are 15% for any resulting construction contract over \$1,000,000 in value.

ESCOs will be considered for selection based upon the following criteria: Experience; Management Approach; Baseline Computation; Savings and Performance Guarantees; and Financing Ability.

ESCOs desiring consideration shall submit six (6) Statements of Qualifications, which shall include the following: responses to the above thirty-two (32) topics, not to exceed 60 pages (60 pages does not include table of contents); plus appendices. In lieu of cover letter, please submit an ESCO Summary sheet including Company name, address, main contact with phone/cell number and email address, UBI, State of Washington contractor's license, and Federal ID numbers. Submittals are to be via CD/DVDs only.