



# **Developing and Issuing the RFP**

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## Why should qualifications be your procurement focus?

- Having the necessary range of capabilities is more important than the preliminary technical and cost proposal
- Project scope and price can and will be negotiated, not so qualifications
- Better qualified ESCOs will generally, but not always, present the better preliminary technical proposals
- Performance contracts are long-term partnerships, so pick a reliable partner with staying power





# What qualifications are worth the most?

- High-performance and customer service culture
- Demonstrated technical expertise
- Ability and willingness to guarantee and measure project performance
- Experience with negotiating HUD approvals and requirements
- Significant experience with housing authority projects





## What project goals will you put in your RFQ/RFP?

- Finance building modernization with utility savings
- Provide adequate maintenance to preserve the value in use and future value in exchange of your property
- Improve the health, comfort, and safety of the building environment for your employees and tenants
- Provide single point accountability for guaranteed project performance that can be monitored and verified





## What data will help you evaluate ESCO qualifications?

- Detailed project performance data on their past projects and client references
- Project management and technical experience of key staff
- Review one of their actual recent contracts for a similar project with all the technical appendices
- Review a sample detailed energy audit for a similar project they completed
- Request a sample customer savings reports and a sample bid specification for a specific energy efficiency measure likely to be part of your project
- Financial reports and ratings





## What other qualifications are important?

- Data analysis and presentation capability
- Ability to perform sophisticated economic and accounting analysis
- Capability to provide effective project construction management and commissioning
- Communication and negotiation skills
- Sophisticated understanding of maintenance issues at PHAs





# What data do ESCOs need from your RFQ/RFP?

- Purpose and scope of your project
- Description of evaluation criteria, process, and schedule
- Format required for case study references
- Contract requirements applicable to PHA procurements of performance contracts
- Specify proposal format and content to aid evaluators in making comparison
- Technical and utility consumption data on the buildings you propose to include in the project





# What data should you include in your Technical Facility Profile?

- General Facility Data
- Operating Data
- Physical Data
- Energy and Water Consumption
- Energy Systems
- Improvement Opportunities
- Additional Information





# The RFP

- Follow HUD's Regulations for Competitive Proposals
  - Price is not the determining factor
- Two Stages:
  - Investment grade audit
  - Finance, install and monitor project
- Need HUD Approval





# Developing the RFP

- Use a Team Approach
- Well-crafted RFP Provides and Solicits Detailed Information
- Enables Selection of Best ESCO for Your Project
- Avoids Problems in the Future





# Components of the RFP

- Your Goals for the Project
- Your Evaluation Criteria
- The Procurement Process
- Contract Specifics





# Components of the RFP: Your Goals

- Project Purpose and Scope
- What Desires and Expectations Do You Have?
  - Specific Measures?
  - Other Funding Sources?
  - Resident Participation?
- Select the Best ESCO for your Project!





# Sample RFP

- NCAT's Sample Documents
- Others
- Avoid ESCO Supplied RFPs
- Boiler Plate vs. Discretionary Items





# Circulating the RFQ

- Who Wants This Work?
- NCAT's List of Interested ESCOs
  - [www.ncat.org/reh](http://www.ncat.org/reh)

