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Via Electronic Filing

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, PA 17120

**Re: Act 129 Energy Efficiency and Conservation Program Phase IV
Docket No. M-2020-3020818**

Dear Secretary Chiavetta:

In accordance with the Pennsylvania Public Utility Commission's ("Commission") *Implementation Order* entered June 18, 2020, at the above-captioned proceeding, related to implementation of Energy Efficiency and Conservation ("EE&C") Program Phase IV, Duquesne Light Company ("Duquesne Light" or the "Company") hereby submits for Commission review and approval its proposed Request for Proposal ("RFP") process.

The Company's RFP process addresses:

- Compliance with Act 129 and the Commission's Phase IV Implementation Order;
- Solicitation of bids from Conservation Service Providers ("CSPs");
- CSP bid review and evaluation; and
- CSP contract award/execution.

The Company respectfully requests that the Commission issue a Secretarial Letter approving the RFP process. Please feel free to contact me with any questions regarding this matter.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Michael Zimmerman".

Michael Zimmerman
Senior Counsel, Regulatory

Enclosures

Cc: Office of Consumer Advocate
Office of Small Business Advocate
Bureau of Investigation and Enforcement

Duquesne Light Company

Act 129 EE&C Phase IV Plan for
Issuance of Requests for Proposals and
Awarding of Conservation Service Provider Contracts

Effective Date: _____

1. Background

Pennsylvania's Act 129 of 2008 ("Act 129") requires electric distribution companies ("EDCs") such as Duquesne Light Company ("Company") to implement Energy Efficiency Conservation and Demand Response ("EECDR") programs. Act 129 further provides that EDC plans may be administered by the EDC, or one or more Conservation Service Providers ("CSPs"). CSPs shall be chosen by competitive process and are required to follow all requirements of Act 129, the Pennsylvania Utility Commission's ("Commission" or "PUC") Act 129 Implementation Order for the applicable Energy Efficiency & Conservation ("EE&C") Phase, and the PUC's CSP Implementation Order for the applicable EE&C Phase. Specific requirements of the CSP process will include, but are not limited to, the following:

- a) The Company will contract with one or more CSPs to implement all or part of the EE&C Plan as approved by the Commission.
- b) The RFP will be issued to all qualified registered CSPs using the current posting of the CSP registry on the PUC's website.
- c) The RFP will encourage participation in the RFP by "disadvantaged businesses" (i.e., minority-owned, women owned, persons-with disability-owned, small companies, companies located in Enterprise Zones, and similar entities) consistent with the Commission's Policy Statement at 52 Pa. Code §§ 69.804, 69.807 and 69.808.
- d) Any CSP that is affiliated with any Pennsylvania EDC will not be considered.

2. Soliciting CSP Bids

- a) The Company's CSP selection team will develop a calendar of events to include the following:
 - 1) RFP Issue date
 - 2) Vendor question and answer session date
 - 3) RFP Response date and time
 - 4) Date of award decision
 - 5) Submission of final contract to Commission staff prior to becoming effective
- b) The Company will competitively bid all CSP contracts in accordance with the Commission's Act 129 Implementation Order.
- c) The RFP will be issued through Duquesne Light's Supply Chain Department and all responses will be received by the Supply Chain Department. Duquesne

Light’s Supply Chain Department will utilize the PowerAdvocate platform for issuance and management of the RFP process.

- d) The RFP will be issued to all qualified registered CSPs using the current posting of the CSP registry on the PUC’s website. Bidders that are not currently registered with the Commission but are qualified to perform the work specified in the RFP scope may participate in the RFP process. However, any winning bidder must be approved as a CSP in the Commission’s CSP Registry prior to executing an agreement. The RFP will include, but not limited to, the following:
 - i. Bidders’ instructions. This includes instructions for submitting the bid, information required to be provided with the bid, pricing structure and breakdown, identifying exceptions, bid due dates, certification that CSP is not affiliated with any Pennsylvania EDC, disclosure of potential conflicts of interest.
 - ii. Scope of work. This includes the work to be performed by the CSP, schedule of key activities, list of deliverables, technical and administrative requirements, quality assurance, monitoring progress and progress reporting, project documentation, how to measure performance, how to track quantities of service or products delivered and associated true-up procedures, how to identify and contact potential customers, processes for resolving customer disputes, etc.
 - iii. Terms and Conditions. This includes legal terms and conditions such as contract duration, regulatory requirements, compensation structure including incentives and penalties, compliance, indemnification, contract disputes resolution process, qualifications & experience, insurance, criminal and background checks, customer privacy requirements, requirement for PUC approval of Contract, warranty, payment terms, non-compliance, breach of contract, remedies, cancellation, contract modification, certification that CSP is not affiliated with any Pennsylvania EDC, and disclosure of conflicts of interest.

3. CSP Bid Review and Evaluation

- a) Proposals must be received by the established deadline and fulfill all areas of the Scope of Work and Bidder Proposal Format or they will not be considered.
- b) Proposals must address 100% of the items in the RFP whether or not the bidder proposes to perform them.
- c) The Company’s CSP selection team will identify appropriate selection criteria along with the weighting factors that will be used. Criteria and weighting factors are provided below:

Selection Criteria	Total
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	Possible Points
1. Proposal	45
a. Marketing plan is described and will encourage customer participation.	5
b. Process for customer enrollment/participation is clearly defined and appears to be effective/innovative.	10
c. The proposal describes proven methodologies describing how customer savings will be measured/reported verified.	10
d. Quality Assurance procedures are identified.	5
e. Work Plan is coherent, comprehensive and achievable.	15
2. Experience and Capabilities	25
a. Bidder possess demonstrated experience and expertise in section(s) the proposed programs will target.	15
b. Case study examples are applicable and sufficient.	2.5
c. Bidder team member roles and responsibilities are identified.	2.5
d. Bidder (i) is a diverse supplier, per DLC Supplier Diversity Policy, and/or (ii) demonstrates utilization of diverse subcontractors	5
3. Time Schedule	10
a. Timetable is outlined and milestones are achievable	10
4. Cost Proposal	20
a. Bidder proposes innovative, varied approach to achieve desired program performance goals while adding value.	20
Total	100

- d) Copies of all responses will be forwarded to the CSP selection team for review and recommendation. The Company may conduct on-site or virtual finalist interviews during any time in the review process. The CSP selection team will collectively evaluate each response based upon the established criteria in a Bidders' Evaluation Matrix and document their results.

4. CSP Contract Award/Execution

- a) Based upon the overall evaluation, the CSP selection team will recommend a proposed CSP(s) and finalize the proposed CSP contract negotiations.
- b) The EDC will develop and file all proposed CSP contracts and contract amendments with the Commission, and relevant attachments for review and approval prior to the contract becoming effective.

- c) If the PUC has not commented upon or disapproved the proposed CSP contract within 45 days of submittal to the PUC, then the Company is permitted to proceed with awarding the contract without modification.