**Answers to Questions from Pre-proposal Conference**

**1. If the Proposer is not a "Disadvantaged Business," does the Proposer need to submit a statement to that effect in a separately sealed envelope?**

Please contact Gayle Nuppnau from the Bureau of Minority & Women Business Opportunities (“BMWBO”) at gnuppnau@state.pa.us for more information.

**2. To clarify, if the Proposer is not a "Disadvantaged Business" and does not intend to subcontract to a "Disadvantaged Business," the maximum score available is 80%?**

Twenty percent of the maximum overall points for this RFP are allocated by the BMWBO. Please send all “Disadvantaged Business” questions to Gayle Nuppnau of BMWBO at gnuppnau@state.pa.us.

**3. The RFP indicates that the review will cover the January to June 2011 reporting period; Section I-25 indicates that the contract term will be January 1, 2011 to July 1, 2011. If there is a time lag of at least several weeks in receiving Verizon’s month-end data for June, is the July 1, 2011 date still appropriate?**

No, the July 1, 2011 date would not be an appropriate ending date. The June data would be delivered to the contractor at the end of July, at which time there would need to be an allowance of at least several weeks or months for the completion of that month’s report. We would probably be looking at a completion date of sometime around September of 2011, but this is a workable issue.

**4. When is the expected commencement date for the review of performance metrics and related remedies of Verizon Pennsylvania, Inc.?**

The expected commencement date for this project is January 1, 2011.

**5. Please clarify whether the recommendation for the company to “Develop an English Language Version Document Describing Verizon PA’s Business Rules Which Are Used To Implement The Provisions Of The C2C Guidelines” has been implemented.**

This was accomplished by the Joint State Commission (JSC) workgroup which addressed each metric description that had been questioned in various state audits. Those recommendations have been incorporated into the C2C guidelines available on Verizon’s website.

**6. In the prior audit, were there any instances in which the specified users, Verizon PA and the Commission, failed to consent to the audit methods and procedures that the auditor proposed to use? What process of deliberation was followed by the specified users to accept the methods and procedures?**

No, it is not believed that there were any instances in the prior audit in which Verizon or the Commission objected to the methods and procedures used by the contractor. However if any such issues do arise, the Contractor will raise such issues with the Project Officer, who will then consult with Verizon and the Contractor and thereafter the Project Officer will determine how to proceed.

**7. RFP Section II-8, Cost and Price Analysis, specifies the need to provide a cost summary and the total costs for each task or group of tasks. Below this requirement is a set of bullets that lists how to present the cost: Direct Labor Costs, Travel and Subsistence Costs, Consultant Costs, Subcontract Costs, Cost of Supplies and Materials, Other Direct Costs, General Overhead Costs. Is this level of detail for the cost break out required only for the cost summary, or does this level of detail need to be provided for each task or group of tasks?**

This level of detail is acceptable for just the cost summary. For each task or group of tasks, however, for purposes of comparing proposals and to allow for project management, the staff assigned and their number of billable hours must be clearly provided. Costs other than travel (such as overhead) can be included in billable hours, provided however that any large individual material expenses (exceeding $1,000) should be listed separately.

**8. Section I-4 of the RFP, Problem Statement, states, “The monthly selection of metrics to be evaluated will be coordinated with the Commission and include any newly added or modified metrics due to recurring software updates. For each month of results to be reviewed or replicated, the quantity of metrics to be included will not be more than one twelfth of the total metrics included in the Plan.”**

**a. What is the number of the “total metrics included in the Plan” from which the one twelfth is to be calculated?**

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**b. Is it the Commission’s intention that the subset of the metrics evaluated each month be different for each month?**

Yes. However, if issues are found with a metric, follow-up evaluation may occur for that metric in the next month.

**9. When is the proposed vendor selection date?**

The Commission anticipates selection at public meeting sometime in early December 2010. Thereafter final contract negotiations will commence, with anticipated final execution prior to January 1, 2011.

**10. What are the estimated sizes of the data files that will be provided, and what format will the provided data files be in?**

Approximately 2.5 Mb - ascii

**11. What will be the means of transmission for the provided data files? Will they be directly provided by Verizon?**

Verizon can accommodate any reasonable transmission methodology that provides security, such as encrypted transmission via FTP.

**12. Is the "Metric Data Files" defined as the transactional data from the relevant operational and business systems, post-application of Verizon's business rules? For example, will the data already be categorized as transaction flagged as a repeat trouble, will the time intervals already be calculated, etc.?**

Verizon will be providing original source data (flat files) to the contractor for review.

**13. Section I-33 makes references to “Performance Metrics and Related Remedies of Verizon Pennsylvania Inc.” Please clarify if this means that only firms that have previously audited Verizon metrics and performance assurance plans *for Pennsylvania* are eligible to bid on this work? If this is not the case, please confirm that the Commission and Staff consider experience auditing metrics and plans in other Verizon states to be directly relevant experience.**

There are no limitations on eligibility to bid on this work related to prior experience. The Commission considers experience working with Verizon metrics and remedies in other states to be directly relevant experience for the purposes of this project.

**14. In reference to Section IV-2, what software relevant to this engagement is currently used by the Commission Staff?**

Commission Staff currently uses Microsoft Office (Excel) products, but it is anticipated that the Commissions’ IT department can install any specific software needed as it pertains to this project.

**15. The RFP indicates that not more than 1/12 of the total metrics in the PAP will be replicated. Is it reasonable to assume that metrics from all domains covered by the PAP (BI, PO, OR, PR, MR, and NP) will ultimately be included in the samples? If so, does Staff concur that this will require one to examine the data collection, extraction, and interim calculations of the source data for each domain separately?**

Yes, it is reasonable to assume that metrics from all domains will be included in the samples. Yes, Staff concurs that this will require the examination of the source data for each domain separately.

**16. Is Section IV-3 missing or this a typo?**

This is a typo. There is no actual content missing from the RFP.

**17. Is it possible to submit references for clients that the Proposer has performed similar relevant services instead of a redacted work product?**

Yes.

**18. Can interviews of the Proposer's personnel be conducted by phone if necessary?**

Yes.

**19. If a Proposer has performed (and currently performs) work for Verizon, will a brief summary of the general services performed be sufficient? It may be a labor intensive effort to list and describe all services we have provided Verizon in the course of the last 5 years.**

Yes, a summary of the services performed will be sufficient.

**20. When asked to identify any relationships between our employees and Verizon and its employees, it will be a labor intensive effort to identify all potential relationships between our US employees and Verizon and its employees. What is an acceptable statement in this regard?**

The Commission is specifically interested in any relationships between Verizon and Verizon employees and the proposer’s employees who will be directly assigned to performing work for this project, as well any familial or close personal relationships between Verizon senior management and any proposer employees.

**21. Bidders are required to provide a detailed price buildup. Will the Commission consider alternative pricing methods, such as providing fully loaded rates or fixed pricing, which we have used for similarly situated clients?**

The Commission will accept including some costs (such as overhead) in billable hour rates. Travel costs and large material expenses (exceeding $1,000) should not be included in billable hour rates. The Commission cannot accept fixed pricing; the Commission utilizes billable hour invoicing to pay for completed work and to track project progress.

**22. We are unable to provide the detailed policies and procedures for our expense policy. Will a summary be sufficient?**

Yes, a summary will be sufficient. Generally, any reasonable expense policy will be acceptable to the Commission; the Commission generally follows federal expense guidelines.

**23. Is the PA PUC willing to negotiate on terms and conditions of the Contract?**

Yes, the Commission legal counsel typically engages in discussions with the contractor during final contract negotiations, and changes to terms and conditions can be made in final contract negotiations.

**24. Would the PA PUC be willing to have development of any technology/tools for the performance measurement replication performed off-shore?**

Yes, however Verizon has protocols and requirements regarding the transmission, handling, and utilization of proprietary information that will have to be followed for any off-shore work.

**25. Please expand on your expectations of a Monthly Review Report. Can we propose the type of report that we think will be beneficial but may be different from the type of report that the Commission issues subsequent to June 30, 2011?**

Yes, the Commission is eager to hear what ideas the proposers have in regards to the development of a monthly review report. Proposers are welcome to submit ideas that demonstrate their company’s strength and knowledge of the subject matter in whatever manner they best see fit.

**26. On page 28 re: 5th working day – which period is expected to be addressed in the 5th working day monthly report? For example, on the 5th working day of March, will the report include the results of testing February or January data? When does Verizon finalize the monthly metrics and will they be available to comply with this reporting requirement?**

Verizon finalizes the monthly metrics in the latter half of the subsequent data month. For instance, January data would be available in mid to late February. The 5th working day may not allow for an appropriate amount of time for the development of a monthly report on the most recent data. The Commission views this as a workable issue and will consider other deadlines for the monthly reports.

**27. Page 4 indicates that the work should be done in accordance with Government Auditing Standards. Please expand on this requirement. What version of Yellow Book is required (July 2007 or August 2010)? What if the type of report we propose is not addressed in the Yellow Book standards?**

Upon consideration of issues raised at the preproposal conference, the Commission has decided that it does not require work to be done in accordance with Government Auditing Standards.

**28. Please clarify the use of Confidential Information procedures. Does the requirement to submit a separate cost estimate indicate confidential treatment?**

The Commission will not make any part of the proposals public – with the exception of the winning bid. However, all information submitted by the proposers is discoverable upon a right-to-know law request by third parties, and hence should not be viewed as confidential.

**29. If selected, will our attorneys be able to discuss the wording included in Appendix D and ask for possible revisions?**

Yes. Commission legal counsel will engage in final contract negotiations with the winning bidder, and these discussions can include revisions to “boilerplate” contractual language such as that found in the draft contract found at Appendix D.

**30. Exhibit 1 includes a Nondisclosure Agreement – if the standards used in the performance of an existing project with Verizon already include a nondisclosure requirement, will we be required to execute Exhibit 1?**

Yes. The Commission and Verizon will consider appropriate revisions to the nondisclosure agreement, provided however that it is anticipated that a nondisclosure agreement substantially similar to Exhibit 1 will be executed amongst the parties.

**31. Page 20 references the Commonwealth Management Directive 230.10, Travel and Subsistence Allowances. May we have a copy of that directive? Page 21 – Contractor Responsibility Program – please provide a copy of the current version of the Commonwealth Management Directive 215.9, Contractor Responsibility Program.**

Here are the links to the two aforementioned Management Directives:

<http://www.portal.state.pa.us/portal/server.pt/gateway/PTARGS_0_2_785_711_0_43/http%3B/pubcontent.state.pa.us/publishedcontent/publish/global/files/management_directives/management___administrative_support/230_10_07_01_09.pdf>

<http://www.portal.state.pa.us/portal/server.pt/gateway/PTARGS_0_2_785_711_0_43/http%3B/pubcontent.state.pa.us/publishedcontent/publish/global/files/management_directives/management___administrative_support/215_9.pdf>

**32. Will you allow us to include a clause in the contract that will allow for an adjustment to the total fee if we substantially exceed our estimated hours for reasons that are beyond our reasonable control?**

No, this could only be accomplished through the Commissions’ contract amendment processes.

**33. Page 24 – please expand on your expectations regarding “Contractor may not provide similar work for Verizon during the contract term without approval of the Commission. Verizon may not offer proposals.”**

“Similar work” is very narrow, meaning work for Verizon Pennsylvania, Inc. involving performance metrics calculations and remedies relating to the Pennsylvania Performance Assurance Plan.

Entities that are subsidiaries of Verizon parent entity may not offer proposals.

**34. Page 28 – Testimony – please expand on the expectations related to Contractor’s testimony.**

Contractor testimony would only be necessary in the case where some form of contested proceeding arises. Staff believes this to be an unlikely occurrence. In the event that such testimony would be required, the contractor would be compensated at 150% of the hourly rates indicated in the proposal, and note that such payments would be over and above the fixed maximum price that was bid in the proposal (that is, proposers do not need to budget for any such work in the proposal). See Section IV-6 for further explanation.

**35. Page 29 – Ongoing Obligations – this includes reference to “conservation plans.” Is this intended for this RFP? The work paper retention period is different from the period described on page 27.**

No, “conservation plans” was not terminology intended for this RFP, and a work paper retention period of three years will be sufficient.

**36. What level of metric will constitute the 1/12 that is to be analyzed on a monthly basis? (i.e. the submetrics or the product level metrics)**

Product level.

**37. In the Commission’s view, what is the overall scope of this project?**

Develop a tool (program) which will take the Verizon raw data (flat file) and produce a report that will verify Verizon’s monthly PAP report to the Commission. In addition, examine how the data is accumulated, categorized and selected for inclusion in the flat file for selected metrics during the trial period.

**38. Will the Commission own the software that the proposer develops?**

No. The copyright for any software and work product developed by the contractor during the course of this project will be retained by the contractor.

**39. What kind of deliverable must be provided to the Commission?**

There are two deliverables.

The first deliverable is five copies of a software package that will allow Commission staff to replicate the information that Verizon provides to the Commission from a Verizon raw data (flat file). The Commission has posted on its website a copy of Verizon’s current monthly report that was provided to the Commission (excel spreadsheet). The Commission is seeking a software package that will enable the Commission to use the provided software package on a Verizon raw data (flat file) to replicate the information provided in Verizon’s monthly excel spreadsheet report.

The second deliverable is a written report of the findings of the Contractor’s investigation into the development of the data that is included in Verizon’s raw data files.

The contractor agrees to allow Commission staff (and only Commission staff) to use these five copies of the software package after the termination of the contract. Contractor will have no obligation to maintain, update, or otherwise support this software package after the contract term.