

Request for Proposal (RFP)

Contract No. R-44385

for

Evaluation of Avista's Washington Electric and Natural Gas Decoupling Mechanisms

INSTRUCTIONS AND REQUIREMENTS

Proposals are due by:

12:00 p.m. Pacific Prevailing Time (PPT), February 17, 2023 (the "Due Date")

Avista Corporation is an energy company involved in the production, transmission, and distribution of energy as well as other energy-related businesses. [Avista Utilities](#) is our operating division that provides electric service to 378,000 customers and natural gas to 342,000 customers. Its service territory covers 30,000 square miles in eastern Washington, northern Idaho, and parts of southern and eastern Oregon, with a population of 1.6 million. Alaska Energy and Resources Company is an Avista subsidiary that provides retail electric service in the city and borough of Juneau, Alaska, through its subsidiary [Alaska Electric Light and Power Company](#). Avista stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.myavista.com.

**Avista Corporation (“Avista”)
RFP Confidentiality Notice**

This Request for Proposal (“RFP”) may contain information that is marked as confidential and proprietary to Avista (“Confidential Information” or “Information”). Under no circumstances may the potential Bidder receiving this RFP use the Confidential Information for any purpose other than to evaluate the requirements of this RFP and prepare a responsive proposal (“Proposal”). Further, Bidder must limit distribution of the Information to only those people involved in preparing Bidder’s Proposal.

If Bidder determines that they do not wish to submit a Proposal, Bidder must provide a letter to Avista certifying that they have destroyed the Confidential Information, or return such Information to Avista and certify in writing that they have not retained any copies or made any unauthorized use or disclosure of such information.

If Bidder submits a Proposal, a copy of the RFP documents may be retained until Bidder has received notice of Avista’s decision regarding this RFP. If Bidder has not been selected by Avista, Bidder must either return the Information or destroy such Information and provide a letter to Avista certifying such destruction.

Avista and Bidder will employ the same degree of care with each other’s Confidential Information as they use to protect their own Information and inform their employees of such confidentiality obligations.

Instructions and Requirements

1.0 PURPOSE

Avista Corporation (“Avista”) is seeking a qualified firm to complete an objective, independent evaluation of Avista’s electric and natural gas decoupling mechanisms (“Decoupling Mechanisms” or “Mechanisms”) approved by the Washington Utilities and Transportation Commission (“WUTC” or “Commission”). The Successful Bidder will be required to complete the evaluation of the Mechanisms (the “Evaluation” or “Services”) at Avista’s direction, in consultation with Avista’s Energy Efficiency Advisory Group (“Advisory Group”). The Evaluation must be conducted in accordance with the objectives and requirements detailed in the attached Statement of Work (“SOW”) included as part of this RFP.

Persons or firms submitting a Proposal will be referred to as “Bidder” in this RFP; after execution of a contract, the Bidder to whom a contract is awarded, if any, will be designated as the “Consultant”.

2.0 STATEMENT OF WORK

The SOW specifies the activities, deliverables and/or services sought by Avista. The SOW will be the primary basis for the final SOW to be included under a formal contract, if a contract is awarded.

3.0 RFP DOCUMENTS

Attached are the following RFP Documents:

1. Statement of Work and Referenced Attachments
2. Appendix A – Proposal Cover Sheet
3. Appendix B – Avista’s Standard Contract Documents
 - a) Professional Services Agreement
 - b) General Conditions for Services Agreements

4.0 CONTACTS / SUBMITTALS / SCHEDULE

4.1 All communications with Avista, including questions (see Section 5.1), regarding this RFP must be directed to Avista’s Sole Point of Contact (“SPC”):

Joseph Miller
 Senior Manager, Rates & Tariffs
 Avista Corporation
 1411 East Mission Avenue
 PO Box 3727, MSC-29
 Spokane, WA 99220-3727
 Telephone: (509) 495-4546
 E-Mail: decoupling@avistacorp.com

4.2 Proposals must be received no later than 2:00 PM Pacific Prevailing Time (“PPT”), on February 17, 2023 (“Due Date”). Bidders should submit an electronic copy of their Proposal to bids@avistacorp.com and decoupling@avistacorp.com. No verbal or telephone Proposals will be considered, and Proposals received after the Due Date may not be evaluated.

4.3 Proposed Project Schedule

January 16, 2023	Release of RFP (via e-mail)
January 23, 2021	Intent to Bid notice due from interested firms
January 30, 2023	Bidder Questions/Request for Clarifications Due Date
February 17, 2023	Proposals due from bidding firms
March 3, 2023	Selection of Successful Bidder
March 15, 2023	Contract execution Target Date
Week of April 10, 2023	Project Kickoff with Avista and Advisory Group

August 7, 2023	Draft 3-Year Evaluation Report Submitted to Avista for review and comment
October 2, 2023	Final 3-Year Evaluation Report Submitted to Avista

5.0 RFP PROCESS

5.1 Pre-proposal Questions Relating to this RFP

Questions about the RFP documents (including without limitation, specifications, contract terms or the RFP process) must be submitted to the SPC (see Section 4.1), in writing (via e-mail), by January 30, 2023. Notification of any substantive clarifications provided in response to questions will be provided via email to all Bidders.

5.2 Requests for Exceptions

Bidder must comply with all of the requirements set forth in the documents provided by Avista as part of this RFP (including all submittals, contract documents, exhibits and/or attachments). Any exceptions to these requirements *must be*: (i) stated separately, (ii) clearly identified (including the document name and section), and (iii) include any proposed alternate language, etc. Failure by Bidder to provide any exceptions in its Proposal will constitute full acceptance of all documents provided by Avista as part of this RFP. While Avista will not consider alternate language, etc. that materially conflicts with the intent of this RFP, Avista may consider and negotiate the inclusion of terms that would be supplemental to the specific document if such terms reasonably relate to the scope of this RFP.

5.3 Modification and/or Withdrawal of Proposal

5.3.1 By Bidder: Bidder may withdraw its Proposal at any time. Bidder may modify a submitted Proposal by written request provided that such request is received by Avista prior to the Due Date. Following withdrawal or modification of its Proposal, Bidder may submit a new Proposal provided that such new Proposal is received by Avista prior to the Due Date and includes a statement that Bidder’s new Proposal amends and supersedes the prior Proposal.

5.3.2 By Avista: Avista may modify any of the RFP documents at any time prior to the Due Date. Such modifications will be issued simultaneously to all participating Bidders.

5.4 Proposal Processing

5.4.1 Confidentiality: It is Avista’s policy to maintain the confidentiality of all Proposals received in response to an RFP and the basis for the selection of a Bidder to negotiate a definitive agreement.

5.4.2 Basis of Any Award: This RFP is not an offer to enter into an agreement with any party. The contract, if awarded, will be awarded on the basis of Proposals received after consideration of Bidder’s ability to provide the services/work, quality of personnel, extent and quality of relevant experience, price and/or any other factors deemed pertinent by Avista, including Bidder’s ability to meet any schedules specified in the Statement of Work.

5.4.3 Pre-award Expenses: All expenses incurred by Bidder to prepare its Proposal and participate in any required pre-bid and/or pre-award meetings, visits and/or interviews will be Bidder’s responsibility.

5.4.4 Proposal Acceptance Term: Bidder acknowledges that its Proposal will remain valid for a period of 60 days following the Due Date unless otherwise extended by Avista.

5.5 Contract Execution

The Successful Bidder must enter into a contract that is substantially the same as Avista’s standard Agreement and General Conditions governing the performance of the Services applicable under this RFP (included as Appendix B.1 and Appendix B.2, respectively) and provide certificates of insurance for the levels specified in these documents prior to initiating the Services.

6.0 PROPOSAL REQUIREMENTS AND SUBMITTALS

Bidder's Proposal **must conform** to the following outline and address all of the specified content to facilitate Avista's evaluation of Bidder's qualifications; approach to performing the requested Services/Work; and other requirements in the SOW. Proposals that merely offer to provide the Services as stated in this RFP will be considered non-responsive and will not be considered further in the evaluation process. Proposals will be evaluated on overall quality of content and responsiveness to the purpose and specifications of this RFP, including the information set forth below. The following sections are required with Bidder's Proposal:

- **Section 1:** RFP Appendix A – Proposal Cover Sheet
- **Section 2:** Lump Sum Bid (excluding taxes) with Milestone Payments
- **Section 3:** Proposal Exceptions (if none, state “**No Exceptions**”)
- **Section 4:** Technical Proposal
- **Section 5:** Company Information

6.1 Proposal Cover Sheet

Bidder must fill out, sign, and date the attached Proposal Cover Sheet (Appendix A). The signatory must be a person authorized to legally bind Bidder's company to a contractual relationship (e.g. an officer of the company).

6.2 Bid /Service Fees

- a) Provide a Lump Sum Bid for all services required to perform the Evaluation including, without limitation, costs to confer with Avista regarding its energy conservation and low income projects. Include Milestone Payments for each task required to perform the Evaluation.
- b) Provide a detailed listing of the firm's current service fees.

6.3 Exceptions (if none, state “No Exceptions”)

- a) Exceptions to Sample Agreement
- b) Exceptions to General Conditions

6.4 Technical Proposal

Bidder must provide its proposed approach to completing the Services described in the SOW including:

- a) A general narrative summarizing the approach to be utilized to provide the required Services;
- b) An outline of all work procedures, technical comments, clarifications and any additional information deemed necessary to perform the Services;
- c) Description of the firm's previous working history with Avista or any Advisory Group member organization (discussed in Statement of Work), and identify the dates and nature of all contractual engagements, either directly or as a subcontractor.
- d) Description of any past experience related to rate decoupling mechanisms, including any reports, testimony, presentations, analyses, or recommendations. In addition, Bidders are asked to indicate whether any advocacy position on decoupling mechanisms has been taken by the firm itself or its employees, either in favor or against.
- e) Any proposed changes to the SOW or alternative means to accomplish project objectives by marking the changes on the SOW.
- f) *Avista Consideration to Innovative Technique* – Avista will give consideration to any innovative techniques, substitute materials and process modifications that will positively influence the project without reducing the quality. If relevant, please provide this information as an alternate Proposal with a detailed break out of costs and detailed technical and schedule information relating to such alternate Proposal.
- g) *Schedule/Timeline/Milestone Chart*
 1. Provide a proposed project schedule with completion times or milestones to accomplish the Evaluation within the timeline set forth in the SOW.

2. Include a proposed labor schedule that details the scope, manpower requirements for each activity and expected time for completion that can be used to further refine the main project schedule.
- h) Approach to Subcontracting – If Bidder’s approach to performing the Services will require the use of subcontractors, include for each subcontractor: (a) a description of their areas of responsibility, (b) identification of the assigned subcontractor personnel, (c) resumes of key subcontractor personnel, (d) a summary of the experience and qualifications of the proposed subcontracting firms in work similar to that proposed, (e) a list of references for such work, and (f) for each subcontractor, what percent will be such subcontractor’s responsibility.

6.5 Company Information

- a) Company Qualifications – Provide information on projects of similar size and scope that Bidder’s firm has undertaken and completed within the last five (5) years. Please include a list of references on Appendix A that could be contacted to discuss Bidder’s firm’s involvement in these projects. List all business and technical licenses and certifications held by Bidder’s firm relevant to the proposed Work.
- b) Litigation – Provide a list of all material litigation in which Bidder’s firm is or has been a plaintiff or defendant over the past five (5) years. Such lists must be in sufficient detail to explain the positions of the various parties and the ultimate outcome as to the damages awarded (if any) or the settlement reached.
- c) Company Resources – Identify any unique or special equipment, intellect, hardware, and software or personnel resources relevant to the proposed work that Bidder’s firm possesses.
- d) Project Personnel Qualifications – Provide a proposed organization chart or staffing list for a project of this size and scope and identify the personnel who will fill these positions. If applicable, identify project managers who will be overseeing the Work and submit their resume identifying their work history. Identify any professional licenses and certifications held by the personnel assigned to perform applicable duties and tasks.

7.0 RESERVATION OF AVISTA RIGHTS:

Avista may, in its sole discretion, exercise one or more of the following rights and options with respect to this RFP:

- Modify, extend, or cancel this RFP at any time to obtain additional proposals or for any other reason Avista determines to be in its best interest;
- Issue a new RFP with terms and conditions that are the same, similar or substantially different as those set forth in this or a previous RFP in order to obtain additional proposals or for any other reason Avista determines to be in its best interest;
- Waive any defect or deficiency in any proposal, if in Avista’s sole judgment, the defect or deficiency is not material in response to this RFP;
- Evaluate and reject proposals at any time, for any reason including without limitation, whether or not Bidder’s proposal contains Requested Exceptions to Contract Terms;
- Negotiate with one or more Bidders regarding price, Statement of Work, or any other term of Bidders’ proposals, and such other contractual terms as Avista may require, at any time prior to execution of a final contract, whether or not a notice of intent to contract has been issued to any Bidder and without reissuing this RFP;
- Discontinue negotiations with any Bidder at any time prior to execution of a final contract, whether or not a notice of intent to contract has been issued to Bidder, and to enter into negotiations with any other Bidder, if Avista, in its sole discretion, determines it is in Avista’s best interest to do so;
- Rescind, at any time prior to the execution of a final contract, any notice of intent to contract issued to Bidder.

[END OF REQUEST FOR PROPOSAL INSTRUCTIONS AND REQUIREMENTS]



APPENDIX A - Proposal Cover Sheet
Bidder Information

Organization Name: _____

Organization Form: _____ State of Incorporation: _____
 (Sole proprietorship, partnership, Limited Liability Company, Corporation, etc.)

Does Organization have an Early Pay Discount Agreement with Avista? YES / NO If YES, state percentage ____

Does Organization have any exceptions / clarifications to the SAMPLE Agreement? YES / NO
 If YES, provide page number of proposal that identifies the exceptions/clarifications to Agreement. _____

Does Organization have any exceptions / clarifications to the General Conditions? YES / NO
 If YES, provide page number of proposal that identifies the exceptions/clarifications to General Conditions. _____

Does Organization have any litigations? YES / NO
 If YES, provide page number of proposal that identifies the litigations. _____

Primary Contact Person: _____ Title: _____

Address: _____

City, State, Zip: _____

Telephone: _____ Fax: _____ Federal Tax ID# _____

E-mail Address: _____

Name and title of the person(s) authorized to represent Bidder in any negotiations and sign any contract that may result ("Authorized Representative"):

Name: _____ Title: _____

If classified as a contractor, provide contractor registration/license number applicable to the state in which Services are to be performed. _____

Provide at least three references with telephone numbers (please verify numbers) that Avista may contact to verify the quality of Bidder's previous work in the proposed area of Work.

REFERENCE No. 1: Organization Name: _____ Contact Person: _____ Project Title: _____	Telephone: _____ Fax: _____ Email: _____
REFERENCE No. 2: Organization Name: _____ Contact Person: _____ Project Title: _____	Telephone: _____ Fax: _____ Email: _____



REFERENCE No. 3: Organization Name: _____	Telephone: _____
Contact Person: _____	Fax: _____
Project Title: _____	Email: _____

By signing this page and submitting a Proposal, the Authorized Representative certifies that the following statements are true:

1. They are authorized to bind Bidder's organization.
2. No attempt has been made or will be made by Bidder to induce any other person or organization to submit or not submit a Proposal.
3. Bidder does not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation or national origin.
4. Bidder has not discriminated and will not discriminate against any minority, women or emerging small business enterprise in obtaining any subcontracts, if required.
5. Bidder will enter into a contract with Avista and understands that the final Agreement and General Conditions applicable to the Scope of Work under this RFP will be sent for signature under separate cover.
6. The statements contained in this Proposal are true and complete to the best of the Authorized Representative's knowledge.
7. If awarded a contract under this RFP, Bidder:
 - (i) Accepts the obligation to comply with all applicable state and federal requirements, policies, standards and regulations including appropriate invoicing of state and local sales/use taxes (if any) as separate line items;
 - (ii) Acknowledges its responsibility for transmittal of such sales tax payments to the taxing authority;
 - (iii) Agrees to provide at least the minimum liability insurance coverage specified in Avista's attached sample Agreement, if awarded a contract under this RFP.
8. If there are any exceptions to Avista's RFP requirements or the conditions set forth in any of the RFP documents, such exceptions have been described in detail in Bidder's Proposal.
9. Bidder has read the "Confidentiality Notice" set forth on the second page of these "INSTRUCTIONS AND REQUIREMENTS" and agrees to be bound by the terms of same.

Signature: _____ Date: _____

*** THIS APPENDIX A MUST BE ON TOP OF BIDDER'S PROPOSAL ***