



**Exhibit 3, Supplement 1**  
**Competitive Procurement and RFP Framework**

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## I. Introduction

Puget Sound Energy's (PSE's) Energy Efficiency department has a long-standing history of effectively managing its conservation programs through a combination of internal, PSE-staffed direction, and the engagement of third-party implementers, contractors, and vendors. PSE staff apply rigorous tenets that ensure program management is cost-effective, meets customer expectations, and results in the maximum savings possible. Staff evaluate applicable programs to determine whether they are most effectively managed by PSE staff only, a combination of staff-and-implementer, or completely managed by a third-party implementer. Application of corporate policies and guidelines also ensure fairness and equity in all of its contractual agreements with its conservation partners.

Energy Efficiency has followed contracting policies and guidelines for a substantial period, and has continuously improved its processes throughout the years. During this time, staff have applied the principles indicated in WAC 480-107-065(3):

A utility must acquire conservation and efficiency resources through a competitive procurement process as described in this rule unless implementing a competitive procurement framework for conservation and efficiency resources as approved by the commission.

The majority of the RFP and contracting processes are well-documented, and lend themselves to cataloging into a single reference, such as this RFP Competitive Procurement for Conservation and Efficiency Framework (The "RFP Framework" henceforth). This is consistent with sub-section (a), which indicates:

A utility may develop, and update each biennium, a competitive procurement framework for conservation and efficiency resources in consultation with its conservation advisory group, as described in WAC 480-109-110 Conservation advisory group.

This *Exhibit 3, Supplement 1: The Competitive Procurement Framework for Conservation and Efficiency Resources*, meets all requirements of WAC 480-107-065.

Throughout the document, PSE identifies—either within the section discussions, the section headings, or specific mention—the sub-section of the requirement being met. Consistent with WAC 480-107-065(b)(v), the document is filed as an appendix to PSE's 2022-2023 Biennial Conservation Plan (BCP).

## II. The Competitive Procurement Framework

Exhibit 3, Supplement 1 contains the following Sections, each of which discusses Energy Efficiency's process for determining the need for, developing, submitting, evaluating, and approving Responses for Proposals (RFPs) to meet its biennial conservation targets and goals. For purposes of Energy Efficiency staff reference and tenets established with current PSE Plan Exhibits, the section order may not directly align with the WAC 480-107-065 enumeration.

### A. Exhibit 3, Supplement 1 Sections

This document provides detailed discussions on the following WAC-required topics:

- 1) Defining the Specific Criteria used to Determine the Frequency of Competitive Bidding
- 2) Energy Efficiency RFP Processes\*
- 3) Programs Exempted from Competitive Procurement
- 4) Public Participation
- 5) Independent Evaluator Considerations
- 6) Continuous Improvement through Adaptive Management
- 7) CRAG Support

\* Not included in WAC 480-107-065, but pertinent to the Energy Efficiency RFP discussion.

## B. Criteria used to Determine the Frequency of Competitive Bidding

During the course of program operations, staff adaptively manage their offerings, and decide whether to implement programs in-house, or via a third-party vendor during the planning process. Throughout a program year, and especially during biennial planning,<sup>1</sup> staff review the impact of implementing their programs in-house versus through a third party. To determine the frequency of a competitive bidding process, program staff follow a specific set of criteria.

As illustrated in Figure II-1, PSE determines which programs, offerings, or services (whether currently managed in-house or through a service provider) should go out to bid after program staff:

- a. Conduct a review of their programs, services, and offerings, including, but not limited to current performance, market acceptance, potential future design, and savings potential. Program staff will complete an extensive amount of market and customer research, and consider all products and services provided through the Request for Information (RFI)<sup>2</sup> process. Program staff may also consider a third party review process which may be conducted to determine opportunities for new or additional programs.
- b. Determine if there's a need for additional savings, beyond those available through current offerings.
- c. Determine whether or not the program, offering, or service is most cost-effectively deployed: either in-house or through a third-party implementer.
- d. Review and evaluate any RFIs or other research data that show valid potential for cost-effective savings, expertise and innovative services that may result in a general RFP.

### 1. Specific Criteria used in Determining Whether an RFP is Required

In reviewing the current performance of third party-managed programs, staff review Key Performance Indicators (KPIs) for third-party implementers (also, "Vendors", "Contractors", "Partners"). KPIs are program-specific, and are a specific set of deliverables, depending on the

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<sup>1</sup> Energy Efficiency staff often commence planning for an upcoming biennium more than a year in advance, depending on a number of factors, discussed throughout this document.

<sup>2</sup> PSE discusses the RFI process in Section 3.a.

objectives of the program, its service delivery approach, and customer set. The following discussion represents a few high-level KPIs, and PSE provides some additional examples of KPIs in figure II-1. Their review determines, in part, whether to renew an existing contract or release a new RFP for the program.

**a. Existing Program Review**

Staff base their decisions to renew an existing contract or open a (new or existing) program or service to RFP on the following evaluation of contractor criteria set by PSE's Corporate Contracting department.

These include, but are not limited to:

- Customer satisfaction feedback.
- Energy savings achieved while under contract.
- Billing accuracy.
- Program staff engagement (is the vendor proactive, thorough, professional in their interactions with PSE staff and their representations of PSE with its customers?).
- Ability of existing vendor to meet all performance criteria, as outlined in the existing contract's Statement of Work (SOW).
- Has there been a change in overall scope of the program? (For instance, a significant increase or decrease—defined as a 30 percent change in budget, savings, and/or number of deliverables).

If existing vendors are meeting the performance expectations enumerated in their contract(s), program staff may renew an existing contract, without a re-bid<sup>3</sup> being necessary. This approach provides numerous efficiencies, including, but not limited to:

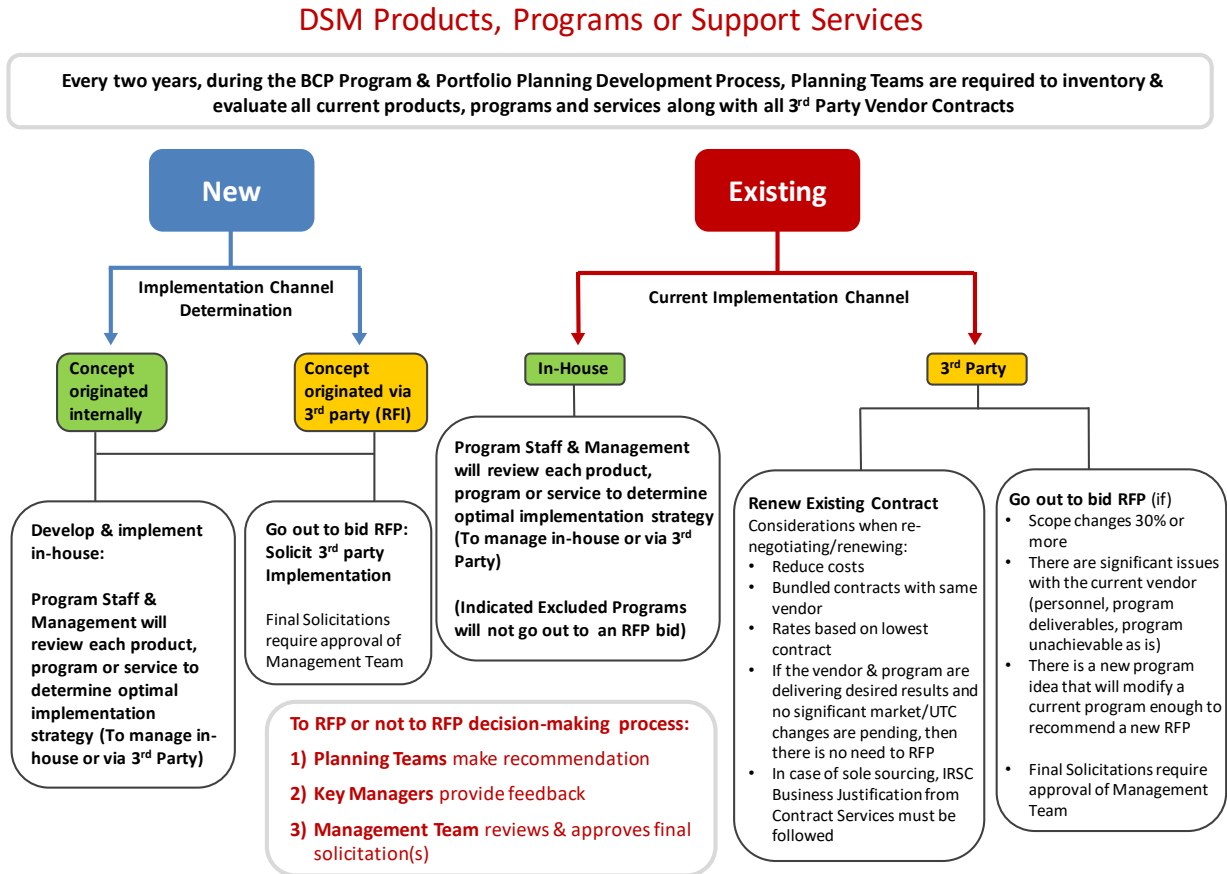
- Reduction of ratepayer burden in the amount of administrative and programmatic staff time on programs in which the vendor is meeting its obligations, performance metrics are being met, and do not change significantly from biennia to biennia.
- Increased staff bandwidth to focus time on acquiring cost-effective conservation.
- Avoid a “start-stop” cycle of program implementation due to vendor uncertainty.
- Improved relationships and more strategic collaboration with vendors through long-term agreements.

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<sup>3</sup> Energy Efficiency discusses its re-bidding timeframe in a subsequent section.

Figure II-1 illustrates a general overview of program implementation consideration that each Energy Efficiency program manager employs when evaluating their program design.

**Figure II-1: Summary of Program Review Process for RFP Potential**



Staff also consider strategic program implementation direction:

- Decision to combine the program with other services that are substantially different than what was provided through the existing contract.
- Decision to change how a program, service, or offering will be implemented most cost-effectively.<sup>4</sup>
- Need to end the program due to market trends (for instance, market saturation, no longer cost-effective, inability to claim savings due to code changes, force majeure, etc.)

<sup>4</sup> PSE presents an illustration of the decision matrix overview as **Figure II-1**.

**b. *Determining the Need for New or Additional Resources***

Considerations examined in determining the need for additional or new conservation resources—in no particular order—are based on, but not limited to:

- Industry standards and trends,
- Other utilities' offerings,
- Contractor feedback,
- Marketplace conditions,
- Customer feedback,
- Acquisition costs,
- Savings potential.

**c. *Estimating the Cost-Effectiveness of Program Management Scenarios***

Program staff evaluate historical program cost-effectiveness, and conduct sensitivity analyses (for instance: would it be more cost-effective to deliver the program from a third-party implementer?) to forecast the potential change in cost-effectiveness resulting from a revised or new program management approach.

RFP Considerations: If staff determine that an RFP is appropriate, they follow the steps outlined in Section B.10. These are enumerated and strictly enforced by PSE's Corporate Contracting department.

Once staff complete their analyses, they either decide to (1) continue managing the applicable program using in-house staff, (2) renew an existing third-party implementer contract or (3) release an RFP. The following Chapter discusses the processes that Energy Efficiency staff follow when PSE solicits RFPs.

**2. Programs Exempted from Competitive Procurement**

Consistent with WAC 480-107-065(3)(c)(i), PSE does not solicit RFPs for the following programs. It isn't possible for a third party to effectively manage these programs:

- **Low Income Weatherization** - This program effects conservation through the administration of Washington State CAP agencies only.
- **Northwest Energy Efficiency Alliance (NEEA)** - NEEA effects regional market transformation over a 20-year horizon. Budgets and business plans are set in 5-year increments. It is not possible to bid out this type of work.
- **Large Power User/Self-Directed** – Customer self-directed projects and activities are best performed by in-house Energy Management Engineers (EMEs).

## C. Types and Timing of Requests

Applicable new programs or applicable existing programs may be bid out through an RFP process. Existing programs are assessed using the Corporate Contracting Established Criteria, listed under Program Solicitation Criteria in Section B. When program staff have determined that a program's objectives can best be met through either vendor- or third-party management, or via a combination of in-house and third-party implementation, program staff collaborate with Energy Efficiency's Programs Support staff and Corporate Contracting to develop Requests for Proposals (RFPs).

When there is a need for new conservation resources, or innovative services that are difficult for PSE to develop or manage, program staff will often solicit Requests for Information (RFI), or examine third-party, externally-collected information.

### 1. Request for Information (RFI)

Typically, PSE releases an RFI in the last quarter of the year preceding a planning year.<sup>5</sup> PSE requests written responses for new or innovative conservation measures, ideas, or programs through its RFI process.

The RFI is fairly general, and focuses on the key priorities for Energy Efficiency. Bidders are told that, by submitting an RFI, there is no guarantee that PSE will select or bid out a specific program that incorporates the concept. Responses are brief (up to five pages) and may include attachments with additional details. PSE states that it may not review the attachments unless there is interest in further pursuing the concept.

When evaluating received documents, PSE is not evaluating a company's ability to provide a product or service, rather is considering the product or service itself.

PSE reviews all RFI details internally, socializes them across multiple departments, and develops an "Idea Library" that may be referenced during the Program Planning process. Any of the ideas (whether it be parts of, or entire programs) may be adapted into a Program and eventually included in an RFP.

### 2. Request for Proposals (RFP)

As a standard practice, program staff time the release of the RFP when they are relatively confident in the next Integrated Resource Plan's (IRP) conservation potential, as this shapes program goals and targets. This is typically in the second quarter of a planning year. PSE provides a general process sequence in Table II-1. Energy Efficiency may employ either or both types of RFPs:

- a. Proposals for general, non-specific conservation solutions and
- b. Program-Specific

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<sup>5</sup> PSE considers a "Planning Year" as the year prior to the start of a subsequent biennium. For instance, 2019 is the Planning Year for 2020-2021. Therefore, PSE released the RFI for the 2020-2021 biennium in Q4 of 2018.



Solicitations are made publicly accessible on industry websites and social media channels (for instance, NEEA's Conduit and LinkedIn). PSE also maintains a large list of vendors who have inquired about PSE energy efficiency opportunities, have previously bid on an RFI or RFP, are currently a PSE vendor, or have implemented PSE programs during past cycles.

This list is currently over 350 vendor contacts. This notification process ensures all interested parties have access to the solicitation. PSE maintains a specific email address for RFI and RFP-related correspondence with potential bidders ([CEMRFP@pse.com](mailto:CEMRFP@pse.com)). Interested parties may submit RFPs for conservation services at any time. Applicable program staff will review and consider such RFPs as they are received.

Regardless of the RFP type, program staff and evaluation teams (discussed in subsequent sections of this document) are required to adhere to a "quiet period", consistent with the Energy Efficiency RFI/RFP Guidelines, attached hereto as Appendix 2.

**a. *RFPs for General, Non-Specific Conservation Solutions***

Every biennium, PSE releases RFPs as needed. These may include program-specific requests as well as for other potential conservation solutions. The RFP requests proposals from bidders that provide new, innovative, technically feasible and available, programs, measures, solutions, or services that have the potential to achieve conservation savings over the long term. RFPs may address specific existing Energy Efficiency programs or sector areas, or new, unspecified conservation solutions. RFPs are not limited in scope, quantity of conservation savings, or anticipated cost.

**b. *Program-Specific RFP***

This type of RFP is released only when:

- Program staff determine that a particular program can be more cost-effectively managed through a third-party implementer,
- If a program is currently working with a third-party implementer who is falling short of KPIs, not meeting expectations, or
- Energy Efficiency will solicit RFPs as needed for qualifying programs, even if vendor performance meets PSE expectations.<sup>6</sup> This provides an opportunity for program staff to evaluate updated market costs, potential for new services, and allow for vendor competition.
  - It is noteworthy that for savings programs managed by a third-party implementer, Energy Efficiency will re-bid those contracts a minimum of every four years, excluding NEEA and Low Income Weatherization.

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<sup>6</sup> Please see the earlier discussion on KPIs.

### **3. Sole Source Contracts**

There are circumstances in which certain required programs, services, or offerings can only be provided through a specific vendor, or a specific vendor has an established history/relationship with PSE. In these cases, PSE may use established Corporate Contracting guidelines and processes to establish a Sole Source relationship. In these cases, rigorous documentation is required, and PSE will not create an RFP.

With the exception of NEEA, PSE currently does not have any sole-source Energy Efficiency relationships.

## D. Energy Efficiency RFP Processes

During each annual planning cycle, as a part of building its Portfolio from the bottom-up, Energy Efficiency program staff review existing programs, services, offerings, and support solutions to determine if a program, offering, or solution will be included in an RFP.

The processes discussed in the following sections apply to biennial implementation, but can also be applied to annual or ad-hoc proposal solicitation or consideration. These discussions are intended to provide a general overview of the RFP process and all timelines are subject to changes based on portfolio planning decisions.

### 1. RFP Process Timing

Table II-1 provides a general overview of standard RFP steps that Energy Efficiency program staff consistently follow.

**Table II-1: Standard RFP Timeline with Key Activities**

Activity	Approximate Date
PSE develops key priorities for following planning cycle and releases a general RFI, soliciting products, services and concepts to inform the next planning process.	End of year preceding a planning year.
After reviewing library of submitted RFI responses, existing programs and completing a market analysis, Program teams develop programs for next biennium. Energy Efficiency staff determine which programs need to be bid out, and which ones have contracts that can be renegotiated and extended.	Early in planning year
Program teams used a standardized template to provide details on Potential Programs with estimated budget and savings targets.	Early in planning year
Solicitation released and emailed to list of known vendors and posted publicly. Often, some Energy Efficiency associations also include solicitation in their newsletters and communications. Solicitation includes RFP timeline.	Q2 of Planning Year
Requested "Intent to Bid" from all interested parties. Letter of intent (LOI) required in order to submit a proposal. Purpose of the LOI is to gauge overall resource requirement of RFP evaluation process.	
Bidder questions due (bidders submit questions regarding RFP solicitation).	
Bidder questions answered (via email to all parties who completed intent to bid letters).	
Proposal submission by due date to PSE.	

Standard RFP Activity Timeline, continued

Activity	Approximate Date
Proposals evaluated by planning teams (includes Energy Efficiency staff, and other PSE organizations such as Marketing, Outreach, and Products), employing Corporate Contracting’s standard evaluation templates for consistency across programs.	Q3 of planning year
Bidders identified for interview short list notified, interviews are scheduled.	
Bidder interviews, reference checks, selection process begins. Interviews include program teams, internal PSE Subject Matter Experts, as needed.	
Scope, pricing, contract marketing, sales, and/or promotional planning.	
Negotiation finalization.	Q4 of planning year
Proposal/program launch.	January 1, following planning year

**2. Public Participation**

Energy Efficiency’s solicitation for conservation program proposals are made publicly available. PSE will also review any proposal presented at any time—not just the prescribed conservation planning intervals. Consistent with Corporate Contracting guidelines, PSE posts its RFP-related documents in several areas, including but not limited to:

- NEEA’s Conduit website, which many industry representatives reference,
- E Source—another utility-related national resource,
- PSE notifies all vendors, contractors, and business partners in its database of RFP-related documents,
- LinkedIn.

Throughout the solicitation process, PSE ensures that bidders are well informed regarding the status of the Proposal. PSE confirms receipt of all proposals, and will notify all bidders of their status upon completing the review and short-list process.

**3. Proposal Assessment Process**

As listed in Table II-1, PSE addresses potential bidder questions and receives proposals early in the solicitation process. RFPs include a general list of Proposal Requirements which bidders are to include with their program proposals. PSE provides all questions and responses to all candidates who completed the intent to bid forms. Once PSE receives proposals, and the response deadline is reached, program staff scrutinize the proposals, incorporating strict

guidelines and protocols established by Corporate Policy and the Corporate Contracting department as well as meeting our general Proposal Requirements.

Consistent with WAC 480-107-065(2), staff evaluate proposals to ensure that all conservation and efficiency measures included in a project proposal produce savings that can be reliably measured or estimated with accepted engineering, statistical, or meter-based methods. The following steps illustrate the key activities that program staff perform in sequence to assess every proposal. PSE discusses the screening processes in the following sections. Each process successively screens for:

- a. Bids that meet minimum qualifications,
- b. Bids that merit a short list classification,
- c. Bidders that succeed in the interview process, as an apparently successful bidder.

Commensurate with the release of the RFP, Energy Efficiency program staff assemble an evaluation team. The evaluation team creates standardized evaluation templates, which staff apply for each submission received.

Consistent with the Energy Efficiency RFI/RFP Guidelines, every effort must be made to: protect data contained in all correspondence; all proposals are stored on a secure network drive, etc. The Guidelines are attached to this Framework as Appendix 2.

After PSE receives the proposals by the indicated due date, the evaluation teams review each one. Subject matter experts from the applicable PSE departments score the proposals independently. The evaluation team routinely consists of program staff and subject matter experts from other, supporting PSE departments. This ensures an appropriate segregation of duties and added impartiality.

**a. *Energy Efficiency program staff review bids for minimum qualifications***

The evaluation teams score proposals using a consistent set of attributes, based on PSE's general Proposal Requirements and criteria, which are included in the RFP. Evaluation templates/tools enable a fair, consistent and scoring approach to each proposal. At this stage of the assessment, the evaluation team's review for minimum qualifications are "yes", the proposal meets the minimum requirement, or "no", the proposal does not meet the minimum requirement.

- Initial threshold screening attributes—minimum requirements—are Proposals must:
  - Be complete and in compliance with RFP guidelines,
  - Comply with Conservation Tariffs,
  - Be provided by an established organization capable of Program/Support service delivery,
  - Include a program design that is appropriate and/or in accordance with requested program model, and
  - Meet reasonable budget and savings parameters.

Those proposals that meet the minimum qualifications then proceed to the next stage of review, and are then subjected to a more rigorous review.

**b. *Identify and document proposals for potential short listing and possible interviews***

Once a proposal is deemed to meet the minimum qualifications, staff then complete the next sections of the evaluation templates, assigning a weighted score to each attribute. Results are then tabulated and compared across program categories to determine short-listed candidates.

The short-listed evaluation is more in-depth, and includes questions around the following issues, which are clearly outlined in PSE's RFP solicitation:

Company Details:

- History & Overview
- References
- Financial Qualifications
- Company Qualifications

Proposal Details:

- Implementation Plan
- Evaluation and Savings Verification Plan
- Customer Acquisition Strategy
- Customer Obligations and Interaction Plan
- Environmental Stewardship
- Supplier Commitment to Diversity
- IT Security and Program Participation Data Reporting
- Proposal Cost Summary
- Supplemental Proposal Requirements

Proposals with the highest scores are reviewed for the potential to conduct (In person or virtual) interviews, and are short-listed. The evaluation team reviews their findings with Energy Efficiency management to ensure adequate review and engagement. Upon management approval, the evaluation team schedule interviews, with interview requests being sent to all Short List Bidders, with at least a two-week notice. Great care is taken to ensure that interviews are coordinated to ensure that bidders for the same programs are segregated.

For each of the first two (a. and b. above) screening processes, staff assemble non-qualifying proposals and completed evaluations, and notify the bidders once all reviews are completed.<sup>7</sup>

PSE often will advise those not short-listed<sup>8</sup> that staff will provide additional feedback as to why they were not selected in the first quarter of the following year. This is to allow time to conduct interviews with “Short List Bidders”, and finalize the “apparently successful bidders” contracts.

**c. *Conduct Short List Bidder in-person and/or virtual interviews***

Short List Bidders are notified that they have been selected for an in-person and/or virtual interview, and are provided at least two weeks to prepare a presentation to PSE. Staff schedule and conduct in-person or virtual meetings with Short List Bidders to further evaluate and determine those proposals that qualify as an Apparently Successful Bidder.

- a. For the interview process, evaluation teams will apply specific evaluations and questionnaires for each program’s unique requirements.
- b. Interviews typically last two hours, and are attended by members of the evaluation team. Interviewees are encouraged to share samples, provide working models, empirical data, and other supporting materials that corroborate their response(s).
- c. Consistent with Corporate Contracting guidelines and the EES RFI/RFP Guidelines, no PSE staff are allowed to accept gratuities of any value from any interviewee. Great care is take to ensure the segregation of interviewees from one another, including refraining from taking any branded items into an interview (such as coffee mugs, pens, etc.).
- d. All Subject Matter Experts who participated in the interviews, assemble to provide feedback and recommendations as to which bidder (if any) will proceed to become the apparently successful bidder. Those selections are reviewed with Energy Efficiency management.
- e. Once interviews are completed, the Interview team will discuss and collectively review their findings to agree upon a final “apparently successful” bidder. Management and other internal stakeholders must sign off before proceeding with next steps of contractual negotiations.

**4. Contract Negotiations**

Once an apparently successful bidder is notified of their status, Corporate Contracting and program staff collaborate to create a Statement of Work (SOW), and negotiate contract terms,

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<sup>7</sup> Once the selection process is complete, all bidders are notified.

<sup>8</sup> PSE discusses Short List bidders in Section D.5.

with the understanding that agreed-upon work shall commence on January 1 of the subsequent biennium.

Energy Efficiency staff work closely with Corporate Contracting during the contract negotiations, which can be lengthy and can sometimes include substantial logistics.

### **III. Independent Evaluator Considerations**

As noted in several of the previous sections, PSE's Energy Efficiency RFP processes undergo significant corporate scrutiny, and are conducted according to strict corporate guidelines, with the fairness and equity to bidders uppermost in mind. All Energy Efficiency RFP activities are monitored by Corporate Contracting within PSE.

Initiating a review by an independent evaluator would potentially cause significant delays, potentially impact vendors or apparently successful bidders, potentially cause customer dissatisfaction, and most seriously, potentially affect PSE's ability to achieve its biennial savings targets. Energy Efficiency implementer contracts are typically two-year increments, and are \$10 million or less. This timing, along with the planning, contract negotiation, systems set-up, creates significant burdens if the management of an independent evaluator is required. Therefore, it is of paramount importance that the RFP process flow smoothly, with no delays.

Additionally, the additional administrative cost burden will be passed along to PSE customers, while not yielding additional savings. This will negatively impact the Portfolio cost-effectiveness.

For several biennia, PSE has reviewed its RFP processes and results with its CRAG at regular intervals. During those reviews, the general conclusion is that PSE conducts its RFP process fairly and appropriately. PSE may consider engaging an independent evaluator in unusual circumstances, with consultation with the CRAG.

### **IV. Continuous Improvement through Adaptive Management**

A key consideration of PSE's evaluation of proposals received for existing or new conservation offerings is the potentially to improve the satisfaction of PSE's customers, continuously improve Energy Efficiency's operational effectiveness, the ability to efficiently acquire cost-effective savings, and to ensure PSE provides an optimal mix of conservation programs and offerings found in the marketplace.

Through PSE's Portfolio of in-house and vendor-provided implementation services, PSE is assured of offering a well-rounded product that meetings the needs of a broad spectrum of customer segments.

### **V. CRAG Support**

As an additional step to ensure complete CRAG engagement, each biennium, PSE will provide a draft copy of its then-current RFP and RFI to the CRAG for review prior to their release. PSE will also share the results of its RFP/RFI evaluations with the CRAG when the results have been compiled.



## VI. WAC 480-107-065

PSE provides the complete applicable section of WAC 480-107 in this section for reference.

WAC 480-107-065 Acquisition of conservation purchase and efficiency resources.

(1) A conservation and efficiency resource supplier may participate in the bidding process for any resource need. A utility, a utility subsidiary, or affiliate may participate as a conservation supplier, subject to the conditions described in WAC 480-107-135 (Conditions for purchase of resources from a utility, a utility's subsidiary, or affiliate).

(2) All conservation and efficiency measures included in a project proposal must produce savings that can be reliably measured or estimated with accepted engineering, statistical, or meter-based methods.

(3) A utility must acquire conservation and efficiency resources through a competitive procurement process as described in this rule unless implementing a competitive procurement framework for conservation and efficiency resources as approved by the commission.

(a) As part of that process, a utility may develop, and update each biennium, a competitive procurement framework for conservation and efficiency resources in consultation with its conservation advisory group, as described in WAC 480-109-110 (Conservation advisory group). The first competitive procurement framework for conservation and efficiency resources may be filed with the 2022-2024 biennial conservation plan.

(b) The competitive procurement framework for conservation and efficiency resources must:

(i) Define the specific criteria that will be used to determine the frequency of competitively bidding conservation and efficiency resource programs or parts of a program;

(ii) Address appropriate public participation and communication of evaluation and selection criteria;

(iii) Enhance or, at minimum, not interfere with the adaptive management of programs;

(iv) Include documentation of support by the advisory group; and

(v) Be filed as an appendix to each biennial conservation plan, as described in WAC 480-109-120 (Conservation planning and reporting).

(c) The competitive procurement framework for conservation and efficiency resources may:

(i) Exempt particular programs from competitive procurement, such as low-income, market transformation, or self-directed programs; and

(ii) Consider if and when to use an independent evaluator.