

**STATE OF WASHINGTON
Utilities and Transportation Commission**

REQUEST FOR PROPOSALS (RFP)

RFP NO. _____

PROJECT TITLE: Energy Decarbonization Pathways Examination

PROPOSAL DUE DATE: 10/22/21– 5 p.m., *Pacific Standard Time or Pacific Daylight Time*, Olympia, Washington, USA.

E-mailed bids will be accepted. Faxed bids will not.

ESTIMATED TIME PERIOD FOR CONTRACT: 10/22/2021 – 6/1/2023

The bulk of the consultant work is expected to be completed by 12/31/2022.

CONSULTANT ELIGIBILITY: This procurement is open to those consultants that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

CONTENTS OF THE REQUEST FOR PROPOSALS:

1. Introduction
2. General Information for Consultants
3. Proposal Contents
4. Evaluation and Award
5. Exhibits
 - A. Certifications and Assurances
 - B. Personal Service Contract with General Terms and Conditions

1. INTRODUCTION

1.1. PURPOSE AND BACKGROUND

The Washington State Utilities and Transportation Commission hereafter called "AGENCY," is initiating this Request for Proposals (RFP) to solicit proposals from teams, firms, or individuals interested in supporting AGENCY examining practical and feasible decarbonization pathways for privately owned energy utilities in Washington State. The 2021-23 Omnibus Operating Appropriations Act in Senate Bill 5092, Section 143(4), requires AGENCY to examine potential pathways for energy utility decarbonization and the impacts of those pathways. As part of that examination, AGENCY is required to identify and consider utility impacts; environmental, health, and economic costs and benefits to customers; equity considerations for low-income customers and highly impacted communities, and potential regulatory changes to facilitate decarbonization of the services that gas companies provide while ensuring customer rates are fair, just, reasonable, and sufficient. AGENCY is required to submit a report to the legislature by June 1, 2023.

AGENCY intends to award one contract to provide the services described in this RFP. AGENCY reserves the right to amend the services based on the qualifications of respondents to this RFP.

1.2. OBJECTIVES AND SCOPE OF WORK

AGENCY's examination is expected to include a thorough literature review, stakeholder engagement—including equitable public processes, validating and/or developing quantitative analysis of decarbonization strategies and pathways, and evaluating costs and benefits to residential and commercial customers, and the electrical and natural gas utilities that serve them. The final scope(s) of work for the consultant will be collaboratively developed with the selected contractor through an "on-call" contract format. The on-call contract format is intended to allow AGENCY and contractor conversations about examination approach as well as to scale tasks to the available budget and timeline. Contractor scopes will also depend on the types of resources that are provided by other entities (e.g., the Washington State Department of Health providing information regarding the public health impacts of decarbonization strategies or modeling provided by investor-owned utilities regulated by AGENCY). AGENCY currently anticipates that AGENCY staff will facilitate engagement with utility representatives, industry stakeholders, and public interest groups, and the contractor will support engagement with members of the public and community-based organizations, among others.

1.3 MINIMUM QUALIFICATIONS

(NOTE: Include what is required to be able to qualify for a contract.)

Minimum qualifications include:

- Licensed to do business in the State of Washington or provide a commitment that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Contractor.
- Experience or applicable knowledge of the energy sector, especially regarding decarbonization strategies for the natural gas sector.
- Experience or applicable knowledge about conducting equity evaluations and conducting equitable public participation.
- Experience working collaboratively with client teams.
- Experience or applicable knowledge of legislative report drafting, the legislative process, and policy development.

1.4 FUNDING (OPTIONAL)

The AGENCY has budgeted between Three Hundred Thousand (\$300,000) and Three Hundred Fifty Thousand Dollars (\$350,000) for this project. Budget will depend on the scopes of work approved under this "on-call" contract.

1.5 PERIOD OF PERFORMANCE

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on or about 11/19/21 and to end on 6/1/23. AGENCY anticipates most work resulting from this RFP to be completed by 12/31/22. Amendments extending the period of performance, if any, shall be at the sole discretion of the AGENCY.

1.6 CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Proposers should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

1.7 DEFINITIONS

Definitions for the purposes of this RFP include:

Agency – The Utilities and Transportation Commission is the agency of the state of Washington that is issuing this RFP.

Agency Project Manager – The AGENCY staff member assigned by the AGENCY to manage the project described in 1.1 and 1.2 above.

Apparent Successful Contractor – The consultant selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

Consultant – Individual, company, or companies interested in the RFP and that may or does submit a proposal in order to attain a contract with the AGENCY.

Contractor – Individual or company whose proposal has been accepted by the AGENCY and is awarded a fully executed, written contract.

Proposal – A formal offer submitted in response to this solicitation.

Proposer - Individual or company that submits a proposal in order to attain a contract with the AGENCY.

Request for Proposals (RFP) – Formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen. The purpose of an RFP is to permit the consultant community to suggest various approaches to meet the need at a given price.

1.8 ADA

The AGENCY complies with the Americans with Disabilities Act (ADA). Consultants may contact the RFP Coordinator to receive this Request for Proposals in Braille or on tape.

2. GENERAL INFORMATION FOR CONSULTANTS

2.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact in the AGENCY for this procurement. All communication between the Consultant and the AGENCY upon release of this RFP shall be with the RFP Coordinator, as follows:

Name	TBD
E-Mail Address	TBD
Mailing Address	P.O. Box 47250, Olympia, WA 98504-7250
Physical Address for Delivery	621 Woodland Square Loop, Lacey, WA 98503
Phone Number	TBD

Any other communication will be considered unofficial and non-binding on the AGENCY. Consultants are to rely on written statements issued by the RFP Coordinator. Communication directed to parties other than the RFP Coordinator or the RFP Coordinator's designee may result in disqualification of the Consultant.

2.2. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Issue Request for Proposals	10/1/21
Question & answer period	10/4/21-10/8/21
Issue last addendum to RFP	10/13/21
Proposals due	10/22/21
Evaluate proposals	10/25/21-10/28/21
Conduct oral interviews with finalists, if required	11/1/21-11/3/21
Announce "Apparent Successful Contractor" and send notification via fax or e-mail to unsuccessful proposers	11/5/21
Hold debriefing conferences (if requested)	11/15/21-11/17/21
Negotiate contract	11/15/21
File contract with DES (if required)	N/A
Begin contract work	11/19/21

The AGENCY reserves the right to revise the above schedule.

3. PROPOSAL CONTENTS

ELECTRONIC PROPOSALS:

Proposals must be written in English and submitted electronically to the RFP Coordinator in the order noted below:

1. Letter of Submittal, including signed Certifications and Assurances (Exhibit A to this RFP);
2. Technical Proposal;
3. Management Proposal; and,
4. Cost Proposal.

Proposals must provide information in the same order as presented in this document with the same headings. This will not only be helpful to the evaluators of the proposal but should assist the Consultant in preparing a thorough response.

Items marked "mandatory" must be included as part of the proposal for the proposal to be considered responsive, however, these items are not scored. Items marked "scored" are those that are awarded points as part of the evaluation conducted by the evaluation team.

3.1. LETTER OF SUBMITTAL (MANDATORY)

The Letter of Submittal and the attached Certifications and Assurances form (Exhibit A to this RFP) must be signed and dated by a person authorized to legally bind the Consultant to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Consultant and any proposed subcontractors:

1. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
2. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
3. Legal status of the Consultant (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.
4. Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department of Revenue. If the Consultant does not have a UBI number, the Consultant must state that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Contractor.
5. Location of the facility from which the Consultant would operate.
6. Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Consultant's organization. If following a review of this information, it is determined by the AGENCY that a conflict of interest exists, the Consultant may be disqualified from further consideration for the award of a contract.

3.2. TECHNICAL PROPOSAL (SCORED)

The Technical Proposal must contain a comprehensive description of services including the following elements:

- A. Project Approach/Methodology** – Include a complete description of the Consultant's proposed approach and methodology for the project. While the project requirements will depend on finalized scopes of work, this section of the technical proposal should convey to members of the evaluation team how the Consultant expects to apply their team's knowledge and skills to successfully complete the project. This section should convey Consultant's understanding of the proposed project, including the range of work the Consultant may conduct based on scopes of work developed through the on-call contract. This section should also describe how the Consultant expects to develop scopes of work with AGENCY, as well as ongoing coordination with AGENCY project manager.
- B. Work Plan** – This section should convey to the members of the evaluation team the Consultant's anticipated timeline for work to be performed on individual project elements. Include any possible involvement of AGENCY staff. This section should also describe how the Consultant would coordinate work with other entities contributing to the project, including how the Consultant would incorporate stakeholder input and analysis provided by other state agencies (e.g., Washington State Department of Health). The Consultant may also present any creative approaches that might be appropriate and may provide any pertinent supporting documentation.
- C. Outcomes and Performance Measurement** – Describe the impacts/outcomes the Consultants propose to achieve as a result of the delivery of these services including how these outcomes would be monitored, measured, and reported to the state agency.
- D. Risks** - The Consultant must identify potential risks that are considered significant to the success of the project. Include how the Consultant would propose to effectively monitor and manage these risks, including reporting of risks to the AGENCY'S contract manager.

3.3. MANAGEMENT PROPOSAL

A. Project Management (SCORED)

- 1. **Project Team Structure/Internal Controls** - Provide a description of the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Provide an organizational chart of your firm indicating lines of authority for personnel involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Include who within the firm will have prime responsibility and final authority for the work.
- 2. **Staff Qualifications/Experience** - Identify staff, including subcontractors, who will be assigned to the potential contract, indicating the responsibilities and qualifications of such personnel, and include the amount of time each will be assigned to the project. Provide resumes for the named staff, which include information on the individual's particular skills related to this project, education, experience, significant accomplishments and any other pertinent information. The Consultant must commit that staff identified in its proposal will actually perform the assigned work. Any staff substitution must have the prior approval of the AGENCY.

B. Experience of the Consultant (SCORED)

- 1. Indicate the experience the Consultant and any subcontractors have in the following areas associated with
 - a. Experience collaboratively developing scopes of work with clients and working with clients that actively contribute to the project (e.g., facilitating stakeholder workshops and drafting final reports).
 - b. Experience or applicable knowledge of the energy sector, including regulatory and technical knowledge of electrical and natural gas utility operations. Indicate any

- experience or applicable knowledge about utility cost modeling and electric system resource adequacy.
- c. Experience or applicable knowledge about decarbonization strategies and pathways analysis. Indicate any experience or applicable knowledge related to analyzing natural gas decarbonization strategies and the impacts of those strategies on electric utilities and their customers. Also indicate any experience or applicable knowledge about analyzing economic, environmental, and health impacts.
 - d. Experience or applicable knowledge developing and validating quantitative analysis. Indicate any experience validating quantitative analysis performed by other parties.
 - e. Experience or applicable knowledge about conducting equity evaluations and conducting equitable public participation. Indicate relevant experience or relationships working with community-based organizations, low-income populations, or communities experiencing disproportional burdens.
 - f. Experience or applicable knowledge of policy development and the legislative process in Washington State. Indicate experience developing and maintaining credibility in the analysis of highly political topics.
 - g. Indicate other relevant experience that indicates the qualifications of the Consultant, and any subcontractors, for the performance of the potential contract.
2. Include a list of contracts the Consultant has had during the last five years that relate to the Consultant's ability to perform the services needed under this RFP. List contract reference numbers, contract period of performance, contact persons, telephone numbers, and fax numbers/e-mail addresses.

C. Related Information (MANDATORY)

1. If the Consultant or any subcontractor contracted with the state of Washington during the past 24 months, indicate the name of the agency, the contract number and project description and/or other information available to identify the contract.
2. If the Consultant's staff or subcontractor's staff was an employee of the state of Washington during the past 24 months, or is currently a Washington State employee, identify the individual by name, the agency previously or currently employed by, job title or position held and separation date.
3. If the Consultant has had a contract terminated for default in the last five years, describe such incident. Termination for default is defined as notice to stop performance due to the Consultant's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Proposer, or (b) litigated and such litigation determined that the Proposer was in default.
4. Submit full details of the terms for default including the other party's name, address, and phone number. Present the Consultant's position on the matter. The AGENCY will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience. If no such termination for default has been experienced by the Consultant in the past five years, so indicate.

D. References (MANDATORY)

List names, addresses, telephone numbers, and fax numbers/e-mail addresses of three (3) business references for the Consultant and three (3) business references for the lead staff person for whom work has been accomplished and briefly describe the type of service provided. Do not include current AGENCY staff as references. By submitting a proposal in response to this Work Request, the vendor and team members grant permission to AGENCY to contact these references and others, who from AGENCY's perspective, may have pertinent information. AGENCY may or may not, at AGENCY's discretion, contact references. The AGENCY may evaluate references at the AGENCY'S discretion.

E. OMWBE Certification (OPTIONAL AND NOT SCORED)

Include proof of certification issued by the Washington State Office of Minority and Womens Business Enterprises (OMWBE) if certified minority-owned firm and/or women-owned firm(s) will be participating on this project. For information: <http://www.omwbe.wa.gov>.

3.4. COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Consultant of least cost, but rather to the Consultant whose proposal best meets the requirements of this RFP. However, Consultants are encouraged to submit proposals which are consistent with state government efforts to conserve state resources.

A. Identification of Costs (SCORED)

Identify all costs in U.S. dollars including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. The Consultant is to submit a fully detailed budget including staff costs and any possible expenses necessary to accomplish the tasks and to produce the deliverables under the contract. Consultants are required to collect and pay Washington state sales and use taxes, as applicable.

Costs for subcontractors are to be broken out separately. Please note if any subcontractors are certified by the OMWBE.

B. Computation

The score for the cost proposal will be based on the hourly rates of staff included on the project, including the range of hourly rates available to best support the project activities.

4. EVALUATION AND CONTRACT AWARD

4.1. EVALUATION PROCEDURE

Responsive proposals will be evaluated strictly in accordance with the requirements stated in this solicitation and any addenda issued. The evaluation of proposals shall be accomplished by an evaluation team(s), to be designated by the AGENCY, which will determine the ranking of the proposals.

AGENCY, at its sole discretion, may elect to select the top-scoring firms as finalists for an oral presentation.

The RFP Coordinator may contact the Consultant for clarification of any portion of the Consultant's proposal.

4.2. EVALUATION WEIGHTING AND SCORING

The following weighting and points will be assigned to the proposal for evaluation purposes:

Technical Proposal –30%		30 points
Project Approach/Methodology	15 points (maximum)	
Quality of Work Plan	10 points (maximum)	
Outcomes, Performance Measures, and Risks	5 points (maximum)	
Management Proposal –60%		60 points
Project Team Structure and Internal Controls	10 points (maximum)	
Staff Qualifications/Experience:		
- General	15 points (maximum)	
- Equity analysis and engagement	15 points (maximum)	
Experience of the Consultant	20 points (maximum)	
Cost Proposal – 10%		10 points
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TOTAL		100 POINTS

NOTE: Scoring may be done in a variety of ways, but the RFP language must clearly and consistently state which approach is being used.

AGENCY reserves the right to award the contract to the Consultant whose proposal is deemed to be in the best interest of the AGENCY and the state of Washington.

4.3. ORAL PRESENTATIONS MAY BE REQUIRED

The AGENCY may after evaluating the written proposals elect to schedule oral presentations of the finalists. Should oral presentations become necessary, the AGENCY will contact the top-scoring firm(s) from the written evaluation to schedule a date, time and location. Commitments made by the Consultant at the oral interview, if any, will be considered binding.