



Proposal Requirements

This exhibit outlines the minimum requirements for submitting a proposal in response to PSE's Demand Response Service Provider RFP. This information will be used to screen incoming proposals using the evaluation criteria described in Exhibit A. The most favorable proposals identified in the initial screening will advance for further evaluation. At such time, PSE will request additional information, as needed, to provide a thorough due diligence review.

Mutual Confidentiality Agreement

Two signed copies of the Mutual Confidentiality Agreement (Exhibit C) must be submitted by January 9, 2012.

Proposal Requirements

PSE requests that respondents submit their proposals in the following format. Proposals are due to PSE by January 27, 2012.



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Respond to all sections. Bulleted sub-points represent specific items of added interest.

Section 1. Description of proposal

Section 2. Costs and pricing

- Enter costs and pricing in Exhibit B
 - Note: Costs shown should be all-inclusive
 - Note: Costs and rates to be included for both capacity and energy.

Section 3. Implementation timeline and milestones

Section 4. Implementation plan

- Plan design/submittal
- Marketing, promotion and enrollment plan
- Training for PSE staff
 - Note Request: Five PSE Energy Management Engineers trained to conduct preliminary capacity site assessments in customer facilities.
 - Other staff training to be conducted

Section 5. Technology description(s) and capability(ies)

- System architecture
- Security

Section 6. Performance

- Proposed customer baseline (CBL) calculation method
- Dispatch reliability
- Reports and reporting
 - Sales and enrollment
 - Site enablement and testing
 - Capacity nominations
 - Forecast capacity availability (day prior)
 - Post event impact reporting: baseline calculation, curtailed kW, kWh reduction



- Seasonal performance incentive payment calculations
- Notifications
 - Meter data interruption
 - Capacity available for dispatch
- Measurement and verification

Section 7. Technical and operations

- Customer facility qualification: curtailable loads, facility scheduling, LAN connection, other
- Metering
 - Note: Utility Metering – Many PSE customer facilities in the eligible rate schedules have existing 15 minute interval metering that is remotely read via PSE’s existing (one-way) AMR system. Some sites will have five minute interval utility revenue meters. Where technically feasible, PSE proposes (at its cost) to install five minute interval metering and isolation relays to provide meter pulse outputs accessible to the service provider at each facility enrolled in the program. Where necessary to adequately monitor and record customer loads and curtailments, the service provider will provide, install and pay for revenue grade sub-metering.
- Sub-metering solutions
- Data and reporting provided before/during/after events to enrolled facility operators
- Load curtailment and restoration
- Proposed equipment for installation at enrolled customer facilities
 - Qualifications of installer(s)
 - Permitting
 - LAN security



Section 8. *Communication*

- Dispatch interconnection between utility and service provider control center
- Service provider's preferred dispatch protocol
- Communications between service provider command center and enrolled facility management staff

Section 9. *Data/data retention*

Section 10. *Security and compliance*

- Description of security measures and protocols covering communications and data management.
- Data center and communications redundancy
- NERC and other compliance requirements likely to become effective with DR program implementation

Section 11. *Payment plan*

Section 12. *Legal and financial*

- Business structure and ownership
- Credit
- Past and pending litigation
- Insurance

Section 13. *Experience and Qualifications*

- Identify project team
- References (Utility C&I DR program or contract- preferred)