

(Proposed) Request for Proposals

**Southern California Edison Company  
LOW INCOME REFRIGERATOR  
REPLACEMENT PROGRAM**

September 17, 1999

**"This program is funded by California utility customers and administered by Southern California Edison Company, under the auspices of the California Public Utilities Commission."**

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## **APPENDICES**

Appendix A - Definition of Key Terms

Appendix B - Criteria for Low Income Customers to Participate in Program

Appendix C - Sample Script for Pre-Screening Customers by Phone

Appendix D - New Refrigerator Inspection, Handling and Reporting Requirements

Appendix E - Number of CARE Customers by City within SCE's Service Territory

Appendix F – Subcontractor Information

## **ATTACHMENTS**

Attachment 1 – Intent to Bid Form (optional)

Attachment 2 – Company Information Form

Attachment 3 – Company Profile/Proposal Form

Attachment 4 – Zip Code Proposal

Attachment 5 – Price Proposal

Attachment 6 – Subcontracting Plan and Reporting Requirements

# 1. Introduction

## 1.1 Overview

This Request for Proposals relates to the Southern California Edison (SCE) *Refrigerator Replacement Program* (hereinafter “Program”) for SCE low income customers. The Program is designed to help low income customers lower their energy bills, by providing cost-effective energy efficiency appliances to low-income households.

SCE is seeking a contractor(s) to provide a minimum of 1,000 low-income customers with highly energy efficient refrigerators to replace refrigerators that are 10 years old or older. This number is subject to change, depending upon finalization of costs associated with this RFP and refrigerator purchases.

SCE is issuing this RFP pursuant to 2000 program designs filed with the California Public Utilities Commission on July 1, 1999, and as approved in Decision **TBD**.

The expected contract award date is **TBD**, with contract signing expected to occur by **TBD**. The Program will run through the end of 2000. Depending upon regulatory approval of the Programs and funding authorization, the Program may be extended through 2001. The anticipated start date for the implementation of this program is **TBD**.

## 1.2 Terms and Conditions

The parties agree that this RFP will not establish an exclusive contract between SCE and the bidder. SCE expressly reserves all rights, including but not limited to the following: the right to utilize others to perform or supply work of the type contemplated by this RFP; the right to request proposals from others with or without requesting proposal(s) from bidders for work of the type contemplated by this RFP; and finally the unrestricted right of SCE to re-bid or perform any such work.

SCE reserves the right to negotiate with qualified bidders to clarify technical or contractual issues which may arise, to reject any and all responses which are deemed incomplete and/or nonresponsive and/or incomplete, and to terminate negotiations at any time after determining that a proposal is incomplete and/or non-responsive.

All questions relating to this RFP must be submitted in writing to the official contact person designated in Section 4 of this RFP. All proposals must be prepared in accordance with the requirements discussed in Section 4. All costs of preparing and submitting proposals will be

borne by bidders. Bidders will also bear any costs incurred during negotiations preceding the execution of a contract relating to this solicitation.

### **1.3 Eligibility**

Organizations and individuals with knowledge of and experience with operating residential energy efficiency and/or low income programs are eligible to respond to this RFP individually, jointly or as part of a team of bidders, subject to the following specific eligibility criteria:

- Members of the Low Income Governing Board or the California Board for Energy Efficiency are not eligible to respond to this RFP individually, jointly or as part of a team.

To be considered eligible to bid in response to this RFP, a bidder or bidding team must also satisfy additional conditions:

- It must have demonstrated skills and experience in performing the type of work proposed in response to this RFP.
- It must have sufficient financial strength to implement its proposal.
- It must receive favorable references from previous clients in the area covered by its proposal.
- A minimum of a General Contractors License.

It is within SCE's sole judgement to determine whether an individual or bidding team meets these eligibility criteria. Any proposal submitted by an individual or team that does not meet the eligibility criteria listed above will be rejected without review.

## 1.4 Schedule

The schedule for this solicitation is shown below in Table 1. The dates commence on the effective date of the CPUC's decision approving SCE's low-income program plans and this RFP.

**TABLE 1**

<b>Event</b>	<b>Deadline (Business days after CPUC approval)</b>
Request for Proposals Issued	8 days
Deadline for Intent to Bid	12 days
Deadline for Written Questions	15 days
Responses to Questions	20 days
Deadline for Receipt of Proposals	34 days
Interviews with Short-Listed Contractor(s) (if needed)	39 days
Selection of Contractor(s)	44 days
Signing of Contract by Contractor(s)	51 days
Signing of Contract by SCE	61 days
Start of Implementation of Program	71 days

## 1.5 Organization of the RFP

The remainder of this RFP is organized as follows:

- Section 2 describes the Program and discusses the services to be provided by the successful contractor(s);
- Section 3 provides detailed instructions for preparing a proposal in response to this RFP.
- Section 4 enumerates and explains the criteria that will be used to evaluate proposals;
- Various other documents and forms to be used in preparing a response to this RFP are presented in Appendices A through F and Attachments 1 through 6.

### **Intent to Bid Form (Optional)**

Use the Intent to Bid form in **Attachment 1** to indicate your intent to bid and to receive additional information from SCE regarding this solicitation. The form may be returned to SCE by mail or fax. The intent to bid information may also be provided to SCE by e-mail at: \_\_\_\_\_ . Receipt of e-mails will be acknowledged by return e-mail.

## 2. Description of the Program

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### 2.1 Program Design Summary

SCE is seeking to provide a minimum of 1,000 low income customers with highly energy efficient refrigerators to replace refrigerators that are 10 years old or older. In addition, the contractor(s) must provide for environmentally sound recycling of the old refrigerators which were replaced. The remainder of this section describes the scope of the program, the specific services to be provided by the contractor(s), and explains the plan for compensating the contractor(s).

### 2.2 Program Scope

The Program will encompass SCE's service territory defined by the ZIP Code list in **Attachment 4**. Bidders shall bid on any or all communities; however, if the entire service territory is not covered by any combination of acceptable bidders, SCE may assign communities and/or zip codes to the most convenient bidder at the same rates bid by that bidder. Likewise, if a bidder who has bid for multiple communities loses the bid for a single community, that bidder may be contracted for all other communities, for which the bidder has a winning bid, at the original price proposed. **Appendix E** lists the distribution of customers, by city, that receive the 15% Low Income (CARE) rate discount.

### 2.3 Contract Length

This Program will automatically terminate after SCE has purchased the maximum number (**TBD**) of new refrigerators and contractor(s) has delivered and installed all such refrigerators, but no later than December 31, 2001. The contract arising from this solicitation will provide for annual renewals, and will allow SCE to terminate for cause. Annual renewals will be contingent upon CPUC approval and appropriation of funds for the Program.

### 2.4 Program Tasks

#### 2.4.1 Contractor's Responsibilities

Contractor(s) will be responsible for ensuring that the refrigerator replacement is performed in accordance to the criteria described below.

1. Contractor will assist SCE in determining Customer eligibility.
  - SCE will provide a list of eligible low-income customers who own refrigerators to

contractor(s) (“Customer List”) within seven (7) calendar days of the effective date of the signed agreement.

- Contractor(s) will conduct a telephone interview using a script similar to **Appendix C** with the customers on the Customer List to preliminarily determine if they (a) qualify for participation in the Program and (b) are interested in participating in the Program.
  - Following the telephone interview, contractor(s) will make a physical inspection of the homes of the customers’ that contractor(s) pre-qualified as eligible to participate in the Program through the telephone interviews. During the home visit, contractor(s) will verify that the customer meets the eligibility criteria set forth in **Appendix B**, “Criteria For Low Income Customers to Participate.”
  - During the home inspection, contractor(s) will determine whether the refrigerator to be replaced is at least 10 years old, and will obtain the customer’s consent to replace the existing primary refrigerator with a new refrigerator as follows:
    - a. If the eligible primary refrigerator is 16.4 cubic feet or smaller, the eligible customer will receive a new refrigerator that measures 14 to 16 cubic feet; and
    - b. If the eligible primary refrigerator is 16.5 cubic feet or larger, the eligible customer will receive a new refrigerator that measures 17 to 20 cubic feet.
    - c. If the customer relinquishes a refrigerator and freezer, or two refrigerators, contractor(s) may replace customer’s existing refrigerator with the larger size refrigerator in order to meet customer’s current capacity.
  - Contractor(s) will also determine the existence of (1) a properly working, grounded electrical outlet, (2) sound flooring, and (3) adequate access and clearance, for the safe installation of a new refrigerator.
  - Contractor(s) will make a good faith effort to complete installations of new refrigerators in eligible customers’ residences no later than six weeks after the date the eligible customer’s home was inspected.
2. Contractor(s) will purchase and install new refrigerators.
- SCE will instruct contractor(s) in writing of the size and quantity of new refrigerators to be ordered based on information gathered by contractor(s) during the in-home inspection.
  - Contractor(s) will not order any new refrigerators unless specifically directed to do so in writing by SCE. Should contractor(s) order any new refrigerators without SCE’s express, written consent, contractor(s) will not be entitled to reimbursement of the costs of the new refrigerators from SCE.

- Contractor(s) will be solely responsible for all methods, techniques, sequences, and procedures for ordering, purchasing, and warehousing all new refrigerators.
- Contractor(s) will be solely responsible for all methods, techniques, sequences, and procedures for the delivery, uncrating, setup and installation of new refrigerators in accordance with the manufacturer’s specifications.
- Contractor(s) will be responsible for remitting payment for the new refrigerators to the manufacturer so that all units may be shipped, received, and installed in eligible customers’ homes in a timely manner.
- Contractor(s) will accept delivery of the new refrigerators, from the manufacturer and store the units in a local warehouse storage facility until the units are installed in eligible customers’ homes. Except as provided for in **Appendix D**, “New Refrigerator Inspection, Handling and Reporting Requirements,” contractor(s) will be solely responsible for any damage to a new refrigerators from the time contractor(s) accepts delivery of the unit from the manufacturer to the time it is installed in an eligible customer’s residence as documented by the customer’s signed receipt.
- Contractor(s) will be responsible for delivering, uncrating, setting up and installing the new refrigerators in eligible customers’ residences.
- Contractor(s) will provide eligible customers with all documents and information provided by the manufacturer for the new refrigerator, including the operation manual, and warranty registration cards.
- Contractor(s) will provide all customer services activities required to install the new refrigerators, including, but not limited to:
  - a. Scheduling appointments with eligible customers for the installation of new refrigerators and removal of existing refrigerators, if required;
  - b. Providing written confirmation of appointments to eligible customers; and
  - c. Making 24-hour ahead reminder calls to customers with appointments.
- Contractor(s) will remove and transport replaced primary refrigerator and other refrigerators turned-in by SCE’s customers at the time a new refrigerator is installed, and deliver to the SCE designated refrigerator recycling facility in the City of Compton, California or other designated location. Contractor(s) will also remove and transport all packing materials for the new refrigerator from the eligible customers’ homes.

3. Contractor(s) will provide the following type of reports and records to SCE:

## A. Required Records

1. Contractor(s) will maintain records to document the work performed. Copies of all records will be submitted to SCE as part of the reports required by this section.
2. Contractor(s) will document and maintain records for work as follows:
  - a. A method or system for recording customer inquiries, complaints, and comments.
  - b. A program work order form to collect data such as:
    - ◆ Date of each contact with customer;
    - ◆ Customer name address, home or work phone numbers;
    - ◆ New refrigerator manufacturer's name, model and serial number;
    - ◆ Primary refrigerator manufacturer's name;
    - ◆ Primary refrigerator style, size and estimated age;
    - ◆ Scheduled delivery and/or collection date and any reschedules or cancellations;
    - ◆ Signature of customer following customer certification that customer owns the removed primary refrigerator, that the new refrigerator has been properly installed and meets with the customers' satisfaction; and
    - ◆ Other special instructions (if applicable).

## B. Required Reports

1. Contractor(s) will provide SCE with the following monthly reports for the work performed:

### **Report 1:** Refrigerator inventory report.

This report should include the number of new refrigerators installed, the number of primary refrigerators removed, recycled through the recycling center and delivered to customers during the previous month, and the number of new refrigerators remaining in contractor(s) warehouse.

### **Report 2:** Results of customer screening.

This report should include the following:

- ◆ List of all customers contacted, name address, phone
- ◆ Results of initial screen, in-house screen, i.e. does customer meet all requirements
- ◆ Identify qualified customers and recommend size of new refrigerator to be installed

**Report 3:** Refrigerator installation results.

This report should include:

- ◆ Customer name, address, phone
- ◆ The size in cubic feet, the year of manufacture, model, serial number, kWh used per year of the old refrigerator and projected annual kWh savings per year by customer name and address
- ◆ Report should be sorted by size of new refrigerators installed

**Report 4:** Other Program information

This report should include at a minimum:

- ◆ A monthly summary of the customer inquiries, complaints, and comments.

2. Final Program Report

Contractor(s) will submit a Final Report to SCE summarizing all Program activities no later than January 31, 2001 or January 31, 2002, if applicable.

3. Special, Non-Recurring Reports

Upon reasonable written request from SCE's Program Manager, contractor(s) may be asked to prepare special, nonrecurring reports during the term of this program. The content of such reports may be developed by the Parties in anticipation of requests from the Commission, internal department audits, or compilation of data relevant to program activities.

All reports must be submitted to SCE electronically and in hard copy via U.S. mail.

### **2.4.2 SCE's Responsibilities**

SCE will be responsible for the following aspects of the Program:

1. Selecting the manufacturer, size and quantity of new refrigerators to be purchased by contractor(s).
2. Conducting all program marketing and advertising activities.
3. Determining eligibility criteria for participation in the Program (low-income and Program criteria) – See **Appendix B**.
4. Determining the criteria for replacement of refrigerators.
5. Developing and implementing program protocols and procedures.
6. Reviewing and approving contractor(s)'s invoices for work performed.

### **2.5 Payment of Contractors**

Contractor(s) will be paid thirty (30) days after receipt of an invoice approved by SCE's Program Manager. Invoices shall be submitted monthly or more frequently with the approval of SCE's Program Manager and/or Accounts Payable department.

### **2.6 Invoicing**

Invoices shall be submitted to SCE accompanied by the following documentation:

- (a) a list by name and address of all households visited for initial screening
- (b) a list by name and address of all households that received a new refrigerator
- (c) a detailed accounting of all expenses
- (d) all required reports.

## 3. Proposal Instructions

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### 3.1 Overview/Submittal of Proposals

This section outlines the procedures to be followed in this solicitation process. The bidder is responsible for reading and following these provisions. All communications regarding this RFP must be conveyed in writing to:

Southern California Edison  
GO-3 1<sup>st</sup> Floor  
2131 Walnut Grove Avenue  
Rosemead, CA 91770  
Attention: \_\_\_\_\_

All revisions to this RFP will be made in writing by SCE.

### 3.2 Schedule

The schedule for this solicitation is shown in Table 1 in Section 1.4.

### 3.3 Written Responses to Questions

All questions submitted in writing by TBD will be answered by SCE in writing by TBD. Questions may also be submitted via fax or via e-mail.

SCE

Attention: \_\_\_\_\_

Fax:

e-mail address:

Responses will be sent to all parties who have indicated that they will submit a proposal by returning the Intent to Bid Form in **Attachment 1** or who have notified SCE of intent to bid through other written or electronic means.

### **3.4 Submission of Proposals**

Proposals must be **received** by SCE no later than \_\_\_\_ p.m. on \_\_\_\_\_. Proposals received after this deadline may not be considered at SCE's sole discretion. Bidders are encouraged to take all necessary steps to ensure that proposals are received on time.

One unbound original and three (3) bound copies must be submitted in a sealed envelope or carton to:

Southern California Edison  
GO-3 1<sup>st</sup> Floor  
2131 Walnut Grove Avenue  
Rosemead, CA 91770  
Attention: \_\_\_\_\_

The outside envelope of your proposal should be labeled clearly as follows:

#### **2000 Low Income Refrigerator Replacement Program**

Proposals must be prepared according to the instructions provided below in this section.

Proposals are prepared at the bidder's expense. SCE assumes no liability for any expenses associated with preparation or delivery of any proposal.

### **3.5 Initial Bid Screening**

SCE will review bids to ensure that directions have been followed and that required information has been included. SCE will notify bidders who have made errors or omissions that can be easily corrected. These bidders will be given three days to submit corrections to the address shown for submission of proposals. After this process, proposals that fail to meet minimum criteria for completeness will be eliminated from further consideration.

### **3.6 Interviews with Short List**

If considered necessary by SCE, the top-ranked bidders will be interviewed. If required, interviews will be scheduled for the period \_\_\_\_\_ to \_\_\_\_\_ (**TBD**). The interviews will focus on clarifying proposals, rather than offering bidders an opportunity to revise proposal terms.

### **3.7 Selection of the Contractor(s)**

SCE will select one or more contractor(s) for the Program and will notify the selected contractor(s) in writing by TBD. SCE and the winning bidder(s) will sign a contract within seven (7) calendar days after the winning bidder(s) accepts the award. A sample contract is attached [after CPUC approval].

A contractor may commence work after receipt of a contract that has been executed by SCE and that contractor.

### **3.8 Proposal Instructions**

Bidders are required to submit proposals which contain the following information:

1. Company Information Form (**Attachment 2**).
2. Company Profile/Proposal Form (**Attachment 3**).
3. Zip Code Proposal (**Attachment 4**). Check the box next to the zip code to indicate that your proposal includes the zip code area.
4. Price Proposal (**Attachment 5**). Unit prices must be the same for all zip code areas included in the bid. Note: If a bidder bids on multiple zip codes and loses the bid for a single or several zip codes, that bidder will be contracted for all other zip codes for which the bidder has a winning bid, at the original price proposed.
5. Subcontracting Plan (**Attachment 6**).
6. Past Experience with SCE. Provide a brief description of all contracts entered into between bidder and SCE within the past five (5) years. This should include a brief description of the nature of the work, the contract amount, the status of the work (ongoing or completed), and any significant problems or disputes that arose between the contracting parties. Identify any actual or potential conflicts of interest.

### **3.9 Signature Required**

The proposal and accompanying documents must each be signed by a person authorized to commit the contractor to the proposal. The original signed pages should be included in the unbound copy of the proposal. Failure to sign the proposal as requested may result in rejection of the proposal.

### **3.10 Confidential Information**

Proposals, including copies and supporting documents submitted in response to this RFP, shall become the property of SCE. Information provided in the proposal package may be made available to the public. SCE will make reasonable efforts to protect any information clearly indicated as confidential by bidders. Confidential information must be clearly identified and designated as “**Proprietary**” or “**Confidential**” on each page where sensitive or confidential information appears in the proposal. Upon prior notice to the bidder, confidential information may be made available to the CPUC. Required information withheld from proposals due to confidentiality claims may result in disqualification of the bid.

## 4. Proposal Evaluation Criteria

### 4.1 Overview

The evaluation process will consist of three steps:

1. Review of all proposals to identify bids deemed to be non-responsive;
2. Scoring of all responsive proposals; and
3. Ranking the proposals based on the numerical scores.

In order for a proposal to be considered responsive, a proposal must meet the following minimum requirements:

- It must propose services that meet the requirements specified in Section 2.
- It must follow the proposal preparation instructions given in Section 3.
- It must be submitted by a team with adequate experience in performing inspections and/or installation of electromechanical appliances and weatherization work.

### 4.2 Scoring Proposals That Meet Minimum Requirements

Proposals will be scored on a 100 point system based on the following criteria:

1. Price component – 50 points;
2. Contractor Qualifications – 50 points.

These criteria are discussed below.

#### 4.2.1 Price Component - Total Possible Score: 50 Points

The price component will be calculated by totaling two scores:

- Raw price score
- Competitive price ranking.

The bid price for each measure below will be totaled and ranked from highest to lowest for all bidders as follows:

- The unit price associated with the initial qualifying visit;
- The combined price to
  - store, deliver, and install the new refrigerator and
  - to remove the old refrigerator and deliver it to the recycling center.
- Any other proposed price

We anticipate that one in ten customers will qualify for a new refrigerator after the initial qualifying visit is made, therefore, the initial qualifying visit represents 91% of the total visits to be made to the customer and the delivery of the new refrigerator represents 9% of the total visits. These unit prices will be multiplied by the percentages below before adding them into the total for all measures. The equation for the calculation will be as follows:

$$(\text{Qualifying Visit Price} \times 91\%) + (\text{Refrigerator Delivery Price} \times 9\%) + \text{Other prices factored in} = \text{Total Bid Price.}$$

### ***Raw Price Score***

The **Raw Price** will be calculated as follow:

- The total number of bidders will be divided by **XX**. This will become the **points per bidder**.
- The bidders will be ranked on the basis of their **Total Bid Price**. The bidder having the highest **Total Bid Price** will be **assigned the number 1**. The next highest bidder will be **assigned number 2**, and so on.
- The **Raw Point Score** is calculated by multiplying the **points per bidder** by the **assigned number**.

### ***Competitive Price Score***

Each bidder's **Total Bid Price** will be totaled and divided by the number of bidders to calculate **Average Bid Price**.

The percent difference between each bidder's **Total Bid Price** and the **Average Bid Price** will be calculated.

Each bidder will receive points for their percent difference based on the following table:

**The total of the Raw Price Score and Competitive Price Score will comprise the Price Component Score for each bidder.**

## ***4.2.2 Contractor Qualifications - Total Possible Score: 50 Points***

The contractor qualification score will be calculated by totaling one score for each of the following components:

1. Demonstrated experience delivering programs and services to low-income populations for the following:

**Program or Service**

Weatherization  
Furniture or appliance delivery or moving  
Appliance repair and maintenance  
Energy education  
Outreach and enrollment services  
Bill payment assistance

2. Demonstrated knowledge of targeted low-income communities.
3. Demonstrated ability to reach targeted low-income communities.
4. Demonstrated ability to utilize and employ local residents in the Refrigerator Replacement Program.
5. Demonstrated ability to provide local job training in the Refrigerator Replacement Program.
6. Other attributes that benefit local communities where the Refrigerator Replacement Program is offered.
7. Number of years of experience in providing services to low income communities.
8. Number of years of experience providing residential delivery or moving of heavy furniture or appliances.
9. Financial/Credit reporting.  
Dun & Bradstreet (“D&B”) company report, if available. If a D&B report is not available, a payment history for all debts incurred in the last year and the most current financial data, including a Balance Sheet and Income Statement will be considered.
10. Prior Performance (based on references).

Bidder must provide a photocopy of its California State Contractors License Board “wallet card” to verify its license number and expiration date.

The California State License Board will be contacted to ascertain whether there are complaints pending against the bidder.

11. Bidder's implementation and ongoing management plan for the Refrigerator Replacement Program.

### **4.3 *Right To Reject***

SCE reserves the right to reject any or all proposals submitted in response to this RFP, if they are deemed untimely, incomplete and/or nonresponsive.