

Pepco Small Business RFP Bidders Call Questions

- 1. If we are licensed and experienced contractors with HVAC and Electrical, do we have to submit two different bids or just one?**

Please submit one response package per contractor/firm. If more than one service type is being proposed, please select all service types you wish to provide within Section V Services and Measures in Attachment A.

- 2. Are there any DBE/MBE preferences?**

Responses received from certified Minority or Veteran owned business will receive 5 additional points during the scoring process.

- 3. Is the model we add for each fixture type on our bid going to be the only model number used on future installations?**

Ideally the model number included in the bid will be the only model number used on future installations. The Program will consider additional models on an as-needed basis. Please note that any new models of proposed equipment will need to meet or exceed the efficiency requirements and be offered at a similar price as submitted on the initial bid.

- 4. Page 19 of the RFP states that "fees paid to the designated recycling Contractor are reimbursable on a direct, pass-through basis." However, the pricing sheet states that recycling should be included. Could you clarify whether the contractor is expected to pay for recycling or not?**

Please include the costs to remove and recycle existing equipment in accordance with federal, state, and local codes or environmental requirements for each respective measure in your pricing worksheet. Any exceptions can be articulated in the "Notes on Proposed Pricing" cell in the pricing worksheet(s).

- 5. How much of the lead generation do you expect the selected contractors to do, versus the expected leads generated by PEPCO?**

While the Program will raise general awareness through its marketing efforts, Contractors will be expected to generate their own leads for projects.

6. If a contractor participated in the residential HVAC rebate program, does that count as experience?

Residential HVAC experience with energy efficiency Programs will be considered, however points will be awarded for companies with experience as related to the scope of work described in the RFP.

7. Should we add misc. electrical materials into the fixture pricing? What about lifts? Base bid on standard ceiling heights or ladder work?

Miscellaneous electrical materials should be included in the provided fixture pricing. The pricing should be based on standard ceiling heights and the cost of ladder work or lifts can be articulated in the Notes section for the respective measure.

8. How long do we have to complete open projects once you close the network?

Per Program terms and conditions, Small Business projects have six months to be completed after the pre-approval date. The Program will honor the terms and conditions of any projects approved prior to implementing the closed network delivery.

9. Regarding pricing, is there a time before we can renegotiate the pricing? When working with manufacturers to secure pricing for the RFP how long should we anticipate them to hold pricing.

In an effort to deliver a cost-effective Program and establish alignment between providers, pricing and incentive levels will be set at the time of contract execution. Contracts will be effective for one year with the opportunity for extensions. As part of the contract renewal process, pricing levels will be reevaluated. In addition, the Program team will meet quarterly with the selected contractors to provide an opportunity to discuss any market conditions that may have implications on the set pricing levels.

10. For the lighting measure, if the customer already has LED fixture (not TLED) installed more than three years ago, are they not eligible for the Program?

If a customer has already upgraded to an LED fixture, the customer will not be eligible for an additional LED upgrade, even if the first upgrade was completed more than three years ago. TLED retrofit upgrades can be considered eligible for replacement with a fixture.

11. How many contractors will you select for lighting?

The final number of selected contractors will be determined during the review and evaluation process.

12. Do you want Trade References or only customer?

Customer references are preferred however if unavailable or unwilling to participate as a reference we will also accept applicable references such as trade references.

13. What would a technical exception be?

Technical exceptions are any aspects of the established standards with which a bidding company is not able to or is not required to comply or establishes the assumptions under which they can provide services. Two examples will help illustrate.

- One question has been asked about the workers' comp insurance requirement. The company is a single-employee sole proprietor and does not carry nor is required to carry this type of insurance policy. This can be established in the technical exceptions.
- Another example can consider the assumptions around which equipment is priced. An HVAC contract may price <5.4-ton equipment at \$1,000/ton but would specify that this only assumes equipment rated at the minimum criteria of 15.2 SEER2. More efficient equipment would carry a premium and thus increase their submitted pricing. Should the need arise, Contractors can include any exceptions or additional details they would like the Program team to consider in the "Notes" cell or in the "Additional Info" tab of the pricing worksheet or in Appendix E.

14. For HVAC pricing: is the proposed pricing Per Ton? Could we input multiple manufacturers? There are too many model numbers. Do we need to provide model numbers?

Please provide equipment pricing for HVAC systems that is normalized on a "per ton" basis. This "per ton" price should reflect the models and manufacturers that your firm intends to install most frequently. Should the need arise to install models that are not explicitly listed in the pricing worksheet, the Program will consider the proposed equipment model(s) and will advise as to whether those models are acceptable.

15. Any DBE/MBE preferences for the contractor selection process?

Please refer to Question 2 and its response.

16. Appendix A makes many references to needing items (ballasts, screw-in units, exit signs etc.) submitted as separate bids. It also refers to different scenarios requiring separate bids (ex. interior vs. exterior applications). How should these bids be submitted?

Pricing responses are only needed for the services your company is applying for and listed on the pricing template. The Procurement Team may reach out with additional pricing requests as needed during the review process.

17. Mainly asking to see if we need to hire additional staff, just to accelerate the lead gen /biz dev efforts?

The Program is targeting approximately 2,800 participants (or completed projects) per year. Based on the responses we receive from this solicitation; the Program team will make the determination as to how many Contractors are needed to successfully reach the participation and energy savings targets. The selected Contractors will then need to make their own staffing decisions to support their awarded contracts.

18. Is there any preference given to DAV contractors.

Please refer to Question 2 and its response.

19. Sign lighting is usually on a case-by-case basis since there are a lot of variations, bid for best case scenario?

Yes, please bid for the best-case scenario for sign lighting and include a comment in the "Notes" column of the pricing worksheet to reiterate that the pricing is best-case.

20. We only work on lighting measures; do you still want us to include pricing for misc. products that are irrelevant to our line of work?

Please only provide pricing for the services and corresponding measures that you intend to provide.

21. What if the products we use have changed to different manufacturers or changed due to pricing, what is the procedure?

Any changes in product model numbers or manufacturers will need to be approved by the Program team. Please refer to question 9 and its response regarding changes in pricing.

22. Are there any requirements to work on sign lighting?

Contractors who are proposing to implement measures associated with sign lighting must accept the liability associated with the replacement (for example, signs may become damaged or break during installation). Additionally, any sign lighting measures must also comply with the minimum wattage reductions and other technical requirements as specified by the Program.

23. How many companies are you planning on selecting?

Please refer to Question 11 and its response.

24. Please indicate where section v is located.

Attachment B question #4 refers to section V. This is referencing question #5 in Attachment A.

25. For example, lots of fixtures are covered under rl153, do you want us to average out the price or price them each category?

Pricing should be provided for the most commonly used fixture. The procurement team may reach out for additional pricing requests during the review process.

26. Do you want us to list out the models for each category such as wall pack, pole light, canopy?

Please refer to Question 25 and its response.

27. Will Pepco provide potential customer lists the way BGE does to its Small Business contractors?

The Program has not yet determined whether potential customer lists will be shared with Small Business Contractors.

28. How do we price if duct retro work needed for install of HVAC?

Please provide this price in the “Notes” column in the HVAC pricing worksheet for the respective measure. If additional space is needed to articulate the pricing or if the Contractor desires to include that pricing option on multiple measures, please describe the additional cost in the “Additional Info” tab and include a brief note in the HVAC pricing “Notes” column to refer to that information.

29. Appendix A Item 7 asks for bids on lighting controls to be submitted for four applications. The pricing sheet states that controls are required for lighting incentives. Will no incentives be granted for projects that do not involve lighting controls?

All projects must meet the lighting technical requirements stated in the “Lighting Notes” tab of the pricing worksheet. These notes specify areas where lighting controls are and are not required. If a project does not meet these requirements, it will not qualify for incentives.

30. Is there a preference for TLEDs versus complete LED fixture replacement for upgrading of Existing Fluorescent tube fixtures?

Complete fixture replacements offer a permanent solution and are the preferred retrofit approach, however the Program realizes there are circumstances when TLED technologies maybe the best solution for the customer and will consider those installations on a case-by-case basis.

31. Do customer references have to be in Pepco, or can we provide Potomac Edison/ BGE/ Dominion references also?

Any customer references will be accepted however preference is for a positive Program experience with Pepco’s Energy Savings for Business Program.

32. Will the fact that a contractor is already selected in the BGE Small Business Program, or if they are selected in the Potomac Edison Small Business Program, be an advantage or disadvantage in being also selected for the Pepco Program?

The evaluation criteria focus on experience within the Pepco Program as well as ability to deliver services in the Pepco service area.

- 33. Will Pepco be interested in diversifying the field of 'closed network' contractors working in Small Business Programs in Maryland, or favor companies already selected in 'closed network' Small Business Programs? I think this is a relevant question because the existing small group of closed network contractors now possess an extensive performance history that the rest of us cannot compete with, a category worth 20% of the evaluation criteria.**

The evaluation criteria focus on experience within the Pepco Program as well as ability to deliver services in the Pepco service area. Preference will not necessarily be given to Contractors who are already participating in a closed network Program in another utility territory.

- 34. Page 21 of the RFP states “If lifts are not owned and/or required to be rented due to other conditions, Pepco will set a limit the Program/Customer will be charged.” Will specific details about the limit be shared prior to the proposal deadline?**

No, specific details regarding the limit for lift costs will not be shared prior to the proposal deadline. Contractors are asked to submit their pricing for the services being solicited and fixed pricing and/or pricing limits will be established during contract negotiation.

- 35. Will a list of the companies who attended the pre-bid conference be released with the answers to questions?**

No.

- 36. It is my understanding that as the next step we are to upload a completed 'Pepco MD SB Proposal Attachments and Questionnaire Final'. Is that correct? If so, do you want/require us to have specific projects to propose included within this one; or not, and just leave those sections blank?**

Yes, please upload your completed proposal attachments and final questionnaire to the procurement portal by the response deadline. The Program team is not looking for Contractors to include proposals for specific projects; the RFP is soliciting Contractors who will ultimately develop specific projects and the RFP response package should include specific projects only as references to demonstrate the Contractor's ability to deliver the services specified in the RFP.

37. In 'Attachment B: Company Questionnaire, question #2, how should we answer if we are only currently doing medium and large business projects?

If your company is not currently participating in the Pepco MD Small Business Program, please respond as such and include your Company's most relevant experience for consideration.

38. For 'Attachment C: References', are you looking for references only specifically from past projects completed through Pepco for Small Business? Or can we use any reference from projects we completed with other programs/utilities?

Please refer to Question 32 and its response.

39. 'Attachment D: Proposed Pricing Workbook', is this a question we must somehow answer, or is this simply an explanation, and we leave this section blank?

Pricing only needs to be entered in the excel document. In the questionnaire Attachment D serves as a reminder to complete the pricing template. Responses that do not include a completed excel document will be disqualified.

40. For such current SMB eligible projects, are you saying that if we are not chosen to become a Small Business Service Provider with Pepco, we can still submit the projects, but the incentives will just be different from the incentives for Small Business, and will automatically be categorized to Medium or Large Business? Or are you saying that we will just not be able to do SMB eligible projects at all, if we are not chosen to become a Small Business Service Provider with Pepco?

Contractors who are not selected to provide service for the Small Business Program will not be able to serve Small Business eligible customers once the closed network delivery model is implemented.

41. Will we be able to get extra payment for extra jobs we perform at jobsite?

Costs for additional services and materials outside of the offered measures may be included in the Contractor's project proposal to the Customer and those costs can be recouped directly from the Customer. Any extra incentive payments needed outside of the established pricing will need to be reviewed and approved on a case-by-case basis by the Program team.

42. During COVID time in 2020-2023, equipment prices have increased few times due to inflation and if that happens again, will we be able to get paid for the difference?

Please refer to Question 9 and its response.

43. If the brand name of equipment had to be changed due to non-stock and we provide more expensive brand name equipment, will we be able to get paid for the difference?

Please refer to Question 21 and its response.

44. When will you start providing SBEA for current projects?

The current network of Small Business providers will be notified when we are able to process Small Business energy advances. Notification will also be sent to applicants who indicated interest in recently submitted projects.

45. On the Pricing Workbook, are we required to list the specific manufacturer and part number for each category?

Please complete the fields in the pricing workbook that correspond to the services your company intends to deliver.

46. Section 3.5 states, “While not required to use one manufacturer’s product line, to minimize product and customer confusion, lighting products must be the same manufacturer and have the same warranty at the individual job site.” Would you please advise if there will be any flexibility with this provision?

Technical Exceptions such as the above should be included and specified in Attachment E. The Program may make exceptions on a case-by-case basis as needed.

47. The RFP states that the labor and material costs will be fixed for the Program and consistent for all contractors selected. Would you please provide some clarification regarding how these fixed costs are determined?

The pricing determination will be done through a cost analysis and comparison of provided pricing from bidders. Final cost will be agreed upon between the Program and selected contractors prior to contract execution.

48. If we apply both lighting and refrigeration, water heaters are applied, will they be bid on separately? For example, if we apply for the 3, can we be selected only for water heater and not for lighting and refrigeration? Or will all 3 be considered, and approved for all 3, and not approved for all 3?

One application can be submitted for multiple services. Each service will be reviewed independently.

49. What happens to projects that are in process with regards to this RFP? For example, I have entered an application that won't be finalized until summer. By that point, you will have chosen a contractor for the RFP. If we are not chosen, will we still be seeing through this project that we entered?

Please refer to Question 8 and its response.

50. Will an exception be given for back or special-order equipment that takes longer than 30 days?

Please describe this scenario and your process for handling it as a Technical Exception in Appendix E of your response.

51. What is the anticipated timeframe for contractors to receive incentive payments? We currently have them go directly to customers, who pay for the entire job up front.

We anticipate that contractors will receive incentive payments within six weeks of submitting project completion paperwork.

52. If we don't specialize in one of the HVAC measures, is it better to leave the pricing blank on the Pricing Workbook or to sub-contract it and price accordingly?

Please refer to Question 20 and its response.

53. Pricing HVAC equipment by ton is unusual. Is there a common tonnage or range to narrow it down?

Cooling capacities are specified for each applicable measure in the HVAC pricing worksheet. Please use those capacity ranges to establish your pricing. In the event that a

capacity range is not provided (for example the ductless, mini-split AC and Heat Pumps), please establish pricing based upon the range of capacities you expect to install.