



# Request for Proposal

Southern Maryland Electric Cooperative  
(SMECO)

2024 Appliance Recycling Program

**November 1, 2023**

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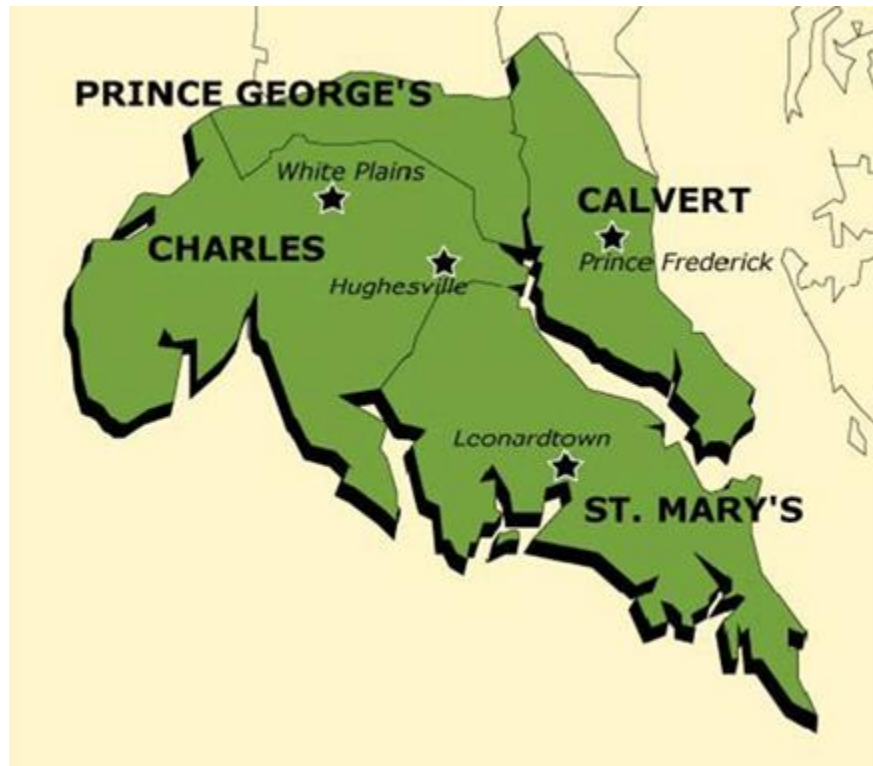
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## **1.0 Introduction**

Southern Maryland Electric Cooperative (SMECO) is a customer-owned electric cooperative providing electricity to over 170,000 member accounts in Charles County, St. Mary's County, southern Prince George's County, and most of Calvert County. The map below illustrates SMECO's service territory.

**SMECO Service Territory**



SMECO implements a suite of energy efficiency programs to provide residential and commercial customers with energy and cost savings opportunities. SMECO has selected ICF Resources, LLC, a subsidiary of ICF, ("ICF") to assist in the program design, implementation, and management. ICF has longstanding experience in delivering energy efficiency programs for numerous utilities throughout the United States, both through its own staff and through subcontractors.

Hereafter, SMECO will be referred to as "Utility".

The purpose of this Request for Proposal ("RFP") is to select a vendor ("Vendor") with the qualifications necessary to provide appliance collection and recycling services to Utility residential customers. ICF is releasing three RFPs for Appliance Recycling programs, representing: 1) Baltimore Gas & Electric (BGE), 2) Pepco Holdings, Inc., inclusive of Pepco Maryland and Delmarva Power Maryland, (PHI), and 3) Southern Maryland Electric Cooperative (SMECO). Vendor can choose to submit a proposal for either one, multiple, or all utilities. Strong preference will be given to organizations that can serve all of these programs. If a Vendor would like its proposal to be considered for multiple or all utility programs, interest must be indicated in the questionnaire portion of the submitted proposal.

In addition, Utility and ICF encourage Minority Business Enterprises (MBEs), service-disabled veterans, and women-owned businesses to participate in this opportunity as Diverse Business Enterprises (DBEs). Respondents must provide documentation of such status in order to be considered a DBE. It is our policy that DBEs shall have the maximum practicable opportunity to participate in the performance of subcontracts. However, this policy shall not be used to exclude qualified non-DBEs from participating in this opportunity.

From responses to this RFP, ICF will select one Vendor that will be retained by ICF through a standard subcontract agreement on behalf of Utility.

**Selection and award is contingent upon final Maryland Public Service Commission approval and Joint Utility finalization of the 2024-2026 EmPOWER Maryland plans filed on August 1, 2023.**

The selected Vendor will receive training from ICF on the program structure and will be required to follow all program procedures and policies. Appliance Recycling Vendor may only distribute marketing materials provided and/or approved by ICF to Appliance Recycling participating customers. Vendors are prohibited from selling any services or products to Utility customers during an Appliance Recycling pickup and from proactively soliciting the customer post-Appliance Recycling pickup.

## **2.0 Minimum Qualification & Eligibility**

ICF is looking for a Vendor that possesses the knowledge, certifications, permits, and experience to collect and recycle refrigerators (standard residential and compact), freezers, room air conditioners, and dehumidifiers.

### **Appliance Recycling program Vendor *must*:**

- Be permitted to operate a Controlled Hazardous Substance Facility in Maryland.
- Meet insurance requirements outlined in Attachment A – Company Information.
- Demonstrate experience with last mile deliveries/pickups, including a scheduling system and call center.
- Demonstrate experience with recycling appliances that contain refrigerant gas.
- Comply with Attachment C - SMECO Subcontract Draft.

### **Preferred Qualifications:**

- RAD partner
- RAD recycling capabilities
- If Vendor is interested in its SMECO proposal response to be considered for the BGE and PHI Appliance Recycling RFP, Vendor must be able to comply with Attachment I - Exelon Subcontract Agreement.

## **3.0 Scope of Work**

The Appliance Recycling program offers residential Utility customers the opportunity to recycle their refrigerators (standard residential and compact), freezers, room air conditioners, and dehumidifiers. Customers can schedule an appliance pickup appointment to have their unit collected from their home or they can drop off their small appliances at recycling drop-off

events. For each appliance removed from the grid, Utility customers receive either a \$50 or \$25 reward.

The selected Vendor shall provide residential appliance pickup and recycling for the Utility Appliance Recycling program.

The overall project objectives for the Appliance Recycling Vendor are:

- Provide turnkey recycling services for Utility, excluding incentive processing.
- Provide excellent customer service to customers of Utility.
- Provide accurate reporting on program performance for Utility.

The measures eligible for collection include refrigerators (standard residential and compact), freezers, room air conditioners, and dehumidifiers. The selected Vendor will be given notice of at least thirty (30) days if any measure is added or removed from the program offering. Vendor will be notified via addendum to the executed subcontract agreement. For anticipated 2024 volumes, please refer to Attachment D – 2024 Appliance Recycling Anticipated Volumes.

### 3.1 Residential Customer Eligibility

The following includes the eligibility requirements for participating customers. Vendor will be responsible for ensuring that the customers are eligible for the program prior to collecting their appliances.

- Appliance(s) can be collected from inside or outside the home. Qualifying outside locations include garages, porches, or outbuildings.
- The refrigerator and/or freezer must be 1 to 30 cubic feet.
- The refrigerator, freezer, and/or dehumidifier must be cleaned out.
- The refrigerator or freezer must be defrosted and dry, drip pan drained, and water lines disconnected.
- Appliance(s) must be in working condition. We are unable to accept any appliance(s) with mold or mildew damage.
- If the unit is located outside, customers must ensure that the refrigerator or freezer is closed securely and cannot be opened by children.
- There must be a clear and safe passage for appliance removal. Vendor cannot remove railings or move furniture.
- If the unit is inside for a pickup, elevator access is required for any refrigerators or freezers located above the second floor.
- An adult age eighteen (18) or older must be present at the time of pickup.
- Limit of three (3) large units (refrigerators and/or freezers) and four (4) small units (room air conditioners, compact refrigerators, and/or dehumidifiers) per Utility residential household from 1/1/2024 through 12/31/2026.

### 3.2 Multifamily and Commercial Participants

The Appliance Recycling program may also collect residential style appliances from commercial account holders to serve multifamily customers and other commercial opportunities like college dorms and similar markets. These opportunities are typically bulk appliance pickups, and Vendor is expected to coordinate with ICF and the property to collect and invoice the appliances according to the guidelines outlined in the scope of work (i.e., turnkey recycling services, equipment collection, equipment recycling, and invoicing).

### 3.3 Appliance Recycling Drop-Off Events

If requested, Vendor will manage appliance drop-off events as a turnkey service for an additional fee, as defined in Attachment E – Appliance Recycling Pricing Template. Appliance drop-off events are typically held on Saturdays from 8am – 1:30pm (including set-up and break down).

Vendor will be responsible for the following:

- Provide support and coordination in planning event logistics such as location, traffic flow, etc.
- Coordinate with ICF to market drop-off events on Vendor’s customer scheduling website.
- Provide trucks and crews to collect room air conditioners, dehumidifiers, and compact refrigerators from customer cars.
- Collect appliance data points on site of the drop-off event.
- Invoice ICF within two (2) weeks of the drop-off event, following the invoicing process outlined in [section 3.9](#).
- Provide materials such as tents, chairs, tables, rope, zip ties, cones, wire cutters, tape, work gloves, and rags.

### 3.4 Retail Program

If Utility requests, Vendor will assist in launching a retail store scheduling option, allowing customers who are purchasing a replacement or secondary unit at retail to schedule for their recycling unit collection during the same transaction at the retail store. Services will include:

- Assist the program with recruiting local retailers via telephone support.
- Travel of one (1) account manager to Utility service territory to perform the initial training, and up to once per quarter for training new retailer staff, if Utility approves the expenditure.
- Training of retailer store staff on Utility Appliance Recycling program, up to once per quarter.
- Providing marketing materials (flyers developed by ICF) to the stores, if Utility wishes Vendor to provide.
- Monthly Reporting on the Participating Retailer Partnership statistics (separate from the standard program reporting). Vendor and ICF to collaborate on the best method for reporting.
- Toll-free telephone line for participating retailers to answer program questions and scheduling of appointments, per Vendor’s standard call center days and hours of operations.
- Data for customer and incentive check processing from collections scheduled at retail will be delivered to ICF on the same schedule as standard collection appointments.

### 3.5 Limited Time Offers

The Utility Appliance Recycling program often offers customers various limited time offers (LTOs) throughout the year. LTOs allow customers to receive an increased appliance incentive if they participate in the program during a designated period of time. LTOs drive program participation up quickly in a short period of time and Vendor is expected to provide additional resources to cover the increased volume. To the best of the program’s ability, Vendor will be provided with notice at least thirty (30) days prior to each LTO.

### 3.6 Turnkey Recycling Services

Vendor will provide the facilities, equipment, and personnel to operate the program, which includes interacting directly with Utility customers. These services will include:

- Host a toll-free telephone number and website for customer enrollment, appointment scheduling, and questions. In the event this contract is terminated, ownership of this telephone number will be transferred to ICF.
- Maintain a database to store and track interactions with the customers as well as detailed information about each refrigerator and/or freezer collected. When such data is available for dehumidifiers and/or air conditioning units, it should also be tracked.
- Provide trained customer service staff to assist customers with questions about the program, qualify customers and facilitate participation.
- Verify customer eligibility by verifying that the caller is an active Utility residential customer and/or the pickup residence is located in Utility territory and that the unit(s) qualify for the rebate(s).
- Schedule in-home and outside appliance removal appointments. Offer choices of service dates, including Saturday as needed, and morning/afternoon collection. Handle customer requests to reschedule and cancel appointments. Provide crew for all removals.
- Provide customers with information about preparing their appliance for removal (i.e., appliance must be empty, plugged in, and working at the time of pickup).
- Provide customers with a day-ahead confirmation call with a four (4)-hour timeframe for collection.
- Produce written confirmation of appliance collection.
- Adhere to complaint resolution process.
- Notify ICF of any and all complaints within 1 business day.
- Respond to all customer complaints within 1 business day.
- Update call scripts to incorporate program updates or cross-promotion of other utility programs as requested.

### 3.7 Equipment Collection

Vendor provides the means to collect the refrigerators (standard residential and compact), freezers, dehumidifiers, and room air conditioners from the customer locations and transport them to the recycling location as needed. As part of this service for the Utility Appliance Recycling program, Vendor will ensure that their own or their provided/contracted drivers adhere to or are instructed of the following:

- All drivers and collection staff have had thorough background checks completed in accordance with state law.
- Ensure hired drivers are trained on appliance collection protocols.
- Provide professional crews who represent Utility well and present picture ID during collection.
- Provide up-to-date collection vehicles, tools, and equipment necessary for safe and efficient removal.
- Deface/disable the appliance before transporting.
- Safely remove units from the customer's property.
- Enter unit into database reporting system.
- Record unit collection and secure customer acknowledgement of collection and disabling of the appliance.

- Transport units to a licensed processing and recycling facility.
- If requested, manage appliance drop-off events as a turnkey service. Vendor can indicate additional fees for drop-off events (if applicable) in Attachment E – Appliance Recycling Pricing Template.

### 3.8 Equipment Recycling

At a minimum, Vendor must comply with all federal and state requirements for appliance recycling. In addition, Vendor may also comply with Responsible Appliance Disposal (RAD) program rules, which provide enhanced recycling practices. While RAD compliance is optional, preference will be given to Vendors that are a RAD partner (or can become one prior to the start of the awarded subcontract) and can comply with RAD requirements. Requirements for both mandatory and optional recycling compliance are explained below.

Note – The requirements below are only an overview and Vendor is responsible for understanding and adhering to federal, state, and local appliance disposal/recycling requirements.

#### **Mandatory recycling requirements:**

Vendor will completely, safely, and legally recycle all refrigerator (standard residential and compact), freezer, room air conditioner, and dehumidifier components in compliance with all federal, state, and local requirements, which include but are not limited to:

1. Refrigerant recovery and management according to Code of Federal Regulation, [40 CFR Part 82, Subpart F](#).
2. Disposal and management of polychlorinated biphenyls (PCBs) and mercury according to Code of Federal Regulation, [40 CFR Parts 260 - 279](#).
  - a. Additional information on mercury management can be found at [EPA's website](#).
3. Management of used oil according to Code of Federal Regulation, [40 CFR, Part 279](#).
4. Recycling of durable materials according to Maryland regulations.

When requested, Vendor shall provide proof of unit decommissioning.

#### **Optional / Preferred recycling requirements:**

RAD partnership is optional but preferred. As a RAD partner, Vendor will completely, safely, and legally recycle all refrigerator (standard residential and compact), freezer, room air conditioner and dehumidifier components in compliance with RAD criteria. RAD recycling requirements are outlined in Attachment F – RAD Partnership Agreement Example.

### 3.9 Invoicing

Vendor will submit weekly invoices documenting services provided, including the following Utility customer participation information:

- Customer name, address, premise ID, utility account number and email address.
- Number of appliances collected or rejected, by zip code.
- Reasons for rejection of appliance.
- Number of appliances recycled.
- Model/style (single-door, top freezers, side-by-side, and bottom freezer refrigerators, upright and chest freezers), defrost type, presence of icemaker, capacity (in cubic feet), estimated vintage, amperage/BTUs, and location in the home from which it was removed.
- Corresponding incentive payments to be issued to program participants.



### 3.10 Reporting

Vendor is expected to keep ICF and Utility well informed of the program activity, through informal communications (i.e., phone calls and e-mails) and through formal reporting. Vendor must maintain a program reporting database that tracks all aspects of the program from scheduling pickups through the recycling process, including detailed tracking of all materials recovered from the process. The system must be capable of providing information to ICF within three (3) days and should have a program “dashboard” showing updated key indicators including the number of units recycled.

### 3.11 Quality Assurance & Quality Control (QA/QC)

The Utility Appliance Recycling Vendor will be subject to desk review and in-field inspections.

#### **Desk Reviews**

ICF will review all invoices and applications submitted by Vendor before payment approval to verify customer and measure eligibility, that specified data and documents are provided, and that duplicate appliances are not submitted. Vendor will be notified of flaws and actions to be taken (if appropriate) to provide missing or incorrect information.

#### **In-Field Inspections**

ICF will conduct periodic in-field inspections of Vendor appliance collection and recycling process. The overall goals of the field inspections are to:

- Verify the accuracy of in-field data collected that affects the energy savings claimed by Utility.
- Verify Vendor is following the Equipment Recycling guidelines outlined in [section 3.8](#).
- Ensure the integrity of the customers and Vendor that participates in the Utility Appliance Recycling program.

## **4.0 Submission of RFP Proposal Forms**

Vendors wishing to participate as an Appliance Recycling Vendor should submit a response to this RFP describing their qualifications to provide the required services. Completion of each section is required. **Incomplete or late responses will not be considered.** Responses should include the following items:

#### **Proposal Part 1: Cover Sheet**

All proposals must include a signed proposal agreement (signature located in [section 9](#)) as a cover sheet.

#### **Proposal Part 2: Company Information (Attachment A)**

All proposals must provide company information in Attachment A.

#### **Proposal Part 3: Company Questionnaire (Attachment B)**

Please include a response to all questions in the questionnaire. This questionnaire is designed to allow Vendors the opportunity to demonstrate their capabilities and specific experience.

#### **Proposal Part 4: Proposed Pricing (Attachment E)**

Strong preference will be given to organizations that can serve all utilities indicated in the introduction of this RFP. At minimum, all proposals must include pricing for at least one utility. Vendor can choose to submit pricing for either one, multiple, or all utilities.

### **Proposal Part 5: Appliance Recycling Process Flow**

Each proposal must include a beginning to end appliance recycling process flow. The process flow should document how Vendor plans to recycle appliances per the guidelines outlined in [section 3.8](#). Strong preference will be given to organizations that can meet RAD requirements.

### **Proposal Part 6: ICF Prospective Vendor S&H Performance Questionnaire (Attachment G)**

All proposals must include a completed ICF Prospective Vendor S&H Performance Questionnaire that is in Attachment G.

### **Proposal Part 7: Professional References**

A minimum of three (3) professional references directly related to the delivery of either appliance pickups and/or recycling.

## **5.0 Proposal Evaluation**

Each proposal will be graded based on the following categories:

- a. Scope of Service: The selected firm must demonstrate a clear understanding of the services being solicited through this RFP.
- b. Complete/Timeliness: The selected firm shall submit a complete and thorough proposal through the Procurement Portal (portal URL is provided below) by the deadline provided by ICF.
- c. Customer Service: The selected firm shall have demonstrated success in providing exceptional customer service, and shall provide examples of call center capabilities and scheduling.
- d. Staffing qualifications: The selected firm shall display evidence of all appropriate permits and certifications, having experienced staff, resources, and capacity in collecting/recycling appliances. Additionally, there will be evaluation based on administrative staff and experience.
- e. Recycling Compliance: The selected firm must demonstrate their ability to meet the recycling and licensing requirements outlined in [section 3.8](#). Preference will be given to firms that can meet RAD requirements.
- f. Pricing: The selected firms must include competitive rates for performing appliance collection and recycling services. Strong preference will be given to organizations that can serve all utilities indicated in the introduction of this RFP.
- g. DBE Status: Utility and ICF encourage Minority Business Enterprises (MBEs), service-disabled veterans, and women-owned businesses to participate in this opportunity as Diverse Business Enterprises (DBEs). This is not a mandatory requirement but is a component of the evaluation. If applicable, the selected firm must provide documentation of such status to be considered a DBE.

## **6.0 Deadlines and RFP Submission Instructions**

**RFP responses must be submitted by 5:00 PM (Eastern) on Monday, November 27th, 2023.** Please submit your completed response via the online procurement portal at this URL: <https://eeprocurementportal.com/>. All documents must be saved and uploaded in the following format: ApplRecycl\_CompanyName\_UTILITY\_2024RFP\_PartX. Example – ApplRecycl\_ICF\_SMECO\_2024RFP\_Part1.



## **7.0 For Further Information**

**Questions may be submitted on the procurement portal by 5:00 PM (Eastern), Friday, November 15th, 2023.** ICF cannot guarantee a response to questions received after that date and time. Any relevant questions submitted will be sent to everyone who is registered as a respondent on the procurement portal.

## **8.0 Miscellaneous**

### 8.1 Contract Term

The Appliance Recycling Subcontract that results from this RFP will be for services provided from **January 1, 2024 through December 31, 2024**. There may be opportunity to extend for up to two (2), one (1) year periods without re-competition. If applicable, payment for services incurred in December 2024 may be processed in January 2025 dependent on end of year invoice processing closeout timelines, not contingent upon a continued services contract for the 2025-2026 program year.

Partnership with other Vendors is allowed. Partnerships need to be disclosed to ICF program management. The Vendor that is awarded the proposal is responsible for maintaining the program's scope of work.

All appliance pickup applications should be delivered weekly to ICF for processing. It is expected that Vendor will have the capital necessary to cover the costs of the work they do until they are paid. Vendor can generally expect to be paid approximately twice a month, as long as they continue to submit completed appliance pickup applications as required and deliver weekly invoices to ICF.

### 8.2 Confidentiality

ICF and Utility will supply Vendor with confidential Utility customer information. All such information is the exclusive property of Utility. Vendor shall not sell, barter, or exchange any information provided for the Utility Appliance Recycling program including but not limited to the customer information, in perpetuity. Vendor shall not copy customer information without prior written consent provided by ICF and Utility. Vendor will meet all Utility security standards for protecting Utility customer information.

Vendor, its employees, and its agents shall not use the customer information or the delivery of the Appliance Recycling program for the generation of leads for sales of any other services or products Vendor may offer in perpetuity.

Bidders' responses for this solicitation will be treated as confidential.

### 8.3 Regulatory Scrutiny of Work

Vendor should understand that its documents and work will become part of a public process involving incentive regulation and cost recovery, and will be reviewed and scrutinized by Utility and ICF staff, independent consultants, intervenor groups, and regulatory staff. All data developed by Vendor under these contracts are the property of Utility and ICF, and electronic files containing all data shall be submitted to ICF as per the subcontract agreement.

### 8.4 Termination Right of ICF

ICF may terminate any subcontract agreement at any time upon five (5) days written notice to Vendor for any reason. ICF shall NOT be responsible for reimbursing Vendor for any cost

incurred in reliance on the expectation that the agreement would remain in effect throughout the end of the term.

**8.5 Termination Right of Vendor**

Vendor may terminate this agreement upon thirty (30) days written notice to ICF.

**8.6 Approval of Marketing Campaigns to External Parties**

Vendor will submit for approval (to ICF) any marketing campaign concepts, materials, and/or statements to external parties representing the Appliance Recycling program.

**8.7 Minority/Disadvantaged Business Enterprises (MBE/DBE)**

ICF encourages minority, service disabled veterans, and women-owned businesses to participate in this opportunity. If applicable, please provide documentation of such status in order to be considered as an MBE/DBE.

**9.0 Proposal Agreement**

I understand this application and all parts submitted is to determine my eligibility to participate in the Utility Appliance Recycling program and does not constitute any formal agreement to participate in the Appliance Recycling program. I further understand that if my company is selected to participate, it will require signing a standard task ordering agreement with ICF on behalf of Utility outlining all terms, program policies, and procedures to deliver Appliance Recycling services.

I understand that the subcontract agreement for each utility may differ, and the terms and conditions outlined in the subcontract agreement for each utility for which I am submitting an application to deliver Appliance Recycling services.

Company Representative Name:

Title:

Signed: