ALAMEDA MUNICIPAL POWER
A Department of the City of Alameda

Date: September 30, 2015

Subject: Addendum No. 1 to Questions and Responses for Alameda Municipal Power Request for Proposal (RFP) For A Program Administrator to Create and Implement a Non-Residential Direct-Install Lighting, HVAC, and Refrigeration Retrofit Program
Specification No. PS 09-15-01

Proposal Due Date: 3:00 p.m. Pacific Time, Wednesday, October 14, 2015

Please note the following changes, corrections, and clarifications that are hereby incorporated to the requirements of the RFP:

Question #1	Are all AMP non-residential customers eligible for the DI program?
Response #1	Yes, all AMP non-residential customers except street lights are eligible.
Question #2	With respect to customer relationship, do commercial customers of AMP have assigned account managers?
Response #2	Some customers have assigned account managers; however, account managers are available for all non-residential customers.
Question #3	What communication efforts have been successful for AMP in terms of informing and reaching out to clients in order to promote energy efficiency programs?
Response #3	By far the best approach has always been going door-to-door; second best is the AMP website and promoting through business organizations.
Question #4	Will AMP consider proposal submissions where installers/contractors directly market to customers and also execute the audit requirements as set forth in the SOW?
Response #4	AMP prefers that the Program Administrator market directly to customers, and perform the audit and all quality control aspects like the post-installation inspections.

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Question #5 Have direct install programs been offered in the past by AMP? If so, what levels of audits were provided as part of the program, e.g. scoping, high level, ASHRAE Level I, II, etc.?

Response #5 Yes, AMP has offered direct install programs in the past - lighting and refrigeration. For the direct install, no more than a very basic scoping audit, if that. The goal is a Customer Proposal for retrofit projects that includes a description of the existing equipment, the proposed energy efficient equipment, – labor and equipment costs, tax, etc., AMP rebate, net cost to customer, kWh and kW savings, estimated annual energy cost savings, reduction in greenhouse gas emissions, and simple payback.

Question #6 AMP Currently has a DI lighting program. Does AMP have a DI database platform they would expect the PA to use, or will PA provide the platform for a new expanded DI program?

Response #6 Currently, AMP receives all program data in excel format. The PA may use whatever database platform they wish as long as the data sent to AMP is in excel format.

Question #7 What were the number of DI Lighting Projects performed in 2013 and 2014? What was the average size of the project in 2013 and 2014, respectively?

Response #7 AMP did not provide a direct install lighting program in FY 2013 or 2014. However, AMP is currently providing a 12-month commercial direct install – lighting only - program. The program has been very successful with customers - small, medium, and large customers – ranging from 2,000 square feet facilities to a large ship yard. To date there are approximately 35 program participants. The program will end December 31, 2015. As the program is still in operation, we do not have the final data.

Question #8 What were the total energy savings realized from the current DI Lighting program in 2013 and 2014, respectively?

Response #8 The current 12-month commercial direct install lighting program energy efficiency target is 1,621 MWh/year. AMP expects to meet or exceed that target.

Question #9 What was the program cost for the DI Lighting Program in 2013 and 2014, respectively? Incentive Costs in each of 2013 and 2014? 3rd Party

Implementer/Administrator cost in each of 2013 and 2014?

Response #9 The program cost for the current commercial lighting direct install program is $600,000.

Under the current program, the customer rebate incentives represent a greater share of the budget compared to the Program Administrator fees.

Question #10 The program process flow shows development of project specifications. Does this refer to drawings, design, etc.? If so, are recommended subcontractors allowed to be involved in this part of the process?

Response #10 No, this does not generally involve detailed design, drawings, etc. In this direct install program, we do not want to redesign any existing building systems. In some cases the PA-approved contractor may be involved developing the specifications in the final proposal and/or work order for the retrofit project.

Question #11 In terms of specifying subcontractors in the initial proposal response, is there an opportunity to add other qualified contractors later on into contract term?

Response #11 Sub-contractors or sub-consultants in the RFP refer to firms directly hired by the vendor that will be included to deliver the services performed by the vendor. Since contractors for specific projects are not hired by the vendor, but instead qualified by the vendor for hire by the end-use customer, this is not a sub-contractor relationship. These are considered PA-Approved Contractors. With respect to PA-Approved Contractors, other qualified contractors can be added and/or removed during the course of the program.

Question #12 Is certified payroll required? If so, is it to be submitted weekly? Bi-weekly?

Response #12 Certified payroll will not be required by AMP since the end-use customer is contracting for the project on their property. However, a customer may require certified payroll along with other requirements, especially in the case of a public agency.

Question #13 The RFP mentions the contract amount as $1.1 million over two years. Does this amount include the potential rebate/incentive funds?

Response #13 Yes, this is the total contract amount, which includes all rebates and all Program Administrator costs over the initial two-year term of the

contract, taking into consideration ramp-up for program design.

Question #14 Please confirm that the budget for this program is $1.1 million over two years and that this dollar amount includes payments to the Contractor and Rebate payments.

Response #14 The budget for this program is $1.1 million for a two-year period and this includes all Program Administrator costs – both rebates and program administration.

Question #15 Please confirm that the budget for this program is intended to cover all of the existing DI Lighting Program and the expansion to include HVAC and Refrigeration measures.

Response #15 The budget for this program is intended to cover all direct install lighting, HVAC, and refrigeration measures that meet the technical requirements of AMP. The Program Administrator will develop the technical requirements and AMP will review and approve. The program budget is for rebates and Program Administration.

Question #16 The RFP states that rebate costs need to be split out. Does this mean costs of administration, e.g. filling out incentive application, providing energy calcs, discussion calcs with reviewers and client, etc.?

Response #16 The rebate cost and the Program Administrator cost will be based upon the first year kWh savings only. There will be no time and materials billing in this contract. The proposal costs should consist of only two components - 1) Customer Rebate Rate ($/kWh), and 2) Program Administrator rate ($/kWh).

Question #17 May rebates be paid to contractors using “deemed” incentives payments that are measure specific? Or must all rebates be based upon a $/kWh incentive rate?

Response #17 Rebates must be based upon the first year actual energy savings - $/kWh.

Question #18 Clarification of the expected contract energy savings: is it 3,000MWh for the 2-year contract terms (Section I-B Purpose, p. 4) or 3,000 MWh per year Section II (Scope of Services, p. 5)?

Response #18 The expected savings are 3,000 MWh for the 2-year contract.

Question #19 From AMP’s perspective, what cost components are included within the levelized utility cost and lifetime utility cost?

Response #19 The levelized utility cost includes all the costs to the utility - in this program that would be all of the rebates and all of the Program Administrator costs. The lifetime costs are based upon the lifetime of the measures effective useful life (EUL). The primary source of the EUL is the California "Database for Energy Efficient Resources (DEER)".

Question #20 Can AMP provide a sample calculation/analysis for estimated total resource cost?

Response #20 AMP uses the "California Standard Practice Manual - Economic Analysis of Demand-side Programs and Projects," October 2001 to calculate the total resource cost.

Question #21 What is the net to gross used for the net energy savings calculation?

Response #21 AMP uses the California "Database for Energy Efficient Resources".

Question #22 What is the algorithm for calculating the utility levelized cost over the lifetime?

Response #22 AMP uses actual utility costs - rebates, administration, EM&V, marketing, etc., and the Effective Useful Life data from the California "Database for Energy Efficient Resources," which is the source of the EUL in the "Savings Estimate Technical Resource Manual for the California Municipal Utilities Association" - May 2014, as cited in the Request for Proposal.

Question #23 Will AMP provide the algorithm and inputs for the TRC calculation, e.g. discount rates and avoided costs?

Response #23 Use a discount rate of 5% and AMP's current avoided costs are $0.105/kWh. AMP uses the "California Standard Practice Manual - Economic Analysis of Demand-side Programs and Projects" October 2001 to calculate the total resource cost (TRC).

To assure that all Proposers have received this Addendum No. 1, proposers are required to acknowledge receipt of this information in the letter of your proposal referenced in Section III.C of specification.

Roger Yang
Utility Procurement Administrator