*This document is used by the entity to solicit proposals for an EPC project.*

*This is a model document that is expected to be customized by the entity issuing the RFP. Replace the highlighted “Entity Name” with the name of the entity as appropriate. Replace other highlighted words as appropriate. Remove instructional comments (italicized in blue).*

**REQUEST FOR PROPOSAL**

**ENERGY PERFORMANCE CONTRACTING SERVICES**

**ENTITY NAME**

1. **OVERVIEW**

The Entity Name (“Entity”) seeks a qualified energy service provider (ESP) to perform an investment grade audit (IGA) and develop an energy performance project proposal. The goal is for the selected ESP to evaluate Entity's facilities for energy, water, and operational upgrades, to provide a comprehensive energy audit report, and to make recommendations for possible utility cost savings projects in the form of a project proposal.

To be eligible for consideration, an ESP must be on the list of qualified energy service providers for the Montana Energy Performance Contracting Program. Only qualified energy service providers will be considered.

The RFP and Contracting process has four phases:

1. RFP Phase: Through this RFP, Entity will select an ESP based on written proposals and reference checks. Entity has the option to interview a subset of applicants.
2. Investment-Grade Audit Phase: Entity will negotiate the scope of work and price for an investment-grade audit (IGA) contract with the selected ESP. Following successful negotiation of an IGA Contract, ESP shall complete the IGA and submit a detailed report including descriptions of facilities, cost-saving measures, savings with calculations, and initial measurement and verification plan according to the IGA contract.
3. Energy Performance Contract Phase: After completing the IGA and acceptance of the IGA report by Entity, the ESP will provide Entity with a proposal for an Energy Performance Contract (EPC). The proposal shall include a list of recommended measures along with the proposed guaranteed savings and guaranteed maximum cost for the project. Entity may then choose to negotiate an Energy Performance Contract with the ESP. Upon successful negotiation of an Energy Performance Contract, the ESP shall implement the measures included in the contract.
4. Post-Construction/Performance Phase: For a minimum of three years following completion of construction, the ESP shall measure and verify reductions in energy consumption and costs. If guaranteed cost savings are not achieved, the ESP shall pay Entity the amount of the shortfall and assumes the cost of measurement and verification.

This RFP does not form or constitute a commitment or contractual document of any kind. Entity shall not be liable for any loss, expense, damage, or claim in connection to this RFP.

* 1. **Single Point of Contact**

From the date this Request for Proposal (RFP) is issued until Entity selects the ESP, ESPs are not allowed to communicate with any Entity staff or official regarding this RFQ except at the direction of the contact person identified below.Any unauthorized contact may disqualify an ESP from further consideration. Contact information for the single point of contact is noted below.

Name

Title

Address

Phone

Email

ESPs with questions or requiring clarification or interpretation of any part of this RFP must address these questions in writing to the contact person by date. Questions received after this deadline may not be considered. Entity shall respond to all solicited ESPs within seven days of this deadline.

* 1. **Project Scope**

*The project scope must be clearly defined as to specific facilities and/or campuses or locations. This is intended to determine the maximum project scope and the potential of phasing the services to be provided. Language in this section highlighted in yellow may be deleted by the entity if phasing is not planned or if the entity has no specific projects to be evaluated.*

The potential scope of the project is defined by the facilities identified in Attachment A: Facility Profile. The scope may include additional facilities not included in the initial phase of this RFP. The scope may be expanded to include these additional facilities in the future. The option to expand the scopeis limited to the facilities identified in Attachment A.

Entity has identified some specific projects that the selected ESP shall evaluate during the IGA process to possibly include in the overall scope of an energy performance contract.

Entity reserves the right to reduce the scope of work or to conduct work in phases.

* 1. **Pre-submittal Conference**

*Holding a presubmittal conference is encouraged, but optional for the Entity. The Entity may delete or modify this section accordingly.*

A pre-submittal conference will be held at place on Date/time. Tours of Entity’s selected facilities will be provided as part of the conference.

This conference is / is not mandatory. However, Entity highly encourages interested ESPs to have representatives attend to familiarize themselves with the Entity, facilities, systems, operations, and current state of energy and water usage.

* 1. **Proposal Response**

Responses to this RFP are due no later than date. Responses may either be submitted electronically to address or in paper format to address. If a paper format is used, a minimum of three (3) copies shall be submitted and signed by the ESP or its duly authorized agent. An ESP's paper response must be submitted in a sealed envelope that is marked on the outside with **“PROPOSAL: ENERGY PERFORMANCE CONTRACTING”** and ESP's name.

Regardless of cause, late submittals will not be accepted and will automatically be disqualified from further consideration. It shall be the ESP’s sole risk to assure delivery at the designated location by the designated time. Late submittals will not be opened and may be returned to the ESP at the expense of the ESP or destroyed if requested.

Entity will not be responsible for any expenses which may be incurred in the preparation of this request or any subsequent work prior to the signing of an IGA contract.

Information provided in response to this request will be held in confidence and will not be revealed or discussed with competitors prior to award of contract; however, responses to this solicitation become part of the public record after award of contract, except for materials constitutionally protected from disclosure. Entity reserves the right to provide its opinion publicly and privately regarding the selected ESP’s performance.

All materials submitted in response to this RFP become the property of Entity and may be appended to any formal documentation.

1. **SELECTION PROCESS**

Entity will review ESP responses to the RFP in accordance with the criteria listed in Section 3 PROPOSAL FORMAT AND EVALUATION CRITERIA. Entity may develop a list of ESPs to be invited for interviews. Entity may / will schedule interviews with invited ESPs.

Entity reserves the right to make such additional investigation as it deems necessary to establish the competence and financial stability of any respondent. Entity reserves the right to accept any RFP response, in whole or in part, and to reject any or all responses.

Entity will negotiate the scope of work and price for the Investment Grade Audit contract with the selected ESP. If the parties reach agreement, they may execute an IGA contract. If no agreement is reached, Entity may, at its sole discretion, terminate contract negotiations with the selected ESP and enter into contract negotiations with the next most qualified ESP.

1. **PROPOSAL FORMAT AND EVALUATION CRITERIA**

*Table 2 is offered as a basis for scoring the proposals. The Entity may modify criteria, but may not request a “bid” price. The scoring parameters may also be modified by the Entity.*

Responses to this RFP should include the following components.

* 1. **Overall Project Proposal**

Describe how the project will be conducted from start to finish, including: the buildings to be selected; decisions on which cost savings measures to include; construction oversight; training of staff to operate the facilities; and monitoring and verifying savings.

* 1. **Approach and Process for Potential Project Based on Facility Walkthrough**

Describe the key elements of a project based on the observations in the pre-submittal conference and walkthrough and information provided in Attachment A. Explanation must be specific to the facility(s) but need not include extensive design or engineering work.

Describe the approach and process for conducting the investment grade audit including the level of detail, calculation methodologies, and measurement and verification.

Describe how Entity is kept informed on the process at the various stages – preliminary audit, data gathering, IGA progress, preliminary IGA report, final IGA report.

* 1. **Appropriate Market Sector Experience/Expertise**

Provide information that emphasizes the ESP’s experience and expertise in the specific market sector of Entity's project. Identify projects of similar size and scope to that of Entity. Identify the track record of the ESP in achieving energy savings for its clients.

List up to 10 EPC projects developed and completed by the ESP within the past five years. If it is relevant to list projects completed by another service provider, clearly identify the provider with overall responsibility for that project and the project’s relevance to this RFP.

**Table 1: Project Experience**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Project Name | Market Sector | City & State | Project Size ($) | Project Size(Sq. Ft.) | Year Completed | Types of Measures |
|  |  |  |  |  |  |  |
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Provide a narrative description for three projects listed above.

* 1. **Project Management, Personnel and Staffing**

Show the organization chart (by name as available) for implementing and managing the proposed project, including the responsibilities of each individual shown and the lines of authority within the overall organization. Identify portions of the effort, if any, that are proposed to be subcontracted and provide the same information for subcontractor organization and personnel.

Identify each individual who will have primary responsibility for each task or phase of a project under the IGA or EPC. Tasks and phases to address include technical analysis, engineering design, construction management, construction, commissioning, training, post-construction measurement and verification, and other services. Include name, title, intended role and responsibilities for the duration of the contract, educational background, specific qualifications related to role and responsibilities, past relevant experience, number of years of relevant experience, supervisory responsibilities if relevant, and list of projects an individual was associated with during the last five years, including type of project and project cost.

Provide resumes for personnel that the ESP plans to assign to the IGA and EPC work. Resumes must be provided in a clearly marked section of the ESP’s response to this RFP.

List any additional expertise and capability of ESP staff available through other branch offices, subcontractors, other resources, etc., who may provide additional project support.

* 1. **References**

Provide at least three references for public sector projects completed in the last five years that are similar in scope to the proposed project. At least one reference must be from a project managed by the same proposed project principal/lead. Include entity client's primary contact name, phone number, and email.

* 1. **Pricing**

This RFP does not require a firm or fixed fee to complete the Investment Grade Audit. However, an ESP shall complete applicable portions of Table B1: Project Cost Estimate in Attachment B: Cost and Pricing Tool as a part of this proposal. The purpose of Attachment B is to provide Entity with general information on the pricing structure for ESP services. Attachment B information provided by the ESP shall be used throughout the EPC process, unless modified through contract negotiations.

**TABLE 2: ESP Selection Criteria – For reference only, not to be completed by ESP**

|  |  |
| --- | --- |
| Criteria  | Score |
| **1 Overall Project Proposal** |  |
| Well-developed plan for collecting information, developing energy conservation measures, and implementing plan in a timely manner.* Comprehensive approach to what can be done in the facilities
* Depth of analysis
* Innovative approaches to resolving issues related to energy and water use, comfort and indoor air quality, greenhouse gas emissions, and/or operation and maintenance costs
* Consideration of needs of Entity and facility staff
 |  |
| **2 Proposed Project** |  |
| Approach and process * Comprehensiveness of the investment grade audit
* Calculation methodologies
* Measurement and verification plan
* Communications
 |  |
| **3 Project Experience** |  |
| Track record of the ESP* Examples of projects completed that are similar in size and scope to Entity’s proposed project
* Record of demonstrating the guaranteed savings are realized and, if not, any remedial actions or shortfall payments
* References
 |  |
| **4 Project Personnel** |  |
| Knowledge and experience of team assigned to the project* Conducting investment grade energy audits, calculation methodologies, energy modeling, and projected savings
* Project design
* Knowledge of building and energy codes and construction requirements in Montana
* Project management and quality of construction
* Experience in the use of commissioning for projects to ensure comfort, energy savings, and long-term operation
* Experience in training building operations and maintenance personnel to effectively operate the facility
* Experience providing post-construction support including measurement and verification, ongoing training, and adjustments
 |  |
| **5 Project Pricing** |  |
| Cost/markup information as provided in Cost and Pricing Tool. |  |
| **TOTAL POSSIBLE POINTS** |  |

# Attachment A: Facility Profile

*Instructions to Entity: Provide information on the facilities in Entity's proposed project using the facility profile outline below as a guide. (Entity may use its own format if desired.) List all facilities to be considered for the project. The list must indicate which facilities will be included in the initial phase and which facilities may be considered in the future. Provide the level of information that is easily available. Use as many pages as required. Note: To help the Entity compile the necessary data, a preliminary assessment workbook in MS-Excel format is available from DEQ’s website at* <http://deq.mt.gov/Energy/EPC/EPC-Program-Documents/EPC-RFP_WB.xlsx>

*(At a minimum, please provide information for at least sections 1 through 5 for each building.)*

## GENERAL FACILITY DATA

Name of Campus/site:

Address of Building:

Building Contact:

Phone:

Email:

## PHYSICAL DATA

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Building Name | Year Built | Renovations | Building Type | Gross Sq. Ft. |
|  |  |  |  |  |
|  |  |  |  |  |

## OPERATING DATA

General description of building use, hours of operation, etc.

## ENERGY AND WATER CONSUMPTION DATA

For each meter, indicate the name of the utility company, utility rate schedule (tariff), and area served, if known. Include utility invoice data showing a minimum of 12 months (36 months preferred) for each meter or bulk commodity. Preferably, provide this data in a tabular format:

* Electricity: Consumption (kWh), Demand (kW), and Cost
* Natural Gas, Propane or other Fuels: Consumption (Therms, CCF, Gallons, etc.), and Cost
* Water: Consumption (Gallons, kGallons, CCF), and Cost

## ENERGY SYSTEMS DATA

General description of each building’s energy systems: Boilers, chillers, HVAC, temp controls, computer control system, lights, other major equipment, etc.

## PLANNED UPGRADES AND CHANGES

General description of planned future renovations and expansions. The Entity is encouraged to list equipment known to be at the end of its service life.

## POTENTIAL AREAS OF IMPROVEMENT

General listing of potential improvements that the Entity may wish to consider. This listing should not limit the scope of the project; an Investment Grade Audit is intended to look at all feasible cost saving measures.

## SUSTAINABILITY OR GREEN GOVERNMENT GOALS

General description of needs and goals for sustainability plans, environmental goals, or reporting requirements.

## OTHER SPECIAL CIRCUMSTANCES

General description of existing circumstances that may have a negative impact on the facilities or project, e.g. maintenance and comfort issues, project timeline, special coordination, or financing needs.

**ATTACHMENT B: COST AND PRICING TOOL**

The Cost and Pricing Tool provides Entity and ESP with standard EPC project cost details. Certain information is required of the ESP, and other information is provided at specific steps during EPC project development. As part of this RFP, the ESP shall complete the designated portion of **Table B1: Project Cost Estimate** and the columns titled “How Price is Determined” in Tables B2 and B3.

In **Table B1:** **Project Cost Estimate**, in the shaded cells of the columns “EPC Maximum % of Total Project Cost” and “EPC Maximum % Markup”, the ESP identifies the maximum percentages it will charge the Entity. The ESP does not enter percentages of total project cost for Trade Subcontracts, Design/Build Subcontracts, Direct Purchase Equipment, and ESP Construction Labor in response to this RFP. These costs will be provided during EPC project development. Other parts of these tables will be completed at other times during the EPC process.

For each category, the term “ESP” includes the ESP and any close affiliate, parent, or wholly-owned subsidiary. Any individual category costs, whether for services provided directly by the ESP ("ESP-direct") or purchased from others, such as contractors, vendors, or material providers, may not include markups or profit. All ESP markups must be presented in the “EPC Maximum % Markup” column. All ESP profit must be presented in line **4 Profit** of **Table B1:** **Project Cost Estimate**.

Burdened labor cost is the base rate of compensation plus employment taxes, insurance, and general benefits – vacation time, sick time, holiday pay, retirement benefits, and flexible spending accounts for dependent care and health. Commissions, bonuses, use of a company vehicle, profit-sharing, and other similar benefits must be included in line **4 Profit** of **Table B1:** **Project Cost Estimate**.

The Work is defined, collectively, as the equipment, professional services, and construction related to the project.

1. **PRE-CONSTRUCTION COSTS**

Pre-Construction Costs are all costs (except for costs contained in the IGA) that are incurred after signing the EPC contract and prior to commencing implementation of any cost-saving measure in the EPC. Costs presented for ESP services may not include markup or profit. Markups for the cost categories must be included in the “EPC Maximum % Markup” column. Profit for the project must be identified in the “Profit” line item of **Table B1:** **Project Cost Estimate**. The Montana EPC Program recommends open-book pricing. The ESP shall present direct costs and quotes to the Entity.

1. **Design and Other Engineering**

Design and other engineering includes all professional architectural and engineering costs required to design and specify projects to be installed as part of the Work. Cost of design completed by an ESP includes burdened labor cost associated with design of measures included in the EPC. If design is subcontracted to an A&E firm, the amount that may be charged by the ESP is the quoted cost from the A&E firm plus burdened labor cost of ESP energy engineers to oversee and direct A&E design services. Costs of design and other engineering services include applicable code review costs. Any non-billable time or non-engineering supervision of engineers associated with engineering and/or design efforts must be included in the Other Pre-Construction Costs category.

Energy engineering includes all energy modeling, energy savings calculations, and other energy engineering costs that were not accounted for in IGA costs. Costs include burdened labor cost for energy engineers, supervision of energy engineers, or other support. Training costs for energy engineers must be included in the Other Pre-Construction Costs category.

1. **Pre-Construction Services**

Pre-construction services include construction management and project development services. To coordinate and bring many complex technical details together and present a proposal to the Entity, an ESP may employ Business Development Representatives, Project Developers, and/or other resources that act as the key contact between the Entity and the ESP. This line item includes all burdened labor cost and any other direct cost associated with presenting the best information to the Entity in an understandable format.

As an additional level of coordination, the ESP may utilize a construction manager prior to construction to solicit bids for final construction and help review designs to ensure constructability. This cost includes the burdened labor cost of the construction manager associated with these efforts, if applicable.

1. **Other Pre-Construction Costs**

Site visits and Entity meetings are necessary before implementation to ensure designs and equipment meet customer needs and fit project objectives. Other Pre-Construction Costs may include administrative support, legal review, accounting services, printing, copying, binding, office supplies, business travel, business meals, and supervision of project development staff. The burdened labor cost must be used for all in-house personnel.

**1T PRE-CONSTRUCTION COSTS SUBTOTAL**

This is a subtotal of all pre-construction fees and costs expended by the ESP to complete the Work for the Entity. This subtotal may not include any overhead or profit of the ESP or any close affiliate, parent, or subsidiary entity belonging to the ESP.

1. **CONSTRUCTION FEES AND COSTS**

For components in this category that are directly purchased by the ESP, such as from subcontractors, vendors, or material providers, to complete the Work, the costs presented may not include any ESP markups or profit. Markup for the project must be identified in the “Markup” column and profit for the project shall be identified in the “Profit” line item of **Table B1:** **Project Cost Estimate**. Costs presented for ESP-direct work may not include profit, as profit for the project must be identified in the “Profit” line. The ESP must present direct costs and quotes to the Entity.

1. **Trade Subcontractors**

Trade subcontractors are construction contractors selected by the ESP and may be subject to approval by the Entity. These subcontractors are selected by the ESP from bidding on documents developed by the ESP. They are subcontracted directly to the ESP. Such subcontractors may include lighting contractors, sheet metal contractors, piping contractors, electricians, plumbers, carpenters, controls contractors, and other trade contractors as necessary to complete the Work.

1. **Design-Build Subcontractors**

Design-build subcontractors are construction and design contractors subcontracted directly to the ESP and may be subject to Entity approval. Design-build subcontractors act as their own design agents and finalize the design of the Work to be installed. Such subcontractors include lighting contractors that complete their own audit and design; mechanical contractors that coordinate all of their own electrical, sheet metal work, piping, and other support work; specialty contractors like pool cover vendors; and other specialty contractors necessary to complete the Work.

1. **Direct-Purchase Equipment**

Any equipment directly purchased by the ESP is included in this category.

1. **ESP Construction Labor**

ESP Construction Labor includes the ESP's burdened labor cost of ESP staff directly involved with implementation of the cost-saving measures for the project. Labor overhead costs must be included in the "markup" column. Any profit for construction labor must be identified in the “Profit” line of Table B1.

1. **Construction Management**

Construction Management includes the ESP's burdened labor cost of a construction manager and site superintendent directly supporting the project and to oversee and coordinate subcontractors on the project. Profit for construction management must be identified in the “Profit” line of **Table B1**.

1. **Project Engineering**

During construction, the ESP's design engineers or subcontracted A&E firm may make periodic inspections of work and support the construction manager with engineering analysis of required field modifications. This cost includes the burdened labor cost of engineering or quoted subcontract A&E services.

1. **General Conditions**

General Conditions may be required on larger and longer-term projects. General conditions may cover miscellaneous non-staffing costs directly related to the project, such as: job trailer, trailer office equipment, temporary utilities, permanent utility connection fees, barriers/security fencing, scaffolding, equipment rental, site guards, cleaning, and trash and recycling dumpsters. Markup for General Conditions must be identified in the “Markup” column and profit for the project must be identified in the “Profit” line of **Table B1:** **Project Cost Estimate**.

1. **Construction Completion**
2. **Commissioning**

At the completion of construction, the ESP completes pre-functional and functional tests of all installed measures to ensure proper operation. This work is normally completed by commissioning agents. If it is completed by ESP employees, the cost includes the burdened labor cost of commissioning staff. If it is outsourced to a commissioning firm, this cost includes the cost of necessary commissioning services.

1. **O&M Manuals**

At the completion of the implementation phase of the project, the ESP provides the Entity with complete Operation and Maintenance Manuals providing documents detailing proper maintenance of installed equipment. O&M manuals must include as-built architectural or engineering drawings. The cost to prepare most O&M materials must be included in relevant subcontractor costs above. This cost is for the work to combine all subcontractor-provided material into project O&M Manuals and to print, copy, bind, and deliver printed and electronic copies to the Entity.

1. **Training**

Training of the Entity’s staff may be provided by subcontractors; if so, training costs will be included in their subcontractor bids. However, if the ESP plans to provide the training, or to supervise or coordinate training by subcontractors, the burdened labor cost for such training must be included in this line item. In addition to labor, this line item may include costs of materials or services for formal classroom training, training videos, online training programs, and other training efforts that include labor and materials required to provide necessary training to the Entity. This line item cannot be a repeat of training provided directly by subcontractors that is billed in subcontractor costs.

1. **Other Construction Costs**

Site visits and Entity meetings are necessary at the end of construction to ensure the project has been completed properly before the Entity issues the Implementation Certificate of Acceptance. Such items as administrative support, legal review, accounting services, printing, copying, binding, office supplies, business travel, business meals, and supervision of staff may be acceptable post-construction indirect costs. Other construction costs may include:

1. **Permits**

Construction is completed in jurisdictions requiring compliance with building, electrical, plumbing, and other codes. The ESP must pay code reviewers to review design drawings and render decisions on whether designs meet code. In addition, the ESP must apply for and receive any necessary construction permits based on designs and/or code review. This line item includes all costs associated with paying code reviewers and application and inspection fees for such permits. It does not include design fees or engineering labor to work with code officials or submit permit applications. These design fees and the associated burdened labor cost must be included in the engineering and/or construction management categories listed above.

1. **Insurance**

The ESP may be required to possess various levels of Builder's Risk Insurance, Automobile Liability Insurance, Professional Liability Insurance, and other insurance policies as identified in the Contract. This line item must include an average amount of insurance that would be attributed to this project. Worker's Compensation Insurance is not included in this line item and must be included in the appropriate burdened labor cost categories.

1. **Performance & Payment Bonds**

The ESP is required to provide a bond for the performance and payment of all work from a reputable surety. The cost of the performance and payment bond must be included in this category for the anticipated amount of work to be completed without expending contingency funds. When contingency funds are expended, any increase in bond cost must be included with contingency cost expenditure proposals.

1. **Warranty Labor**

Warranty labor is the burdened labor cost associated with time anticipated to be expended by ESP staff in supporting the ESP’s direct purchase equipment warranties and/or equipment provided by subcontractors. All actual warranty replacement costs must be included in lines D, E, and F of Construction Costs and may not be included in this line item.

**2T CONSTRUCTION COSTS SUBTOTAL**

This is a subtotal of all construction fees and costs expended by the ESP to complete the Work for the Entity.

1. **IMPLEMENTATION COSTS SUBTOTAL**

This is a subtotal of all the implementation cost expended by the ESP to complete the Work for the Entity.

1. **PROFIT**

The anticipated, but not guaranteed, gross profit associated with the project. Note that overhead is included in General Conditions.

1. **ESTIMATED PROJECT COST**

The estimated project cost is the total of Pre-Construction, Construction, and Markup and Profit associated with the construction project.

1. **CONTINGENCY**

The project contingency is a predetermined amount or percentage of the contract held for unpredictable changes in the project. Contingency funds are held by the Entity and co-managed by the Entity and ESP. The intended purpose of the contingency is to account for errors and omissions in the construction documents, modify or change the scope of the project, and to pay for unforeseen elements of the scope of work, which may become known only after implementation of the Work has begun. The ESP will identify any Work items and costs for such items, and submit these items to the Entity for review and approval before any project contingency funds may be spent. The ESP will maintain an on-going record of the project contingency throughout the project. As the contracted scope of work nears completion, if project contingency funds remain, the ESP will work with the Entity to determine the best use of the remaining funds. One option is for the Entity to consider using the remaining contingency funds to pay for additional cost-saving measures. The ESP and Entity will work together to review the potential added measures. Any remaining contingency funds at the end of the Work remain with the Entity.

1. **MEASUREMENT AND VERIFICATION**

At the completion of construction, and throughout the guarantee period, the ESP completes the measurement and verification of installed equipment to verify post-implementation energy efficiency and operation. This is necessary to ensure that systems will meet the guaranteed cost savings and to start the M&V Services phase. If completed by ESP staff, this cost must include burdened labor cost of M&V Engineers. If completed by an external M&V agency, this cost includes the cost to provide necessary M&V services.

1. **TOTAL PROJECT COST**

The Total Project Cost includes all costs associated with the EPC, including IGA Costs, Estimated Project Cost, and Contingency.

**PAYMENT BY ENTITY**

Before paying any invoice, the Entity may audit, or request further documentation for, any cost included in any cost category to ensure that all costs are accounted for within standard Generally Acceptable Accounting Principles (GAAP).

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Table B1: Project Cost Estimate** |  |  |  |  |  |  |  |  |  |
|  | **Project Cost Categories** | **EPC Maximum % of Total Project Cost** | **EPC Maximum % Markup** | **Actual Final EPC Calculated % of Total Project Cost** | **Actual Final EPC Cost with Markup** | **Actual Final EPC Cost without Markup** | **Actual Final EPC Markup Cost** | **Actual Final EPC % Markup** | **Totals** | **Notes** |
| **Investment Grade Audit** | 0.00% |  |  |  |  |  $  | Negotiated |
| **Implementation Costs** |  |  |  |  |  |  |  |  |  |
| **1** | **Pre-Construction Fees and Costs** |  |  |  |  |  |  |  |  |  |
|  | **A** | Design and Other Engineering | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **B** | Pre-Construction Services | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **C** | Other Pre-Construction Costs | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
| **1T** | **Pre-Construction Cost Subtotal** |  |  | #DIV/0! |  |  $  |  $  | 0.00% |  $  | Sum A, B, C |
| **2** | **Construction Fees and Costs** |  |  |  |  |  |  |  |  |  |
|  | **D** | Trade Subcontractors | N/A | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **E** | Design-Build Subcontractors | N/A | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **F** | Direct Purchase Equipment | N/A | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **G** | ESP Construction Labor | N/A | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **H** | Construction Management | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **I** | Project Engineering | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **J** | General Conditions | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **K** | Construction Completion | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
|  | **L** | Other Construction Costs | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  | Calculated |
| **2T** | **Construction Cost Subtotal** |  |  | #DIV/0! |  |  $  |  $  | 0.00% |  $  | Sum D-L |
| **3** | **Implementation Costs Subtotal** |  |  |  |  |  |  |  |  $  | Sum 1T+2T |
| **4** | **Profit** | 0.00% |  | 0.00% |  $  |  |  |  |  $  | Calculated |
| **5** | **Estimated Project Cost** |  |  |  |  |  |  |  |  $  | Sum 3 + 4 |
| **6** | **Contingency** | 0.00% | 0.00% | 0.00% |  $  |  $  |  $  | 0.00% |  $  | Calculated |
| **7** | **Measurement and Verification** | 0.00% |  | 0.00% |  $  |  |  |  |  $  | Calculated |
| **8** | **TOTAL PROJECT COST** |  |  |  |  |  |  |  |  $  | Sum IGA + 5 + 6 + 7 |

**ANNUAL COST CATEGORIES**

An energy performance contract has additional costs associated with it that vary depending on the specific project.

The Measurement and Verification cost is the annual cost for the services necessary to verify the guaranteed cost savings of the Energy Performance Contract. The cost for the guarantee is based upon the M&V option utilized, the risk of savings failure, the field time to measure building performance, and the time to document and present the report. Measurement and verification is required under § 90-4-1114(5)(a), MCA for all projects for an initial monitoring period of at least three years.

**Table B2: Measurement and Verification Costs** provides a summary of yearly M&V costs. Enter the information for how the price is determined in Table B2. The ESP shall provide actual costs for M&V at the time of the EPC.

**Table B2: Measurement and Verification Costs**

|  |  |  |  |
| --- | --- | --- | --- |
| **Year** | **Annual Cost** | **Total Cost** | **How Price is Determined** |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
| 4 If applicable Add lines as needed |  |  |  |
| Total M&V |  |  |  |

Warranty is the burdened labor cost associated with time expended by ESP staff in supporting the ESP’s direct purchase equipment warranties or equipment provided by subcontractors. This warranty cost may also include costs for extended equipment warranties if the required/specified equipment warranty is longer than the manufacturer’s warranty.

For Other Annual Costs, the ESP describes the significance of other annual cost items. These costs may include training, maintenance, or similar services that the ESP will provide under the EPC.

**Table B3: Other Annual Costs**

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | **Total Annual Cost** | **How Price is Determined** | **Years Applied (One-time, Annual, etc.)** |
| Warranty |  |  |  |
| Other |  |  |  |
|  |  |  |  |

**ATTACHMENT C: STANDARD TERMS AND CONDITIONS**

*This Attachment defines the standard terms and conditions of the Entity regarding the RFP and potential work by the ESP. The Entity shall modify this Attachment according to its specific requirements. The following are provided to give some examples to include in this Attachment.*

By submitting a response to this request for proposal, the ESP agrees to accept the following Standard Terms and Conditions and any other provisions that are specific to this solicitiation or contract.

ACCEPTANCE/REJECTION OF BIDS, PROPOSALS, OR LIMITED SOLICITATION RESPONSES: Entity reserves the right to accept or reject any or all bids, proposals, or limited solicitation responses, wholly or in part, and to make awards in any manner deemed in the best interest of Entity. Bids, proposals, and limited solicitation responses will be firm for 30 days, unless stated otherwise in the text of the invitation for bid, request for proposal, or limited solicitation.

ACCESS AND RETENTION OF RECORDS: ESP agrees to provide Entity, or its authorized agents, access to any records necessary to determine contract compliance. ESP agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by Entity or third party.

ALTERATION OF SOLICITATION DOCUMENT: In the event of inconsistencies or contradictions between language contained in the Entity’s solicitation document and an ESP’s response, the language contained in the Entity’s original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the ESP’s disqualification.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: ESP shall not assign, transfer or subcontract any portion of the contract without the express written consent of the Entity.

COMPLIANCE WITH LAWS: ESP must, in performance of work under the contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by ESP subjects subcontractor to the same provisions. In accordance with MCA 49-3-207, ESP agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

CONFORMANCE WITH CONTRACT: No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without prior written consent of Entity. Supplies delivered which do not conform to the contract terms, conditions, and specifications may be rejected and returned at the contractor’s expense.

DEBARMENT: ESP certifies, by submitting this bid or proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If ESP cannot certify this statement, attach a written explanation for review by Entity.

DISABILITY ACCOMMODATIONS: Entity does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations are invited to make their needs and preferences known to Entity. Interested parties should provide as much advance notice as possible.

FAILURE TO HONOR BID/PROPOSAL: If ESP to whom a contract is awarded refuses to accept the award or fails to deliver in accordance with the contract terms and conditions, Entity may, in its discretion, suspend ESP for a period of time from entering into any contracts with Entity.

FORCE MAJEURE: Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party is using its best efforts to remedy such failure or delays.

HOLD HARMLESS/INDEMNIFICATION: ESP agrees to protect, defend, and save the Entity, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of ESP’s employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of ESP and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the Entity, under this agreement.

PAYMENT TERMS: All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted in the solicitation document, Entity is allowed 30 days to pay such invoices. All contractors will be required to provide banking information at the time of contract execution in order to facilitate Entity electronic funds transfer payments.

REGISTRATION WITH THE SECRETARY OF STATE: Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with MCA 35-1-1026 and MCA 35-8-1001. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at http://sos.mt.gov.

SEPARABILITY CLAUSE: A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

SOLICITATION DOCUMENT EXAMINATION: ESP shall promptly notify Entity of any ambiguity, inconsistency, or error which they may discover upon examination of a solicitation document.

TAX EXEMPTION: Entity is exempt from Federal Excise Taxes (Tax ID #).

UNAVAILABILITY OF FUNDING: The Entity, at its sole discretion, may terminate or reduce the scope of the contract if available funding is reduced for any reason.

U.S. FUNDS: All prices and payments must be in U.S. dollars.

VENUE: This solicitation is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, limited solicitation, or subsequent contract, must be brought in the court venue, State of Montana, and each party shall pay its own costs and attorney fees.