

**PUBLIC UTILITY COMMISSION OF TEXAS**

**REQUEST FOR PROPOSALS  
FOR AN EVALUATION, MEASUREMENT, AND VERIFICATION  
PROGRAM**



**Public Utility Commission of Texas  
William B. Travis Building  
1701 North Congress Avenue  
Austin, Texas 78711**

**Closing Time and Date:  
September 28, 2020  
10:00 a.m., Central Time**

**RFP Number: 473-20-00002  
Project Number: 51021  
NIGP Class Item: 918-32**

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## SECTION 1 – INTRODUCTION

Section 39.905 of the Public Utility Regulatory Act (PURA) establishes that it is the goal of the legislature that electric utilities will administer energy efficiency incentive programs in a market-neutral, nondiscriminatory manner. The Public Utility Commission of Texas (PUCT) is charged with providing oversight and adopting rules and procedures to promote this goal by, among other things, “ensuring that [the utilities’] programs are evaluated, measured, and verified using a framework established by the commission that promotes effective program design and consistent and streamlined reporting.”<sup>1</sup>

The PUCT is issuing this request for proposals (RFP) for a contractor (an individual firm or team of firms) to assist the PUCT with evaluation, measurement and verification (EM&V) by documenting the gross and net energy and demand impacts of utilities’ individual energy efficiency and load management portfolios; determining cost-effectiveness; preparing and maintaining a statewide Technical Reference Manual (TRM); providing feedback for the PUCT, utilities, and other stakeholders on program portfolio performance; and providing input into the utilities’ and ERCOT’s planning activities.

Proposers are encouraged to review the EM&V framework enacted by the PUCT as P.U.C. SUBST. R. 25.181, relating to Energy Efficiency Goal. Other relevant documents can be found at [www.texasefficiency.com](http://www.texasefficiency.com).

Utilities are required to conduct their own activities to determine projected and claimed savings values. The EM&V Contractor evaluates savings based on due-diligence reviews, audits, verifications and independent analyses. The EM&V Contractor operates under the PUCT’s supervision and oversight, and the EM&V Contractor must offer independent analysis to the PUCT in order to assist the PUCT in making decisions in the public interest.

### Target Market/Audience

The EM&V program targets all eight investor-owned electric utilities currently operating energy efficiency programs in Texas. Beginning with the 2013 program year, each utility’s demand goal was set to acquire a 30% reduction in its annual growth in demand. Once the utility’s goal is equivalent to at least four-tenths of one percent of the utility’s summer weather adjusted peak demand, the utility must achieve this goal in subsequent years. In addition, the utilities’ programs are designed to reduce summer and winter peak demand.

## SECTION 2 – DEFINITIONS

As used in this RFP, the following terms have the meanings specified:

- 1) “**Business day**” means a day the PUCT is open for business and is not observing a holiday.
- 2) “**Commission**” means the governing body of the PUCT.
- 3) “**Contractor**” or “**EM&V Contractor**” means the person, organization, business entity, or other entity that is selected for the contract contemplated by this RFP.
- 4) “**May**” means “is authorized to.”

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<sup>1</sup> See PURA § 39.905(b)(6).

- 5) “**Proposer**” means “a person, organization, business entity, or other entity that submits a proposal for this RFP.”
- 6) “**PUCT**” means “the Public Utility Commission of Texas, an agency of the state of Texas.”
- 7) “**Vendor**” means “a person, organization, business entity, or other entity that has been selected for or entered into a contract with a Texas state agency.”
- 8) “**Vendor Performance Tracking System**” means “the system the Texas Comptroller of Public Accounts is required to provide under Section 2262.055, Texas Government Code, for evaluating vendor performance.” The Vendor Performance Tracking System is located at: <http://txsmartbuy.com/vpts>
- 9) Unless specifically defined otherwise in this RFP, a “**week**” means seven consecutive calendar days.

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## SECTION 3 – STATEMENT OF WORK

### I. Overview

A. The contractor will serve as the Evaluation, Measurement, and Verification (EM&V) Contractor for the Public Utility Commission of Texas (PUCT). This contract requires working closely with PUCT staff and representatives of investor owned electric utilities (utilities) that are required to administer energy efficiency incentive programs under Public Utility Regulatory Act (PURA) § 39.905 and 16 Texas Administrative Code (TAC) §§ 25.181. and 25.182

B. Unless otherwise specified in this contract, all terms defined in 16 TAC § 25.181 and used in this contract have the meanings assigned to those terms in 16 TAC § 25.181(c).

C. The EM&V Contractor must assist the PUCT by:

1. Documenting the gross and net energy and demand impacts of utilities' individual energy efficiency and load management portfolios;
2. Determining cost-effectiveness of energy efficiency programs and portfolios;
3. Preparing and maintaining a Technical Reference Manual (TRM);
4. Providing feedback for the PUCT, utilities, and other stakeholders on program portfolio performance; and
5. Providing input into the utilities' and ERCOT's planning activities.

D. Utilities will conduct their own impact evaluation of projected and claimed energy efficiency savings values. The EM&V Contractor must evaluate the utilities' claimed savings based on due-diligence reviews, audits, verifications, independent analyses, or some combination of those methods. The EM&V Contractor must operate under the PUCT's supervision and oversight and must offer independent analysis to the PUCT in order to assist the agency in making decisions in the public interest.

### II. EM&V Contractor Objectives – The EM&V Contractor must:

A. Document the energy efficiency savings of the utilities' individual energy efficiency and load management portfolios for Program Years 2020 through 2023, compare utility program year performance with established goals, and determine cost-effectiveness on a program by program and portfolio basis;

B. Provide feedback for the utilities, PUCT, and stakeholders on Program Years 2020 through 2023 program portfolio performance; and

C. Provide input into the utilities' and ERCOT's planning activities.

### III. Guiding Principles – the EM&V Contractor must:

A. Follow all ethical guidelines documented in the American Evaluation Association's Guiding Principles for Evaluators, which call for: systematic inquiry, competence, integrity and honesty, respect for people, and responsibility for general and public welfare.

- B. Use transparent methods to estimate savings and anticipate that impact evaluations will be reviewed in public stakeholder forums to increase quality and reliability and provide the PUCT contract administrator upon request documentation of your calculations and methods.
- C. Review all important and relevant assumptions used by program planners and administrators.
- D. Document all evaluation assumptions and calculations prepared by the EM&V Contractor and identify the reliability of results and threats to certainty in evaluation reports.
- E. Focus the majority of evaluation expenditures and efforts in areas of greatest importance with respect to future efficiency portfolios or uncertainty associated with program savings.
- F. Aggregate data in such a way as to protect customer proprietary information in any non-confidential reports or filings the EM&V Contractor prepares.
- G. Utilize data provided or received under PUCT authority only for purposes authorized by this Statement of Work and §§ 25.181 and 25.182.
- H. Maintain confidentiality of any information it receives related to the work performed unless directed to release the information by the PUCT.

#### IV. Impact Evaluations

- A. The EM&V Contractor must prepare Annual Impact Evaluations for each of the 2020-2023 Program Years to determine the following metrics for each utility's individual evaluated programs, and portfolio of the following for all programs:
  - 1. Gross energy and demand savings documented to have been achieved in the year the programs are implemented and gross lifetime energy (and demand) savings.
  - 2. Net energy and demand savings documented to have been achieved in the year the programs are implemented and net lifetime energy (and demand) savings, with consideration of all relevant factors.
  - 3. Cost-effectiveness testing using the Program Administrator Cost (PAC) Test.
  - 4. Other metrics related to program performance, as approved or directed by the PUCT contract administrator and coordinated with the EM&V Contractor. PUCT will not require additional metrics that will significantly increase the EM&V Contractor's costs without renegotiating contract price and, if necessary, amending the contract in accordance with Article 7 of the contract.
- B. The EM&V Contractor may use one or more of the following approaches to determine program specific energy and demand savings:
  - 1. Deemed savings;
  - 2. Deemed savings calculations;

3. Measurement and verification; or
4. Large-scale data analysis with or without the use of control or comparison groups.

C. The EM&V Contractor must keep informed about programs used successfully in other states and use the knowledge gained from those programs to develop or improve methods to evaluate demand and energy savings in Texas, as appropriate. The EM&V Contractor must seek written approval from the PUCT contract administrator for revisions to the technical reference manual, using the process described in Section 25.181(o)(6)(B)&(C).

D. The EM&V Contractor must conduct evaluation activities for each of the 2020-2023 Program Years that consist of verification activities on a census or statistically valid sample of projects implemented by the utilities or may include additional activities at the EM&V Contractor's discretion. Evaluations should, to the maximum extent possible, also rely on due-diligence of utility-provided documentation of savings and cost-effectiveness, versus the EM&V Contractor preparing its own original work, when such utility-provided documentation is shown to be adequately and, as judged by the EM&V Contractor, reliable.

E. The EM&V Contractor must calculate net savings. When net savings are calculated independently from gross savings, net savings may be calculated with one or more of the following approaches:

1. Self-reporting surveys in which information is reported by participants, non-participants, and upstream market actors (including contractors, retailers, and manufacturers) without external verification or review;
2. Enhanced self-reporting surveys in which self-reporting surveys are combined with interviews and documentation review and analysis;
3. Statistical models that compare participants' and non-participants' energy and demand patterns;
4. Customer adoption models applied to specific markets; and
5. Net-to-gross ratios (ratios that are multiplied by the gross savings to obtain an estimate of net savings) that are based on historic studies of similar programs.

## V. Evaluation Schedule

A. The evaluation schedule must support impact evaluation objectives and align with the portfolio implementation schedules of the utilities and the requirements for regulatory decisions, including those associated with the energy efficiency cost recovery factors (EECRFs). According to a schedule approved by the PUCT contract administrator, the EM&V Contractor must prepare the following documents:

1. Annual Program Year Portfolio EM&V Plans,
2. Other Annual Program Year Planning Documents:
  - a) Evaluation Activity-Specific Detailed Research Plans, and

- b) Site-Specific Measurement & Verification (M&V) Detailed Research Plans;
  3. Annual Technical Reference Manual (TRM) Update;
  4. Annual Program Year Interim Impact Evaluation Reports;
  5. Statewide Annual Portfolio Reports that include utility-specific Annual Portfolio Reports; and
  6. Biweekly Status Reports made publicly available indicating the status of EM&V Contractor activities and any interim results and recommendations.
  7. Other documents as requested by the PUCT contract administrator.
- B. The EM&V Contractor must propose the annual program year schedule for such status plans and reports. The PUCT contract administrator may approve the proposed schedule as is or require changes to the schedule. For proposers' reference, a sample schedule based on the schedule under the current contract is attached as Exhibit 1 to this RFP.
1. The EM&V Contractor must comply with the agreed-upon schedule. However, if after the program year schedule is approved, the EM&V Contractor determines it will need more time to complete a task or document, the EM&V Contractor may request approval of a deadline extension in writing from the PUCT contract administrator, such approval not to be unreasonably withheld. If the contract administrator agrees in writing to a deadline extension, that becomes the new agreed-upon deadline.
  2. Written work product created by the EM&V Contractor must be clearly written, be written with the intended audience or audiences in mind, and use appropriate and consistent grammar, spelling, and punctuation. The PUCT may provide feedback to draft documents on the quality of the writing and the EM&V Contractor must make appropriate changes in response to that feedback. The PUCT will not require substantive changes to reports, but may require the EM&V Contractor to address substantive questions. Program year schedule should be proposed allowing time to make changes required by the PUCT.
- C. The EM&V Contractor must complete the Statewide Annual Portfolio Report for each preceding program year and present it at an Energy Efficiency Implementation Project (EEIP) meeting which will be scheduled in September or early October of each year.
1. The EM&V Contractor must submit drafts of the Statewide Annual Portfolio Report to PUCT staff for review at least two months prior to the Fall EEIP meeting.
  2. The EM&V Contractor must give utilities an opportunity to provide input on a draft report within the timeframe approved by the PUCT contract administrator. The EM&V Contractor and the PUCT contract administrator will determine whether input received by utilities merits changes to the report.



3. The EM&V contractor must allow EEIP participants two weeks to review the report. The EM&V contractor must present an updated draft of the report to the PUC contract administrator within two weeks after the EEIP review period ends.

## VI. Deliverables

Deliverables are defined at a high level of generalization. The EM&V Contractor must prepare a final work plan and tasks prepared as part of Deliverable 1.

### A. Deliverable 1: Planning Documents

#### 1. Deliverable 1A - Evaluation Prioritization Memorandum

- a) Upon initiation of the contract, the EM&V Contractor must review:
  - (1) Relevant PUCT orders.
  - (2) Utility energy efficiency and load management program plans and reports for prior program years, including projected energy savings and, to the degree available, claimed savings.
  - (3) Other relevant documents.
- b) The EM&V Contractor must assess the evaluation, measurement, and verification (EM&V) activities and databases the utilities are using for each program to construct their annual claimed savings reports with respect to their applicability and usability for informing the preparation of evaluated savings.
- c) The EM&V Contractor must develop a memorandum prioritizing the programs the EM&V Contractor will evaluate and recommending approaches to be undertaken to independently determine the program year portfolio savings and cost-effectiveness. In determining the prioritization the EM&V Contractor must consider criteria such as evaluation costs, magnitude of savings to be achieved by program, relative uncertainty associated with program savings, length of time since program was last evaluated, and relative importance of program with respect to future energy efficiency portfolios as well as other criteria recommended and approved by the PUCT contract administrator.
- d) When the EM&V Contractor uses sampling in the evaluations, the EM&V Contractor must use a 90/10 confidence and precision criteria to define sample sizes, unless otherwise approved by the PUCT contract administrator. While this confidence and precision level can be defined based on portfolio-level savings, key programs may also merit this confidence and precision of sampling; and the EM&V Contractor should discuss which key programs it recommends using a 90/10 confidence and precision criteria to

define sample sizes for in the Evaluation Prioritization Memorandum.

- e) The EM&V Contractor must review the Evaluation Prioritization Memorandum with PUCT and utility staff and must modify the memorandum if requested to do so by the PUCT contract administrator.

2. Deliverable 1B – Portfolio EM&V Plan

- a) The EM&V Contractor must prepare a detailed Portfolio EM&V Plan for each program year at the same time the EM&V Contractor prepares the Evaluation Prioritization Memorandum for the program year. However, the Evaluation Prioritization Memorandum must be finalized and approved by the PUCT contract administrator before the Portfolio EM&V Plan can be completed.
- b) The Portfolio EM&V Plan must indicate the major evaluation activities that the EM&V Contractor plans to conduct during the evaluation cycle to determine gross and net savings and cost-effectiveness. It must indicate which programs the EM&V Contractor will evaluate in each specific program year and the verification or evaluation approaches that the EM&V Contractor will use for each evaluated program, as well as the basis for why specific programs and approaches were selected.
- c) The Portfolio EM&V Plan must include, but is not limited to:
  - (1) Identification of and plan for deployment of EM&V Contractor staff resources and the management of sub-contractors.
  - (2) Project schedule and presentation of tasks, sub-tasks, and milestones.
  - (3) Project budget, by task, identifying resources including personnel resources associated with the task.
  - (4) Specification of any utility reporting requirements including data required, format of data to be provided by utility tracking systems, reporting schedule, and data confidentiality protection protocols that are required by the EM&V Contractor.
  - (5) Plans for data collection and analysis including, but not limited to the following:
    - (a) Document and database review;
    - (b) Telephone, mail, or in-person data collection;
    - (c) Field inspections;
    - (d) Metering and monitoring; and

- (e) Statistical and economic analysis using appropriately trained and certified personnel.
- (6) Description of the methodologies, procedures, and data tracking systems to be used by the EM&V Contractor to conduct its work for each program including data gathering, sampling and sampling plans, and analysis methods.
- (7) Identification of how proper use of deemed savings values, deemed calculated approaches, and protocols by utilities will be confirmed.
- (8) Plan for determining net energy and demand savings, including what factors will be considered and how they will be determined.
- (9) Plan for determining lifetime energy and demand savings.
- (10) Plan for reviewing and determining the cost-effectiveness of Program Years 2020-2023 portfolios using the PAC test.
- (11) Drawing from the Evaluation Prioritization Memorandum, a description of approach for integrating the results of a utility's existing internal evaluations into the independent third-party assessment. The description must include which evaluation reports the EM&V Contractor will use, how the EM&V Contractor will include the information, and plans for resolving discrepancies in the savings estimates, should such discrepancies arise.
- (12) Description of how the EM&V Contractor will combine program impact results to report portfolio impacts, addressing the need for adjustments such as accounting for overlap with other programs (i.e. attribution) or other factors. The description must include the weighting procedures for developing final estimates of portfolio savings in situations where programs receive different levels of evaluation, or in some cases, none at all.
- (13) Description of content and formats for all deliverables and interim deliverables, including data collection instruments, reports, memoranda, project management documents, electronic files, and all other work products or interim products. Reporting tables are of particular interest – the EM&V Contractor must provide samples with data for review by PUCT staff. Include description of quality assurance and quality control (QA/QC) procedures to be utilized by the EM&V Contractor.

- (14) Description of metrics or criteria that the EM&V Contractor will use as the basis for any recommendations the EM&V Contractor provides with respect to program designs or implementation.
  - (15) Description of how the EM&V Contractor will use evaluation best-practice approaches appropriate to each program. Description of the tradeoffs in allocating limited budget dollars to specific tasks and programs, and why those tradeoffs were selected.
  - (16) Description of other activities the EM&V Contractor plans to conduct in support of evaluation-related activities. This may include assessing non-energy benefits, preparation of market assessments, or saturation and baseline studies as required to prepare impact evaluations
- d) Review of the 2020-2023 Portfolio EM&V Plans with PUCT and utility staff. Drafts of the Portfolio EM&V Plans must be submitted to PUCT staff for review between October and November of the program year to be evaluated, unless a deadline extension is approved in writing by the PUCT contract administrator. Drafts must be submitted in time for PUCT staff to review and EM&V Contractor staff to make any requested modifications. The EM&V Contractor must modify plans if requested by the PUCT contract administrator.

3. 1C - Other Planning Documents

Other Planning Documents may be required. The EM&V Contractor must determine if other planning documents are needed and make a recommendation to, and obtain prior approval from the PUCT contract administrator. Other planning documents may include:

- a) Evaluation Activity-Specific Detailed Research Plans - Research plans are created for the major EM&V activities or studies planned in a given cycle prior to the time each effort is launched. The Evaluation Activity-Specific Detailed Research Plans must define baselines to be used in the program evaluation.
- b) Site-Specific M&V Plans - Site-specific plans may be required for custom project sites that are analyzed and inspected. The Site-Specific M&V Plans must define baselines to be used in the project analysis.

VII. Deliverable 2: Update Technical Reference Manual (TRM)

A. The EM&V Contractor must maintain and update the existing Technical Reference Manual building on a foundation of the existing Texas, or other states', deemed savings manuals, protocols, and the work papers used to develop the values in the manuals.

- B. The TRM must include:
1. Gross annual and lifecycle energy and demand savings values or deemed savings calculations;
  2. Net savings values where appropriate;
  3. For each deemed savings value or deemed savings calculation:
    - a) applicability requirements such as measure definition;
    - b) end-use applications;
    - c) whether the measure is for new construction, early replacement, or replacement upon failure;
    - d) program delivery mechanism, such as direct install, point of sale rebate, or contractor incentive; and
    - e) standardized EM&V protocols for determining or verifying energy and demand savings for particular measures or programs.

C. The EM&V Contractor must prepare an updated TRM annually, based on a schedule determined by the PUCT contract administrator. For proposers' convenience, a sample schedule, based on the schedule under the current contract is provided in Exhibit 1 to this RFP.

VIII. Deliverable 3: Implement impact evaluation and verification efforts in accordance with the approved evaluation plans

Under this deliverable, the EM&V Contractor must perform the evaluation activities specified in the evaluation planning documents and approved by the PUCT contract administrator.

- A. Impact evaluation efforts include:
  - 1. Evaluating, documenting, and reporting total portfolio energy savings (gross and net) relative to the targets and baselines established at the time of program approval by the PUCT. At a minimum, the evaluations must include the following information:
    - a) Annual and lifecycle MWh and MW savings evaluated with statistical sampling that achieves 90/10 confidence and precision for the portfolio.
    - b) Cost-effectiveness as indicated by the PAC test.
- B. The EM&V Contractor must provide reasonable assurance based on appropriate evidence that the claimed measures are properly installed and utilized.
- C. The EM&V Contractor must implement impact evaluation efforts using generally-accepted industry practices, as that term is used in 16 TAC 25.181(n).
- D. Impact evaluation activities must include:
  - 1. Acquiring and verifying data from utilities and other sources.
  - 2. Conducting field inspections using trained personnel and installing spot, short-term, and long-term metering equipment on participant property as required by the evaluation plans.
  - 3. Reviewing and providing due diligence of utility claimed savings estimates and baselines.
  - 4. Developing survey instruments (using sampling with 90/10 confidence/precision criteria, or other criteria as specified in the planning documents) and collecting and analyzing data.
  - 5. Calculating net and gross program and portfolio energy savings.
  - 6. Calculating cost-effectiveness results including review of the methodology, inputs, and calculation, consistent with PUCT orders.
  - 7. Commenting on the accuracy of evaluated savings values. Comments should include discussion of the threats to validity and sources of bias, the approaches used to reduce threats, reduce bias, and increase the reliability of the findings, and a discussion of the precision levels of the findings.
  - 8. Providing input to the PUCT and stakeholders on the implications of the results and recommendations the EM&V Contractor may have with respect to future evaluations or the programs or portfolios themselves.
  - 9. Interfacing and coordinating reporting with utilities, PUCT staff, and stakeholders.

IX. Deliverable 4: Additional Activities -

A. The EM&V Contractor may propose additional activities for PUCT contract administrator approval. Additionally, the PUCT contract administrator may require additional activities. Additional activities will be charged at the hourly rates specified in Article II, Compensation. The EM&V Contractor must get approval from the PUCT Contract administrator prior to beginning additional activities. Additional activities may include:

1. Preparing an assessment of program operations' effectiveness and recommendations for each evaluated program with respect to possible improvements that could improve portfolio, program, or measure implementation with respect to savings achieved, cost-effectiveness, or other factors. Recommendations may also include suggestions for other program designs or markets to address as well as suggestions for improving the ability to conduct effective evaluation activities.
2. Developing evaluation plans to address issues such as persistence of savings, measure retention, market effects indicative of market transformation, and other research topics that may require investigation.
3. Preparing related market assessment, saturation, and baseline studies as required to prepare impact evaluations.
4. Providing experts for hearings; reviewing petitions to amend or develop deemed savings.
5. Participating in workshops and other meetings, including EEIP meetings.
6. Preparing technical information for possible inclusion in meetings and reports.
7. Informing the PUCT of opportunities for implementing EM&V best practices.
8. Drafting guidance memos to supplement the TRM to provide clear direction on calculating or claiming savings. Guidance memos must address areas where additional direction in implementation is needed for consistency and transparency across utilities' claimed savings from the programs. Guidance memos issued during the program year must be included in the next TRM.
9. Reviewing utilities' M&V Plans for custom projects to ensure that M&V Plans comply with the International Measurement and Verification Protocol (IMVP) and correctly calculate peak demand.

B. Additional activities will be paid at the proposed hourly rates. However, proposers should provide an estimated amount of time needed for the additional activities during the course of the contract.

X. Deliverable 5: Project Management and Reporting – The EM&V Contractor must conduct required project management and reporting activities, including, but not limited to, holding a project initiation meeting, annual meetings, and a final presentation with PUCT staff, utilities, and stakeholders; development of a Research Prioritization Memorandum and complete evaluation plans (see Task 1); and preparation and delivery of 2020-2023 program years evaluation final report. The PUCT contract administrator may also require interim memoranda and presentations per a schedule approved in the evaluation plans.

A. The EM&V Contractor must prepare the following reports:

1. Site-Specific M&V Reports - Site-specific measurement and verification reports are required for projects for which site-specific M&V Plans were developed. These reports document the impacts determined for a specific site or measure as well as the methods used to determine the impacts. The EM&V Contractor must give utilities opportunities to provide input on a draft report within the timeframe approved by the PUCT contract administrator. The EM&V Contractor and the PUCT contract administrator will determine whether input received by utilities merits changes to the report.
2. Impact Evaluation Reports - The results of carrying out the evaluation activities described in each Impact Evaluation Plan are documented in an Impact Evaluation Report. The report documents the impact and cost-effectiveness of a program or bundle of programs as well as the methods used to determine the impact. The EM&V Contractor must give utilities and other stakeholders opportunities to provide input on these reports within the timeframe approved by the PUCT contract administrator. The EM&V Contractor must evaluate the input provided. PUCT contract administrator will make the final reports publicly available.
3. Statewide Annual Portfolio Evaluation Reports – The EM&V Contractor must document the results of carrying out the evaluation activities described in the EM&V Portfolio Plans in a Portfolio Evaluation Report. The report must document the impact metrics (e.g., gross and net energy and demand savings, first year, and lifecycle) and cost-effectiveness associated with the portfolio of programs as well as the methods used to determine the impacts. The EM&V Contractor must provide utilities and other stakeholders opportunities to provide input on these reports within the timeframe approved by the PUCT contract administrator. The PUCT contract administrator will make the final reports publicly available.
4. Other reports directed by the PUCT contract administrator.

B. The EM&V Contractor must deliver draft and final Site-Specific M&V Reports, Impact Evaluation Reports, and Statewide Annual Portfolio Evaluation Reports that include the following elements:

1. Executive summary;



2. A synthesis summary of the evaluation process, results, the implications of the results, and recommendations (the PUCT contract administrator may require that this also be a stand-alone document);
3. Introduction and project overview;
4. Methods and scope of evaluation;
5. Measurement and analysis;
6. Results and findings;
7. Conclusions and recommendations;
8. Appendices; and
9. Electronic databases with clear documentation.

C. Other required reports include:

1. Bi-monthly – Project status reports submitted to the PUCT contract administrator describing issues with each evaluation activity (for example, descriptions of difficulties in completing a deliverable) with recommended solutions.
2. Ad-hoc – Reports as requested by the PUCT contract administrator to document problems, resolutions, and urgent issues. The PUCT contract administrator may also request these reports to document changes in work efforts.

XI. Liquidated Damages

A. Statewide Annual Report

1. If the EM&V Contractor fails to provide a draft of the Statewide Annual Report to the PUCT Contract Administrator by the agreed-upon deadline, the EM&V Contractor will owe \$10,000 per week past the deadline.

B. Technical Reference Manual

1. If the EM&V Contractor fails to provide a draft of the Technical Reference Manual to the PUCT Contract Administrator by the agreed-upon deadline, the EM&V Contractor will owe \$10,000 per week past the deadline.

**Exhibit 1 – Estimated Due Dates**

Deliverable	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Evaluation Prioritization and Plans	D			F											
Program Year Q1-Q3 Data Request															
Detailed Research Plans															
Supplemental Q1-Q3 Data Request															
Complete Prior Program Year Data Request				D			F								
EM&V Database Updates															
Detailed Research Plans															
Tracking Data Review															
Supplemental Q4 Data Request															
Interim Impact Evaluation Reports									D*	D**	F				
Annual Statewide Portfolio Evaluation Report										D		F			
TRM													D	F	
EEIP Meeting															
Status Reporting and Meetings (biweekly)															

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## **SECTION 4 – ELIGIBILITY AND EVALUATION CRITERIA**

### **4.A. EEO and HUB Statement**

The PUCT is an equal employment opportunity employer and does not discriminate on the basis of race, color, religion, sex, national origin, sexual orientation, veteran status, age, or disability in employment or in the provision of services. This commitment extends to proposers, vendors, and their employees as well.

The PUCT encourages Historically Underutilized Businesses (HUBs) to compete for this award.

### **4.B. Minimum Eligibility Requirements**

4.B.1. Proposers must have a minimum of five (5) years' experience delivering consulting services relating to the evaluation and due-diligence of energy efficiency measure performance and characterization, including cost-effectiveness analysis and screening and preparation of technical reference manuals. An entity or company with fewer than 5 years' experience is eligible to submit a proposal if key personnel on the proposal team (including subcontractors) have the minimum required experience. Proposers who do not meet this requirement are not eligible for award

4.B.2. Under Texas law, vendors may be barred from participating in state contracts that are subject to Texas Government Code Chapter 2155, Subchapter B (General Purchasing Requirements, Procedures, and Programs). TEX. GOV'T. CODE § 2155.077. If a proposer is barred from participating in state contracts, its proposal will be disqualified and will receive no further consideration.

4.B.3. The PUCT is required to purchase goods and services that provide the best value to the state. TEX. GOV'T. CODE § 2155.074. To that end, the PUCT will review information in the statewide Vendor Performance Tracking System regarding proposers' past performance. Any of the following conditions may result in a proposer being disqualified from consideration for this RFP:

- having a score of less than a C in the Vendor Performance Tracking System;
- currently being under a corrective action plan through the Texas Comptroller of Public Accounts;
- having repeated negative Vendor Performance Reports for the same or similar reason; or
- having purchase orders that have been cancelled in the previous 12 months for non-performance (for example, late delivery or failing to meet quality standards).

### **4.C. Evaluation Criteria**

The PUCT will make the selection and award on the basis of the proposal substance and the proposer's demonstrated knowledge and competence to provide the services described in Section 3, Statement of Work. A description of the categories under which each proposal will be judged, and the percentage of weight given to each category are as follows:

- **Proposal Substance – 40%**
  - Proposal demonstrates a clear understanding of the objectives, as described in Section 3 – Statement of Work.

- Proposed approach is both thorough and practical.
- Proposed approach for meeting objectives is desirable.
- Conditions included in the proposal are acceptable.
- **Competence and Knowledge – 40%**
  - Competence and experience are demonstrated by the qualifications described in the proposal.
  - Management structure is well-suited to the objectives described in Section 3 – Statement of Work.
  - The proposer has the capacity and financial resources to perform the contract and meet deadlines without delay or interference.
  - The proposal demonstrates the team’s qualifications and experience, drawing on lessons learned and best practices.
  - Assigned staffing for prime and subcontractors is desirable to meet the objectives described in Section 3 – Statement of Work.
- **Proposed Compensation – 20%**

#### 4.D. Texas Vendor Preference

All other factors being equal, preference will be given to a proposer who meets one or more of the following criteria:

- Proposer is incorporated in Texas;
- Proposer’s principal place of business is in Texas; or
- Proposer has an established physical presence in Texas.

Proposers who may qualify for the Texas Vendor Preference should provide information establishing the applicable criteria as part of the proposal package.

#### 4.E. References

The PUCT may check references as part of the evaluation process. Information gained through reference checks can be used as grounds for disqualification of a proposal if the information casts doubt upon the ability of the proposer to successfully meet the objectives of the RFP. However, any information obtained through a reference check that is discriminatory on the basis of race, color, religion, sex, national origin, sexual orientation, veteran status, age, or disability will not be considered.

### **SECTION 5 – SCHEDULE AND PROCESS**

#### 5.A. Anticipated Schedule

**Disclaimer:** Dates are subject to change at the PUCT’s discretion. Changes to proposer deadlines will be posted on the Electronic State Business Daily (ESBD) website and the PUCT’s Procurement webpage, along with any other RFP modifications and addenda. It is the proposer’s responsibility to periodically check the websites prior to submitting a proposal. A proposer’s

failure to review additional information posted on the ESBD and PUCT websites will not release the proposer from requirements described in those postings and could result in disqualification of a proposal or additional costs to meet the requirements of the contract should the proposer be selected for the contract.

PUCT Procurement Webpage:

<http://www.puc.texas.gov/agency/about/procurement/Default.aspx>

ESBD Website: <http://www.txsmartbuy.com/esbd>

<u>Event</u>	<u>Anticipated Date</u>
RFP Release	August 28, 2020
Last day to submit written questions regarding the RFP	September 2, 2020
Deadline for submission of proposals	September 28, 2020 10 am CT
Post-proposal interviews or presentations, if required	September 30, 2020
Staff recommendation for selection	October 5, 2020
Selection approved	October 7, 2020
Contract negotiations	October 2020
Contract period begins	January 1, 2021

#### 5.B. PUCT Contact Person

Jay Stone, CTCD, CTPM, or his designated substitute, is the only permitted PUCT point of contact regarding this RFP. Contact or attempted contact with other PUCT employees, including commissioners and their staffs, may result in a proposer's immediate disqualification. Proposers will be notified if circumstances require a designated substitute contact for this RFP.

#### 5.C. Process for Asking Questions

The PUCT will only accept written questions and requests for clarification. Requests must be sent by email to [RFPCorrespondence@puc.texas.gov](mailto:RFPCorrespondence@puc.texas.gov), attention: Jay Stone, CTCD, CTPM. Inquiries and comments must reference RFP No. 473-20-00002.

The PUCT aims to answer all questions within two business days after receipt. Answers to all questions will be provided through an addendum posted on the ESBD and agency procurement websites.

#### 5.D. Process for Submitting Proposals

5.D.1. Proposers must file their sealed proposals in Project Number 51021 with the PUCT's Central Records Division before the stated closing date and time. Proposals will not be considered if received in the Central Records Division after 10:00 am, central time, on September 28, 2020. All required information must be provided at that time. Supplements will only be allowed if information is requested by the PUCT after the closing date of the RFP.

5.D.2. Proposals delivered by fax or email will not be accepted under any circumstances.

5.D.3. The PUCT's Central Records Division is open to the public for filing Monday through Thursday from 9:00 a.m. to 5:00 p.m., and Friday from 9:00 a.m. to noon and 1:00 p.m. to 5:00 p.m., excluding state holidays. If there is an Open Meeting of the PUCT on a Friday, the Central Records Division will not close between noon and 1:00 p.m. on that day.

5.D.4. The following addresses may be used for delivery to the Central Records Division:

**In Person Delivery Address**

Public Utility Commission, Central Records Division  
William B. Travis Building  
1701 North Congress Avenue  
Room 8-100  
Austin, Texas 78701

**Mailing Address**

Public Utility Commission, Central Records Division  
Project No. 51021  
P.O. Box 13326  
Austin, Texas 78711-3326

5.D.5. The PUCT will **only** accept the time and date stamp of its Central Records Division as evidence of timely submission. The PUCT will **not** accept the following as evidence of timely submission: a U.S. Postal Service postmark, a mail receipt indicating the date of mailing, a dated shipping label, an invoice or receipt from a commercial carrier, or any other documentation other than the time and date stamp of Central Records on the proposal filing.

5.D.6. Confidential filing is required because this RFP is conducted using a sealed bid process. Confidential filing does not guarantee confidentiality after the RFP has ended and a contract has been executed. Any portion of the proposal considered to be confidential (for example, trade secrets) must be marked with the word, "**CONFIDENTIAL**" in all-caps and bold on each page considered to contain confidential information.

5.D.7. Proposers are advised to seek legal counsel regarding the best way to protect any trade secrets or other proprietary information.

5.D.8. For more information about how the PUCT will respond to PIA requests relating to this RFP, please see Section 7.C. of this RFP, Public Information Act Notice.

**5.E. PUCT's Standard Process for Selecting Vendors**

5.E.1. The PUCT will assemble an evaluation team that will begin proposal evaluation as soon as practicable after the submission deadline. Evaluation team members will score each proposal individually based on the factors of Proposal Substance and Competence and Knowledge, described under Section 4.C. of this RFP, Evaluation Criteria. Maximum point values will be assigned to each scoring factor according to the percentage of weight given to that factor and

evaluators will assign a point value up to the maximum allowed for each factor. The purchaser will calculate scoring for compensation. The compensation score will be calculated using the following formula: Compensation Score = (Lowest Price / Price of Response Being Evaluated) x Maximum Number of Available Points for Compensation. Evaluation team members will not have access to compensation information while they are reviewing and scoring the proposals.

5.E.2. After individual scoring, the evaluation team will email their scoring sheets to the purchaser. The purchaser will review the individual scoring sheets and compile a summary scoring sheet combining all evaluation team scoring and including the compensation scoring to calculate overall scores.

5.E.3. After overall scores are calculated, the evaluation team, with guidance from the purchaser, will then take one of the following actions: recommend selection of a specific proposer, gather more information before selecting a specific proposer; or recommend that the RFP be withdrawn or reposted.

5.E.4. If the evaluation team needs more information to make a decision, the PUCT may request any of the following from one or more respondents: additional information or clarification, an oral presentation, or a best and final offer. Additional information, clarification, oral presentations or best and final offers will be used to re-score proposals, based upon the same criteria used to score the initial proposals, unless different criteria is specified by the purchaser when the additional information is requested.

5.E.5. The PUCT may require selected proposers to participate in conference calls, attend meetings in Austin, Texas, give presentations, or participate in all of these activities to provide additional information about their proposals. Any cost associated with any such call, meeting, or presentation will be borne solely by the proposer.

5.E.6. If clarification, presentations, or best and final offers are requested, the evaluation team may request the clarification, presentations, or best and final offers from the top-ranked proposer or proposers only, or all of the proposers, at the discretion of the evaluation team.

5.E.7. Final recommendations will be presented to the Executive Director of the PUCT. The Executive Director may do one of the following: approve the recommended selection in whole or in part; disapprove the recommendation; or defer action on the selection.

5.E.8. The PUCT will begin contract negotiations shortly after the Executive Director approves a recommendation to select a specific proposer. The PUCT may negotiate all portions of any proposal, including, but not limited to: the proposed fee, a final schedule for performance to be incorporated into the contract, and any terms of the contract.

5.E.9. The PUCT will notify each proposer of the final action taken upon execution of the contract with the selected proposer.

5.E.10. No questions about the status of the proposals will be answered while proposals are under evaluation.

5.E.11. The PUCT may reject any and all proposals, amend this RFP, or cancel this RFP at any time. After the proposal due date, the PUCT will only notify proposers who submitted a proposal prior to the proposal submission deadline of amendments to the RFP.

## **SECTION 6 – REQUIRED COMPONENTS AND FORMAT**

### **6.A. Components**

Proposals must include all required attachments and certifications. The PUCT will not accept attachments or certifications submitted after the proposal deadline. Proposals that do not include all required information will be considered non-responsive and will be disqualified.

Proposals must include the contents described in 6.A.1 through 6.A.10 with each section marked with an index tab. (Index tabs may be affixed directly to the first page of each section or included as part of a divider.)

#### **6.A.1. Statement of the Requirements**

In this section, each proposer must succinctly state its understanding of the RFP’s requirements and describe how it would perform the tasks described in Section 3, Statement of Work.

#### **6.A.2. Competence and Knowledge**

Each proposer must provide a detailed work plan to demonstrate how it intends to fulfil the requirements identified in Section 3, Statement of Work. The proposal must include an organizational chart identifying functions and reporting relationships of the personnel who will be assigned to this work. The proposer should also describe any prior experience proposer’s organization has in providing similar services.

#### **6.A.3. Qualifications**

For each person a proposer identifies to perform the work described in this RFP, the proposer must provide a detailed resume that describes the services they would perform, their qualifications, and their experience.

#### **6.A.4. Compensation**

Each proposer must propose pricing to provide the services identified in Section 3, Statement of Work.

Compensation for the services identified in Section 3, Statement of Work must be proposed as an hourly rate schedule with an estimated number of hours to complete the tasks required.

Proposals must contain a completed Budget and Billing Spreadsheet and use the spreadsheet forms in Attachment B

- The Billing Rates Tab is for billing rates for 2021 through 2024. An example of how this form may be filled out is included under the EXAMPLE Billing Rates Tab of the spreadsheet in Attachment B.
- The Budgets Tab covers the time period from January 1, 2021 through December 31, 2024. There are several parts to The Budgets Tab – the budget for reviewing each



program year and the totals.

Unless otherwise approved in writing by the PUCT, payments will be made based upon the invoicing and payment terms of the resulting contract. The PUCT will not reimburse any out-of-pocket expenses or expenses not contemplated at the time of contract execution.

Proposer must demonstrate how elements of the price correspond to elements of the proposed work plan.

#### 6.A.5. References

Each proposer must provide at least three references. Proposers must include a phone number and email address for each reference.

The PUCT prefers references from clients for whom the proposer has performed similar work, including other state commissions or boards.

Proposers must not use the PUCT or any individuals employed by the PUCT as a reference.

#### 6.A.6. Conflicts Statement

Proposers must be neutral and impartial, must not be an entity that has a specific interest in the PUCT's regulation, and must not have a direct financial interest in the provision of electric, telephone, water, or sewer service in the state of Texas.

Proposers having a conflict of interest, as determined by the PUCT will not be eligible for contract award. Proposers may also be disqualified if there are facts that would create an appearance of impropriety, even if no actual conflict exists.

The PUCT will determine whether a conflict of interest or an appearance of impropriety exists from the perspective of a reasonable person uninvolved in the matters covered by the resulting contract. The PUCT is the sole arbiter of whether a conflict or an appearance of impropriety exists.

The requirements for the conflicts statement are as follows:

- It must be signed and notarized by the highest-ranking officer of proposer's entity having responsibility for vetting corporate conflicts of interest.
- It must identify any personal or business relationships of proposers, including all employees and subcontractors of proposers, with: any electric, telecommunications, water, or sewer utility, or any utility affiliate operating in Texas; any entity having a pending application at the PUCT to enter the Texas retail electric market, telecommunications market, water utility market, or sewer utility market; and any entity likely to have a direct interest or be a participant in the anticipated change-in-control proceedings that are the subject of this RFP. It must identify the extent, nature, and time aspects of those relationships.
- If a proposer does not have any known or potential conflict of interest or appearance of impropriety, the conflicts statement must include a statement that there is no known or potential conflict of interest or appearance of impropriety. Failure to provide either a

statement describing potential conflicts of interest or appearances of impropriety or a statement that no potential conflict or appearance of impropriety exists will automatically disqualify the proposer.

- The conflicts statement must address how the proposer intends to address any known conflicts of interest or appearance of impropriety.
- The conflicts statement must address how the proposer intends to ensure that no interest may arise as a result of its activities or those of its parent, affiliate, or other related entity that will conflict with the proposer's duty should it be selected to provide the services described in Section 3, Statement of Work.
- The conflicts statement must identify a proposer's lobbyists who are registered or required to register with the Texas Ethics Commission and their compensation. The conflicts statement must also describe any involvement the proposer's lobbyists will have in connection with this engagement or electric utility, telecommunication utility, water utility, or sewer utility legislation or policy.
- The conflicts statement must identify any owner, executive, board member, employee, or subcontractor of proposer who has been employed by the PUCT or another state agency in Texas fewer than four years ago. If any individual is identified under this provision, the conflicts statement must disclose: 1) the former PUCT or state agency employee's name and current position with proposer; 2) the name of the state agency; 3) the nature of the previous employment with the state agency; and 4) the dates the employment ended with the state agency and began with proposer. The PUCT is restricted in its ability to enter into contracts with individuals and entities that employ these individuals under some circumstances. *See* Texas Government Code Section 669.003.
- The conflicts statement must certify either that the proposer does not employ an individual who has been employed by the PUCT or another agency of the State of Texas at any time during the two years preceding the submission of the proposal or that it has disclosed in its proposal the following: (i) the nature of the previous employment with the PUCT or the other agency; (ii) the date the employment was terminated; and (iii) the annual rate of compensation for the employment at the time of its termination. The PUCT is restricted in its ability to enter into contracts with individuals and entities that employ certain individuals under some circumstances. *See* Texas Government Code Sections 2254.033 and 2252.901.
- If the circumstances described by a proposer change or additional information is obtained subsequent to the submission of proposals, the proposer must supplement its conflicts statement as soon as reasonably possible upon learning of any change to their statement. If a supplement to the conflicts statement is required after the deadline for submission of proposals, the supplement is exempt from the requirement that all proposal documents must be submitted before the deadline in order for the proposal to be considered.
- The PUCT encourages proposers to provide complete disclosure of any matters that might be considered a conflict of interest or appearance of impropriety. The PUCT may

consider completeness of disclosure in evaluating whether a conflict of interest or an appearance of impropriety exists.

#### 6.A.7. Historically Underutilized Business (HUB) Certification and HUB Subcontracting Plan (HSP)

Any proposer that is HUB certified by the Statewide Procurement Division (SPD) of the Comptroller of Public Accounts (CPA) or one of its predecessors must submit a copy of its HUB certificate.

Additionally, the PUCT has determined that subcontracting opportunities may be available under this contract. Therefore, all proposers, including State of Texas certified HUBs, must complete and submit a State of Texas HSP with their proposal if the total dollar amount of the proposal response is \$100,000 or more.

Proposers can find HSP forms and instructions on the Texas CPA website at:

<https://comptroller.texas.gov/purchasing/vendor/hub/forms.php>

Responses that do not include a completed HSP will be rejected as required by Texas Government Code Section 2161.252(b).

#### 6.A.8. Certifications

Each proposal must contain a signed statement with the following certifications:

- The proposer has made a good faith effort to ensure all statements and information proposer submitted in response to this RFP are current, complete, and accurate. The proposer represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a proposal with a false statement or making material misrepresentations during the performance of a contract is a material breach of contract and may void the submitted response and any resulting contract.
- The proposer has not given nor offered to give, and does not intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this proposal.
- The proposer is not currently delinquent in the payment of any franchise tax owed to the State of Texas.
- The proposer, the firm, corporation, partnership, institution, or other legal entity represented by the proposer, and anyone acting for such a firm, corporation, partnership, institution, or other legal entity, have not, in connection with this RFP:
  - Violated the antitrust laws of this state or federal antitrust laws;
  - Communicated directly or indirectly the bid made to any competitor or other person engaged in such line of business; or
  - Otherwise violated 15 U.S.C. Section 1, *et. seq.*, or Texas Business and Commerce Code Section 15.01, *et. seq.*

- Under Texas Government Code Section 2155.004, the proposer certifies that the individual or business entity named in this proposal is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

(A proposer is ineligible to receive a contract award if the proposer is “ a person who received compensation from the agency to participate in preparing the specifications or request for proposals on which the bid or contract is based.” *See* Texas Government Code Section 2155.004(a).

- The proposer is in compliance with Texas Government Code Section 669.003, relating to contracting with the current or former executive head of a state agency.
- Under Texas Government Code Section 2155.006, the proposer certifies that the individual or business entity named in this proposal is not ineligible to receive the specified contract and acknowledges that any contract may be terminated and payment withheld if this certification is inaccurate.

(A proposer is ineligible to receive a contract award if the proposer has violated certain laws or been subject to certain penalties in connection with hurricane relief, recovery, or reconstruction efforts. *See* Texas Government Code Section 2155.006.)

- Under Texas Family Code Section 231.006, the proposer certifies that the individual or business entity named in this proposal is not ineligible to receive payment under the proposed contract and acknowledges that any contract resulting from this proposal may be terminated and payment may be withheld if this certification is inaccurate.

(A child support obligor who is more than 30 days delinquent in paying child support, or a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent, is not eligible to receive payments from state funds under a contract to provide property, materials, or services. *See* Texas Family Code Section 231.006(a).)

- If a proposer includes a Texas address in its proposal, the proposer must certify whether or not it qualifies as a Texas Resident Bidder, as defined in Texas Government Code Section 2155.444(c).
- Proposer represents and warrants that it is not aware of any court or government agency actions, proceedings or investigations pending or threatened against proposer or any of the individuals or entities included in the response within the five calendar years immediately preceding the submission of the proposal that would impair respondent’s performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to the PUCT’s consideration of the proposal. If proposer is unable to make the preceding representation and warranty, then proposer instead represents and warrants that it has included as a detailed attachment in its proposal a complete disclosure of any such court or governmental agency actions, proceedings or investigations. In addition, proposer represents and warrants that it will notify the PUCT in writing within five business days of any changes to the representations or warranties in this clause and

understands that failure to timely update the PUCT may result in the proposer's disqualification at the PUCT's sole discretion, or if during the performance of the contract, will constitute a breach of contract and may result in immediate termination of the contract for cause at the PUCT's sole discretion.

#### **6.A.9. Evidence of Financial Capability**

Proposer must provide evidence of financial capability. The preferred evidence of financial capability is an audited financial statement, if proposer has a current audited financial statement available or if it is practicable to obtain one for the proposal. If no audited financial statement is available, proposer must demonstrate its financial capability in whatever manner it deems appropriate. Evidence of financial capability will be considered in evaluating the competence of the proposer.

#### **6.A.10. Other Required Items**

- Contact information, including, but not limited to, a phone number and an email address, that can be used to contact the proposer during the pendency of the solicitation. If a proposer is selected, the proposer will be expected to maintain current contact information with the PUCT during the term of the contract.
- Any proposer incorporated in Texas must include a copy of its current franchise tax Certificate of Good Standing, issued by the Texas State Comptroller's Office, and the corporation's charter number, issued by the Texas Secretary of State's Office.
- Each proposer must provide its 9-digit Federal Employer's Identification Number (EIN) or its 5-digit State of Texas Vendor's Identification Number (VIN).
- Each proposer must provide the name and social security number of each of the following, as applicable: an individual or sole proprietor; or each partner, shareholder, or owner with an ownership interest of at least 25 percent of the business entity submitting the proposal.

Proposers may decline to provide social security numbers at the time of submission, but will be required to provide the information before the contract is executed.

**FEDERAL PRIVACY ACT NOTICE:** This notice is given pursuant to the Federal Privacy Act. Disclosure of each applicable SSN is required under Texas Family Code Sections 231.006(c) and 231.302(c)(2). The SSN will be used to identify persons that may owe child support. The SSN will be kept confidential to the fullest extent allowed under Texas Family Code Section 231.302(e).

#### **6.B. Format Requirements**

**6.B.1. Information Sheet** – The first page of the proposal submission must be an information sheet that clearly states: the name of the proposer, the name address, and telephone number of the proposer's point of contact, the project number, and the RFP title and number. The information sheet will be the only portion of the proposal that is not filed under seal. Information sheets must be filed publicly in Project No. 51021.

**6.B.2 Copies and Price Information** – Proposers must submit one copy of their proposal clearly marked “Original” with an original signature and four additional hard copies of their proposal. Proposers must also submit one electronic copy of the complete proposal on a USB drive in Microsoft Word and PDF. The PDF version must include all required signatures and notarized statements.

Price information required by Section 6.A.4, Compensation, must be included only in the original proposal and the electronic copy. It must be excluded from the remaining four copies. This requirement is to allow the evaluation team to review proposals for the evaluation factors of Proposal Substance and Competence and Knowledge only. Each proposal will separately be given a score for pricing and that score will be applied to the scoring matrix to ensure that price does not inadvertently influence the evaluation of the other factors.

The four paper copies of the proposal must be identical to the original except for the omission or redaction of the price information.

**6.B.3. Physical Format Requirements:**

- Proposals must be bound in a three-ring binder.
- Proposals must be printed on 8 ½” x 11” white paper using double or 1.5 spacing and 12-point or larger font. Font must be Times New Roman or its equivalent.
- Proposals must include index tabs separating the sections, as described in Section 6.A. Components, above.
- Pages must be consecutively numbered. Numbering must be continuous throughout the proposal.

**6.B.4.** Proposers are prohibited from using the Texas State Seal or the PUCT Seal in or on the proposal.

**6.B.5.** Proposals must not contain any extrinsic items, such as promotional items or other things not contemplated in this Request for Proposals.

**6.B.6. Page Limit** – Proposals must be limited to 75 pages, including all attachments and certifications, but excluding financial capability submittal, section tabs, or dividers. The PUCT may reject any proposals longer than 75 pages without review. In any case, evaluation team members will not be provided any pages past the 75<sup>th</sup> page. Either single-sided or double-sided printing is allowed, though double-sided printing is encouraged to conserve paper. A sheet of paper printed single-sided counts as one page; a sheet of paper printed double-sided counts as two pages.

## **SECTION 7 – CONDITIONS**

### **7.A. Irrevocable Offer**

Proposals may be withdrawn in writing before the deadline for receipt of proposals. After the deadline, a proposal becomes an irrevocable offer to provide the services described in Section 3, Statement of Work, with the terms and conditions specified in Attachment A. The offer is

irrevocable for the shorter of a period of 90 calendar days from the RFP closing date or until a contract resulting from this RFP is signed. The PUCT will not return withdrawn proposals.

#### **7.B. Proposals are the Property of the PUCT**

All proposals and copies of proposals, as well as any best and final offer, and any records provided to the PUCT by the proposer associated with the evaluation of the proposal, will become the property of the PUCT after receipt and will be retained in accordance with the PUCT's records retention schedule.

#### **7.C. Public Information Act Notice**

Following the award of a contract, all proposals are public information and subject to release. If the PUCT receives a request for any information submitted to the PUCT in connection with this RFP, the PUCT will follow the requirements of the Texas Public Information Act (Texas Government Code Chapter 552). This includes notifying proposers and the Office of the Attorney General if information that the PUCT knows proposer considers to be confidential is requested under the Texas Public Information Act. The PUCT assumes no obligation to assert legal arguments on behalf of a proposer. The PUCT may release portions of proposals and other information provided by a proposer without notifying the proposer if the information is not conspicuously marked "confidential" on each page.

A copy of the contract resulting from this RFP will be posted on the PUCT's public website. Information in PUCT contracts is public information unless it is made confidential by law. *See* Texas Government Code Section 552.022(a)(3).

#### **7.D. Publicity**

Proposers are prohibited from making any public disclosures or news releases pertaining to this RFP, any resulting contract, or any results or findings based on information provided or obtained to fulfill the requirements of this RFP or resulting contract. This prohibition may only be waived by prior written approval of the PUCT for the specific disclosure or news release.

#### **7.E. No Proposal Costs Reimbursed**

Neither the PUCT nor the State of Texas will reimburse any proposer for any costs related to: preparing a response to this RFP, preparing a best and final offer, providing additional information requested as part of the evaluation of proposals, or making any presentation requested as part of the evaluation of proposals.

#### **7.F. Contract Terms and Conditions**

Any contract resulting from this RFP will use the standard general terms and conditions found in Attachment A to this RFP unless changes are negotiated in advance. Many of the terms and conditions are required by law and the PUCT will not negotiate when a term or condition is required by law. Proposers must include any requested changes to the terms and conditions in their proposals.

#### **7.G. Vendor Performance Tracking System**

At the end of any contract resulting from this RFP, the PUCT will input required information into the Vendor Performance Tracking System regarding the contractor's performance and

whether the contractor satisfied the best value standard for this contract. This information is public and other state agencies seeking goods or services are required, under most circumstances, to use the information in the Vendor Performance Tracking System to determine whether or not a particular vendor will meet the best value standard for the purchase of the goods or services.



## ATTACHMENT A –General Terms and Conditions for Proposed Contract

### **Article 1. DEFINITIONS**

When used in this contract, the following terms have the following meanings:

- 1.1 “**PUCT**,” means the Public Utility Commission of Texas, an agency of the state of Texas, acting through its Executive Director and the agency’s designated contract administrator.
- 1.2 “**Business day**” means a day the PUCT is open for business and is not observing a holiday.
- 1.3 “**Commission**” means the governing body of the PUCT.
- 1.4 “**Contractor**” or “**EM&V Contractor**” includes NAME, and any successors, heirs, and assigns.
- 1.5 Unless specifically described as a “business day” or otherwise defined in this contract, any reference to a “**day**” means a calendar day.
- 1.6 “**May**” means “is authorized to.”
- 1.7 “**Services**” means any and all services performed and any and all goods and products delivered by Contractor as specified in the Statement of Work.
- 1.8 “**Statement of Work**” means the description of goods and services to be provided under this contract found in Exhibit 1 to this contract.
- 1.9 “**Parties**” means PUCT and Contractor. “**Party**” means PUCT or Contractor.
- 1.10 Unless specifically defined otherwise in this contract, a “**week**” means seven consecutive calendar days.

### **Article 2. COMPENSATION**

**2.1 Compensation.** Contractor agrees to provide all Services (including labor, expenses, and any other services) described in the Statement of Work, as follows: [insert summary of payment terms]. Contractor understands that the PUCT are not responsible for payment of any costs or expenses exceeding this amount.

If Contractor believes that changes in the scope of Services to be performed will require Contractor to increase its fee, it must request the PUCT’s written authorization to increase its fee. Contractor must document the changes in the scope of Services and why they will require additional effort. The PUCT must approve the increase in fee by written amendment to this contract before Contractor performs any Services or may invoice the increased fee.

**2.2 Payment Process.** Contractor must submit an invoice to the PUCT contract administrator no later than the 15<sup>th</sup> business day after the month that the Services were performed. The invoice must contain the name of the person performing Services and a brief description of work performed. No payment will be made for administrative overhead, overtime, or other costs not specifically described in the contract.

On the statement or invoice, Contractor must include a statement that the invoice accurately describes the Services performed and the Services were performed in compliance with the

contract. The statement or invoice must include the vendor identification number issued by the Texas Comptroller or Contractor's federal taxpayer identification number, a description of the Services provided, and the name and division of the PUCT contract administrator.

Contractor must submit the invoice to the PUCT as follows:

By email to: Payables@puc.texas.gov

Or by mail to: Accounts Payable  
Public Utility Commission of Texas  
P.O. Box 13326  
Austin, TX 78711-3326

The PUCT contract administrator will review the invoice and any other relevant documentation to ensure the Services were performed in compliance with the contract. If the invoice does not contain required information or documentation, or if the PUCT disputes that the Services were performed in compliance with the contract, the PUCT will reject the invoice and give the contractor its reasons and the opportunity to submit a corrected invoice.

Upon approval of the invoice, the PUCT will instruct the utilities to pay the invoice.

**2.3 Release of Claims.** Contractor's acceptance of payment releases the PUCT of all claims for compensation owed in connection with this contract.

**2.4 Refund.** Contractor will promptly refund or credit within thirty calendar days any funds erroneously paid by PUCT which are not expressly authorized under the contract.

**2.5 Payments Made to Subcontractors.** Contractor must pay any subcontractor hereunder the appropriate share of payments received not later than the 10th day after the date Contractor receives the payment. The subcontractor's payment is overdue on the 11th day after the date Contractor receives the payment. The PUCT must approve Contractor's use of any subcontractor before Contractor engages the subcontractor (see Section 5.1 of this contract).

**2.6 Records.** Contractor and its subcontractors, if any, must maintain records and books of account relating to Services provided under this contract. Contractor must, for a period of seven (7) years following the expiration or termination of this contract, maintain its records (electronic and paper) of the work performed under this contract. Records include, but are not limited to correspondence concerning the subject of this contract between Contractor and the PUCT; Contractor's internal correspondence; and correspondence between Contractor and any third party. Contractor must make all records that support the performance of Services and payment available to any of the following PUCT, PUCT's designees, or the State Auditor during normal business hours with reasonable notice, upon the request of the PUCT contract administrator.

**2.7 Sole Compensation.** Payments under this Article are Contractor's sole compensation under this contract. Contractor must not incur expenses not contemplated under the Statement of Work, with the expectation that the PUCT, the state of Texas, or any utilities will pay the expense.

### **Article 3. CONTRACT ADMINISTRATION**

**3.1 PUCT Contract Administration.** The PUCT designates Therese Harris to serve as its primary point of contact and contract administrator throughout the term of this contract. Contractor acknowledges that the PUCT contract administrator does not have any authority to amend this contract on behalf of the PUCT, except as expressly provided herein. Contractor further acknowledges that such authority is exclusively held by the Commission exercising its authority through a vote in an open meeting, or the Executive Director of the PUCT as the Commission's authorized designee.

**3.2 Contractor Contract Administration.** Contractor designates its contract administrator as follows: [Insert Designee(s) Here]

**3.3 Reporting.** Contractor must report directly to the PUCT contract administrator and must perform all activities in accordance with the reasonable instructions, directions, and requests conveyed to Contractor by the PUCT contract administrator.

**3.4 Cooperation.** The Parties' respective contract administrators must handle all communications between them in a timely and cooperative manner. The Parties must timely notify each other by email or other written communication of any change in designee or contact information.

**3.5 Inquiries and Prompt Referral.** Contractor will promptly refer all inquiries regarding this contract received from state legislators, other public officials, the media, or anyone else not a Party to this contract to the PUCT contract administrator.

#### **Article 4. REPORTS AND RECORDS**

**4.1 Written Reports.** Contractor must provide written reports to the PUCT in the form and with the frequency specified in the Statement of Work, or as otherwise agreed in writing between the Parties.

**4.2 Distribution of Consultant Reports.** Contractor agrees the PUCT has the right to distribute any consultant report associated with this contract, or to allow another Texas state agency or the Texas legislature to distribute it. The PUCT will also have the right to post any consultant report associated with this contract to the PUCT's website or to the website of a standing committee of the legislature. This provision does not waive any right to confidentiality that the PUCT may assert for the report or any portion thereof.

#### **Article 5. SUBCONTRACTING PARTIES**

**5.1 Use of Subcontractors.** The Parties acknowledge and agree that, at the time of execution of this contract, Contractor intends to perform the Services required under this Contract using its own employees [or intends to perform the Services required under this Contract using the following subcontractors:]. Contractor will notify the PUCT contract administrator of any other proposed subcontract and will work with the PUCT HUB Coordinator to procure such other subcontractor and to submit appropriate subcontractor selection documentation for approval prior to engaging any other subcontractor, such approval not to be unreasonably withheld. Any subcontract not contemplated at the initiation of this contract and any subsequent substitution of a subcontractor must be approved by an amendment according to the terms of Article 7.

**5.2 Sole Responsibility.** Contractor is solely responsible for the quality and timeliness of the work produced by all subcontractors that Contractor may engage to provide Services hereunder and for the timely payment for all work produced by all subcontractors that the PUCT accepts in accordance with the terms of this contract.

**5.3 Prime Vendor Contract.** The Parties expressly agree that this Contract is intended to constitute a prime vendor contract, with Contractor serving as the prime vendor for delivery of the Services made the subject hereof. Contractor acknowledges and agrees that it is fully liable and responsible for timely, complete delivery of the Services described in this Contract, notwithstanding the engagement of any subcontractor to perform an obligation under this Contract.

## **Article 6. TERM AND TERMINATION**

**6.1 Term.** The term of this Contract will begin on January 1, 2021, and will continue in effect until December 31, 2024 unless sooner terminated under Sections 6.2 or 6.3 of this Contract.

**6.2 Termination for Cause by the PUCT.** If Contractor fails to provide the goods or services contracted for according to the provisions of the contract, or fails to comply with any terms or conditions of the Contract, the PUCT may serve upon Contractor written notice requiring Contractor to cure such default. Unless within thirty (30) days after receipt of said notice by Contractor, said default is corrected or arrangements satisfactory to the PUCT, as applicable, for correcting the default have been made by Contractor, the PUCT may terminate this contract for default and will have all rights and remedies provided by law and under this contract. If the PUCT terminates Contractor for a violation of Section 18.12, of this contract, the PUCT need not provide any notice or opportunity for curing the default. The PUCT will not be liable for any damages or loss to Contractor as a result of termination for convenience.

**6.3 Termination for the Convenience of the PUCT.** The PUCT may, upon thirty (30) days written notice to Contractor, terminate this contract whenever the interests of the PUCT so require. The PUCT will only reimburse those expenses already incurred at the time the notice is provided or expenses approved in writing, prior to Contractor incurring those expenses, for the purpose of wrapping up the contract. The PUCT will not be liable for any damages or loss to Contractor as a result of termination for convenience.

**6.4 Transfer of Duties.** In the event of termination, Contractor will provide reasonable cooperation to transfer its duties under the contract to another entity without disruption to the provision of Services.

**6.5 Remedies for Breach.** All remedies available to the PUCT for breach or anticipatory breach of this contract by Contractor are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy will not be deemed an election of such remedy to the exclusion of other remedies. Actual damages, cost projections, and injunctive relief may also be invoked either separately or combined with any other remedy in accordance with applicable law.

**6.6 Survival.** In the event that this Contract expires or is terminated pursuant to its terms, the rights and obligations of the Parties under it will end; provided that the provisions of Sections 2.3

through 2.6, 3.5, 4.2, 6.5, 6.6, 7.5, 9.2, 9.4 through 9.6, 17.2 and 19.1 through 19.5, 19.9 and Articles 1, 10, 11, 12, 14, 15, 16, 20, 21, 23, 28, and 29 will survive in their entirety.

## **Article 7. ASSIGNMENT, AMENDMENTS, AND MODIFICATIONS**

**7.1 Material Change Requests.** The PUCT may propose changes to the Statement of Work. Upon receipt of a written request from the PUCT for a change to the Statement of Work, Contractor must, within the deadline specified in the request, or if no deadline is specified within a reasonable time after the request, submit to the PUCT a detailed written estimate of any proposed price and schedule adjustments to this contract. No changes to the Statement of Work, will occur without the Parties' written consent as provided in accordance with the terms stated in this contract.

**7.2 Changes in Law, Rules, or Rulings.** Changes in federal or state legislation, rules and regulations or rulings by the PUCT after the effective date of this contract may require modification of the terms of this contract, including an increase or decrease in Contractor's duties or compensation. In the event of changes to statutes, rules, or regulations affecting the terms of this contract, the PUCT and Contractor must negotiate the terms of a contract modification in good faith and incorporate the modification into this Contract by written amendment.

**7.3 No Assignment of Duties.** This contract will be binding upon and inure to the benefit of the permitted successors and assigns of any Party (including by merger of Contractor or otherwise by operation of law); provided, however, that Contractor may not otherwise, without the prior written consent of the PUCT, assign or transfer this contract or any obligation incurred under this contract. Any attempt by Contractor to assign or transfer this contract or any obligation incurred under this contract, in contravention of this article, will be voidable at the PUCT's sole discretion.

**7.4 Amendments and Modifications.** This contract may not be amended or modified in any manner except by written instrument executed by authorized representatives of the Parties in accordance with the terms of this contract.

**7.5 Binding on Successors.** The terms of this contract will be binding on any successor organization of any of the Parties.

## **Article 8. REPRESENTATIONS, WARRANTIES AND COVENANTS**

**8.1 Warranty of Performance.** Contractor represents, warrants, and covenants that it will perform the Services outlined in the Statement of Work, in a professional and workmanlike manner, consistent with professional standards of practice in the professional industry.

**8.2 Warranty of Services.** Contractor warrants that the Services will be rendered by the qualified personnel named in Section 19.8 of this contract. If Services provided under this contract require a professional license, then Contractor represents, warrants, and covenants that the activity will be performed only by duly licensed personnel.

## **Article 9. RISK OF LOSS AND PROPERTY RIGHTS**

**9.1 Risk of Loss.** The risk of loss for all items to be furnished hereunder will remain with Contractor until the items are delivered to and accepted by the PUCT, at which time the risk of loss will pass to the PUCT.

**9.2 Ownership.** Except for materials where any intellectual property rights are vested in a third party, such as software or hardware, in which case such rights remain the property of the third party, all finished materials, deliverables, conceptions, or products created or prepared for or on behalf of the PUCT and purchased by the PUCT, or on behalf of the PUCT, that the PUCT has accepted as part of the performance of Services hereunder, will be the PUCT's property exclusively and will be given to the PUCT either at the PUCT's request during the term of the Contract or upon termination or expiration of the contract. Notwithstanding the foregoing, materials created, prepared for, or purchased exclusively by the PUCT or on behalf of the PUCT are the PUCT's exclusive property regardless of whether delivery to the PUCT is effectuated during or upon termination or expiration of this contract.

**9.3 Licensed Software.** With PUCT's advanced written consent, Contractor may obtain software licenses as an agent of the PUCT for software that is used by Contractor solely for the purpose of providing Services under this contract. Contractor must provide the PUCT with a copy of any software license obtained by Contractor as an agent for the PUCT for the purpose of providing Services under this contract.

**9.4 Prior Works.** Except as provided herein, all previously owned materials, conceptions, or products remain the property of Contractor and nothing contained in this contract will be construed to require Contractor to transfer ownership of such materials to the PUCT.

**9.5 Trademarks.** The Parties agree that no rights to any trademark or service mark belonging to another Party or to any non-Party are granted to any other Party by this contract, unless by separate written instrument. The PUCT acknowledges and agree that use of any trademark associated with any software provided by Contractor under this contract does not give the PUCT any rights of ownership in the trademark or the software.

**9.6 Program Information.** Program information, data, and details relating to Contractor's Services under this contract must be maintained separately from Contractor's other activities. Contractor must undertake all reasonable care and precaution in the handling and storing of this information.

**9.7 Provision to be Inserted in Subcontracts.** Contractor must insert a provision containing Sections 9.2 and 9.6 of this contract in all subcontracts hereunder except altered as necessary for proper identification of the contracting Parties and the PUCT under this contract.

## **Article 10. PUBLIC INFORMATION**

**10.1 Texas Public Information Act. (Texas Government Code Chapter 552).** The Parties acknowledge that notwithstanding any other provisions of this contract, the Texas Public Information Act ("PIA") governs the treatment of all information held by or under the control of the PUCT. The PUCT will notify Contractor of requests for Contractor's information as required under the PIA.

**10.2 Agreement Not Confidential.** The Parties acknowledge that not all terms of this contract may be confidential under the PIA, regardless of whether those terms are marked "Proprietary," "Trade Secret," or "Confidential." Contractor further acknowledges that in the event of a dispute over the release of a proposal or part of a proposal the PUCT is bound by the decision made by the Office of the Attorney General of Texas.

**10.3 Contractor's Duty to Provide Public Information.** Contractor is required, at no additional cost to the state, to make available in a format that is accessible by the public any information created or exchanged with the state, pursuant to this contract. For the purpose of Section 10.3 of this contract, paper documents, Adobe Portable Document Format files (.pdf), Microsoft Excel spreadsheets (.xls), Microsoft Word documents (.docx), and Hypertext Markup Language (.html) files will be considered "accessible by the public," unless another format is specified by the PUCT, at the PUCT's sole discretion. If information created or exchanged with the state pursuant to this contract is excepted from disclosure under the PIA, Contractor will not be required to make the information available to the public, but may be required to facilitate the PUCT's provision of the information to the Texas Attorney General for a decision on the information's confidentiality. The PUCT has no duty or responsibility to argue a defense of confidentiality to Contractor's information or data; it will be Contractor's sole responsibility to do so.

#### **Article 11. CONFLICTS OF INTEREST AND EMPLOYMENT RESTRICTION**

**11.1 No Conflicting Relationships.** Contractor certifies to the PUCT that no existing or contemplated relationship exists between Contractor and the PUCT that interferes with fair competition or is a conflict of interest, and that no existing or contemplated relationship exists between Contractor and another person or organization, whether or not located within the State of Texas, that constitutes or will constitute a conflict of interest for Contractor with respect to the PUCT.

**11.2 Prohibition on Transactions with Parties Adverse to the PUCT.** Contractor agrees that during the term of this contract and any extensions or renewals thereof, it will neither provide contractual services nor enter into any agreement, oral or written, to provide services to a person or organization that is regulated or funded by the PUCT or that has interests that are directly or indirectly adverse to those of the PUCT. The PUCT may waive this provision in writing if, in the PUCT's sole judgment, such activities of the Contractor will not be adverse to the interests of the PUCT.

**11.3 Notice of Conflict.** Contractor agrees to promptly notify the PUCT of any circumstance that may create a real or perceived conflict of interest, whether arising prior to or during the term of the contract. Contractor agrees to use its best efforts to resolve any real or perceived conflict of interest to the satisfaction of the PUCT. If Contractor fails to do so, it will be grounds for termination of this contract for cause, pursuant to Section 6.2 of this contract.

**11.4 Prohibited Employment.** Contractor agrees that it will not hire any person whose employment with Contractor would violate any of the employment restrictions in Texas Government Code Chapter 572 or Texas Utilities Code Chapter 12.

## **Article 12. INDEMNIFICATION**

Contractor must indemnify, defend and hold harmless the PUCT, the State of Texas and their officers, agents, employees, representatives, contractors, assignees, and designees from any and all liabilities, claims, suits, assessments, penalties, losses, damages, demands or causes of action, and all related costs, attorney fees and expenses of whatever kind or nature asserted by a third party and occurring in any way incident to, arising out of, or in connection with acts or omissions of Contractor, its agents, employees and subcontractors, committed in the conduct of this contract. Contractor will have the obligation to undertake the defense of any such claim, process, or legal proceeding at Contractor's expense; provided, however, that the PUCT may participate in the defense with counsel of their own choosing. Any defense must be coordinated by Contractor with the Office of the Attorney General when Texas State Agencies are named defendants in any lawsuit. Contractor may not agree to any settlement without first obtaining concurrence from the Office of the Attorney General when Texas State Agencies are named defendants in any lawsuit. Contractor, the PUCT agree to furnish timely written notice to each other of any claim.

If all or any part of the deliverables of this contract is the subject of any claim, suit, or proceeding for infringement or misappropriation of any intellectual property right, Contractor may, and in the event of any adjudication that the deliverables or any part thereof infringes or misappropriates any patent, trademark, copyright, or trade secret, or if the licensing or use of any of the deliverables or any part thereof is enjoined, Contractor must, at its expense do one of the following things: (i) procure for the PUCT the right under such patent, trademark, copyright or trade secret to fully use the deliverables or the affected part thereof; or (ii) replace the deliverable or affected part thereof with another non-infringing deliverable; or (iii) suitably modify the deliverable or affected part thereof to make it non-infringing.

## **Article 13. INSURANCE**

**13.1 Contractor Responsibility.** Contractor agrees to comply with all state and federal laws applicable to the liability and payment of Contractor and Contractor's employees, including laws regarding wages, taxes, insurances, and workers' compensation. Neither the PUCT nor the State of Texas will be liable to the Contractor, its employees, agents, or others for the provision of unemployment insurance or workers' compensation or any benefit available to a state employee.

**13.2 Minimum Insurance.** Contractor must, at its sole cost and expense, secure and maintain as a minimum, from the effective date of this contract and thereafter during the term of this contract and any renewals or extensions thereof, for its own protection and the protection of the PUCT and the State of Texas:

- a) commercial liability insurance, covering, at a minimum, the following categories of liability within the following limits: (i) bodily injury and property damage - \$1,000,000 limit per occurrence, \$2,000,000 aggregate, (ii) medical expense - \$5,000 limit per person, (iii) personal injury and advertising liability - \$1,000,000 limit, (iv) products or completed operations - \$2,000,000 aggregate, (v) damage to premises rented - \$50,000 limit;



- b) automobile liability coverage for vehicles driven by Contractor's employees (\$500,000 per occurrence);
- c) workers' compensation insurance in accordance with the statutory limits, as follows: (i) employer's liability - \$1,000,000 each incident, (ii) disease - \$1,000,000 each employee and \$1,000,000 policy limit;
- d) cyber incident coverage to include: privacy breach related legal expenses to review and determine responsibilities under privacy breach laws; expenses related to compliance with privacy law notification requirements; credit and identification monitoring for up to 12 months after a cyber incident; expenses related to forensic investigations to investigate a system intrusion into the Contractor's computer system; and expenses to hire a public relations firm for public communications response; and
- e) a fidelity bond or crime policy in the amount of \$1,000,000 with third party coverage for the PUCT for Contractor's employees working with proprietary information, or Confidential Information.

The PUCT and the State of Texas must be named an additional insured on the commercial liability and automobile policies.

Insurance coverage must be from companies licensed by the State of Texas to provide insurance with an "A" rating from A.M. Best and authorized to provide the corresponding coverage.

**13.3 Certificates of Insurance.** Contractor must furnish to the PUCT certificates of insurance and any applicable endorsements, signed by authorized representatives of the surety or insurers, of all such bonds and insurance and confirming the amounts of such coverage within ten (10) days of the effective date of this contract, and upon request thereafter. Contractor must provide the PUCT contract administrator with timely renewal certificates as the coverage renews. Failure to maintain such insurance coverage specified herein, or to provide such certificates or endorsements promptly, will constitute a material breach of this Contract. Contractor must provide thirty (30) days written notice of any notice for renewal or cancellation of insurance.

#### **Article 14. DISPUTE RESOLUTION**

The Parties agree to resolve disputes arising under this contract through the dispute resolution process provided for in Chapter 2260 of the Texas Government Code and Subchapter C of the PUCT Rules for Administrative Services.

#### **Article 15. SOVEREIGN IMMUNITY**

The State of Texas and the PUCT do not waive sovereign immunity by entering into this contract and specifically retain immunity and all defenses available to them under the Constitution, the laws of the State of Texas, or the common law.

#### **Article 16. GOVERNING LAW**

Notwithstanding anything to the contrary in this contract, this contract will be deemed entered into in the State of Texas and will be governed by, construed and interpreted in accordance with the laws of the State of Texas that apply to contracts executed in and performed entirely within

the State of Texas, without reference to any rules of conflict of laws. The Parties consent to the exclusive jurisdiction of the State of Texas. The Parties hereby submit to the jurisdiction of the courts located in, and venue is hereby stipulated to, the state courts located in Travis County, Texas. Each Party stipulates that it is subject to the jurisdiction of the courts located in Travis County, Texas, for any cause of action arising from any act or omission in the performance of this contract. Further, each Party hereby waives any right to assert any defense to jurisdiction being held by the courts located in Travis County, Texas, for any cause of action arising from any act or omission in the performance of this contract.

#### **Article 17. COMPLIANCE WITH LAW**

**17.1 General.** Contractor must comply with all federal, state, and local laws, executive orders, regulations, and rules applicable at the time of performance. Contractor warrants that all Services sold hereunder will have been produced, sold, delivered, and furnished in strict compliance with all applicable laws and regulations to which they are subject, including, but not limited to, Equal Employment Opportunity laws. All laws and regulations required in agreements of this character are hereby incorporated by this reference.

**17.2 Taxes.** Contractor agrees to comply with any and all applicable state tax laws that may require any filing with or payment to the State of Texas as a result of any action taken as a result of this contract.

**17.3 Workers' Compensation.** Contractor agrees that it will be in compliance with applicable state workers' compensation laws throughout the term of this contract and any renewals or extensions thereof.

**17.4 Conflicts.** Contractor agrees to abide by the requirements of and policy directions provided by the Texas statutes, the rules and regulations of the PUCT. Contractor agrees to inform and consult with the PUCT when further interpretations or directions are needed in order to fully implement the rules and regulations of the PUCT. In the event that Contractor becomes aware of inconsistencies between this Contract and a Texas statute or PUCT rule, Contractor will so advise the PUCT immediately and will cooperate fully to revise applicable provisions of this contract as necessary.

**17.5 Compliance with Deceptive Trade Practices Act.** Contractor must comply with Texas Business and Commerce Code Chapter 17.

**17.6 Compliance with Americans with Disabilities Act.** Contractor must comply with the Americans with Disabilities Act, 42 U.S.C. Chapter 126.

**17.7 Prohibited Use of Appropriated or Other Funds.** Contractor must comply with Texas Government Code Sections 556.005 and 556.0055 related to prohibited uses of appropriated and other funds.

**17.8 Certificate of Interested Parties Form.** At the time Contractor submits a signed contract to the PUCT, Contractor must submit a "Certificate of Interested Parties" form to the PUCT and file the form with the Texas Ethics Commission. The form and instructions for filing the form can be found at: <https://www.ethics.state.tx.us/tec/1295-Info.htm>. Contractor must not perform

any work under the contract, nor receive any compensation prior to filing the form with the Texas Ethics Commission.

### **Article 18. CONTRACTOR'S CERTIFICATION**

By accepting the terms of this Contract, Contractor certifies that, to the extent applicable, it is in compliance with the following requirements and prohibitions. Contractor understands and agrees that a false certification may lead to termination of this contract for cause.

**18.1 Prohibitions on Gifts.** Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this contract.

**18.2 Delinquent Obligations.** Contractor is not currently delinquent in the payment of any franchise or sales tax owed to the State of Texas, and is not delinquent in the payment of any child support obligations under applicable state law.

**18.3 Terrorist Financing.** The PUCT is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it, via cross referencing proposers or vendors with the Federal General Services Administration's System for Award Management (SAM), <https://www.sam.gov/>, which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

Contractor certifies that the Contractor and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Contractor is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at: <https://www.sam.gov/>

Contractor further certifies that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization as prohibited by Section 2252.152 of the Texas Government Code.

**18.4 Antitrust.** Neither Contractor nor anyone acting for Contractor has violated the antitrust laws of this state, codified in Section 15.01, et seq. of the Texas Business and Commerce Code or the Federal Antitrust Laws, nor has communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage.

**18.5 Family Code.** Contractor has no principal who is ineligible to receive funds under Texas Family Code Section 231.006 and acknowledges that this contract may be terminated, and payment may be withheld if this certification is inaccurate.

**18.6 Prohibited Compensation.** Contractor has not received compensation from the PUCT, or any agent, employee, or person acting on the PUCT's behalf for participation in the preparation of this contract.

**18.7 Government Code.** Under Texas Government Code Section 2155.004, Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated, or payment may be withheld if this certification is inaccurate.

**18.8 Outstanding Obligations.** Payments due under the contract will be applied towards any debt that is owed to the State of Texas, including but not limited to delinquent taxes and child support.

**18.9 Contracting with Executive Head of State Agency.** Contractor certifies this contract is in compliance with Texas Government Code Section 669.003 relating to contracting with the executive head of a State agency. If Texas Government Code Section 669.003 applies, bidder will provide the following information in order for the bid to be evaluated: Name of Former Executive; Name of State Agency; Date of Separation from State Agency; Position with Bidder; and Date of Employment with Bidder.

**18.10 Buy Texas.** Contractor will comply with Texas Government Code Section 2155.4441, pertaining to service contracts regarding the use of products produced in the state of Texas.

**18.11 Hurricane Recovery.** Under Texas Government Code Section 2155.006, Contractor certifies that the individual or business entity named in this proposal is not ineligible to receive the specified contract and acknowledges that this contract may be terminated, and payment withheld if this certification is inaccurate.

**18.12 E-Verify.** Contractor certifies and ensures that it utilizes and will continue to utilize, for the term of this Contract, the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of:

1. All persons hired to perform duties within Texas, during the term of the contract; and
2. All persons (including subcontractors) hired by the proposer to perform work pursuant to the contract, within the United States of America.

The Contractor must provide, upon request of PUCT, an electronic or hardcopy screenshot of the confirmation or tentative non-confirmation screen containing the E-Verify case verification number for attachment to the Form I-9 for the three most recent hires that match the criteria above, by the Contractor, and Contractor's subcontractors, as proof that this provision is being followed.

If this certification is falsely made, the contract may be immediately terminated, at the discretion of the state and at no fault to the state, with no prior notification. The Contractor will also be responsible for the costs of any re-solicitation that the state must undertake to replace the terminated contract.

This term should not be construed to require Contractor to utilize E-Verify to determine the eligibility of existing employees, or otherwise use E-Verify in violation of the law.

**18.13 Debarred Vendors List.** Contractor certifies that it is not on the Debarred Vendors List located at [http://www.window.state.tx.us/procurement/prog/vendor\\_performance/debarred/](http://www.window.state.tx.us/procurement/prog/vendor_performance/debarred/).

**18.14 Does Not Boycott Israel.** If Contractor is required to make a certification pursuant to Texas Government Code Section 2270.002. Contractor certifies that Contractor does not boycott Israel and will not boycott Israel during the term of the contract resulting from this solicitation. If Contractor does not make that certification, Contractor certifies that it provided a statement to the PUCT, prior to signing this contract, stating why the certification is not required.

## **Article 19. GENERAL PROVISIONS**

**19.1 Relationship of Parties.** Contractor is and will remain at all times an independent contractor, and nothing in this contract will be deemed to create a joint venture, partnership, employment, franchise, or master-servant relationship between the Parties. Notwithstanding anything to the contrary, the Parties will have principal-agent relationships as described in the Statement of Work. Except as expressly provided to the contrary elsewhere in this contract, no Party has any right or authority to act on behalf of another Party, nor to assume or create any obligation, liability or responsibility on behalf of another Party. Under no circumstances will the relationship of employer and employee be deemed to arise between the PUCT and Contractor's personnel. Contractor will be solely responsible for achieving the results contemplated by this contract, whether performed by Contractor, its agents, employees or subcontractors.

**19.2 Non-Exclusivity.** Nothing in this contract is intended nor will be construed as creating any exclusive arrangement between Contractor and PUCT. This contract will not restrict from acquiring any similar, equal, or like goods or services from other entities or sources.

**19.3 Taxes and Statutory Withholdings.** Contractor acknowledges that it is not a PUCT or employee, but is an independent contractor. Accordingly, it is Contractor's sole obligation to report as income all compensation received by Contractor under the terms of this contract. Contractor is solely responsible for all taxes (federal, state, or local), withholdings, social security, unemployment, Medicare, Workers' Compensation insurance, and other similar statutory obligations (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Contractor must defend, indemnify and hold the PUCT harmless to the extent of any obligation imposed by law on the PUCT to pay any tax (federal, state, or local), withholding, social security, unemployment, Medicare, Workers' Compensation insurance, or other similar statutory obligation (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Further, Contractor understands that neither it nor any of its individual employees is eligible for any PUCT employee benefit, including but not limited to holiday, vacation, sick pay, withholding taxes (federal, state, local), social security, Medicare, unemployment or disability insurance, Workers' Compensation, health and welfare benefits, profit sharing, 401(k) or any employee stock option or stock purchase plans. Contractor hereby waives any and all rights to any such PUCT employment benefit.

**19.4 Notice.** Except as otherwise stated in this contract, all notices provided for in this contract must be (a) in writing, (b) addressed to a Party at the address set forth below (or as expressly designated by such Party in a subsequent effective written notice referring specifically to this contract), (c) sent by a national carrier with tracking capability (e.g. FedEx or Certified U.S. Mail), with proper postage affixed and (d) deemed effective upon the third business day after deposit of the notice with the carrier.

IF TO THE PUCT:

ATTENTION: Executive Director  
1701 N. Congress Ave., 7th Floor  
Austin, TX 78701

With copies to the PUCT contract administrator, and Jay Stone, CTPM, CTCM, at the same address.

IF TO CONTRACTOR:

ATTENTION:

ADDRESS

CITY, STATE, ZIP CODE

**19.5 Headings.** Titles and headings of articles and sections within this contract are provided merely for convenience and must not be used or relied upon in construing this contract or the Parties' intentions with respect thereto.

**19.6 Export Laws.** Contractor represents, warrants, agrees and certifies that it (a) will comply with the United States Foreign Corrupt Practices Act (regarding, among other things, payments to government officials) and all export laws and rules and regulations of the United States Department of Commerce or other United States or foreign agency or authority and (b) will not knowingly permit any non-Party to directly or indirectly, import, export, re-export, or transship any intellectual property or any third Party materials accessed by Contractor during the course of this contract in violation of any such laws, rules or regulations.

**19.7 Preprinted Forms.** The use of preprinted forms, such as purchase orders or acknowledgments, in connection with this contract is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. The terms of this contract cannot be amended, modified, or altered by any conflicting terms, provisions, or conditions contained in a proposal or a preprinted form, such as purchase orders or acknowledgements. If any conflict exists between this Contract and any terms and conditions on a proposal, purchase order, acknowledgment, or other preprinted form, the terms and conditions of this Contract will govern.

**19.8 Specific Personnel.** Contractor has identified the personnel for this assignment ("Team"), as follows: [list]

Contractor warrants that it will use its best efforts to avoid any changes to the Team during the course of this Contract. Should personnel changes occur during the term of this Contract or any extensions or renewals thereof, Contractor will recommend to the PUCT personnel with

comparable experience and required qualifications and training. The PUCT must approve any change in personnel on this project in writing. Contractor must provide individuals qualified to perform the tasks assigned to such individual. At the PUCT's request, Contractor must remove from the project any individual whom the PUCT finds unacceptable for any reason in the PUCT's sole discretion. Contractor must replace such individual with another individual satisfactory to the PUCT as soon as practicable.

**19.9 No Felony Criminal Convictions.** Contractor represents and warrants that neither Contractor, nor any of its employees, agents, or representatives, including any subcontractors and employees, agents or representatives of such subcontractors, has been convicted of a felony criminal offense or that if such a conviction has occurred Contractor has fully advised of the facts and circumstances surrounding the conviction.

**19.10 Publicity.** Contractor understands and agrees that the PUCT do not endorse any vendor, commodity, or service. Contractor understands and agrees that Contractor, its employees, representatives, other agents, or subcontractors may not issue any public disclosure, media release, advertisement, or publication without prior written approval of the PUCT: which pertains to this contract or any services or project to which this contract relates; or which pertains to any results or findings based on information provided, created, or obtained to fulfill the requirements of this contract; or which mentions the PUCT.

**19.11 No Third Party Beneficiaries.** Nothing contained in the contract, either express or implied, is intended to confer on any person other than the Parties, or their respective permitted successors, assigns, or transferees any interests, rights, remedies, obligations or liabilities.

**19.12 Prompt Payment.** All payments to Contractor, any payments by Contractor to any subcontractor, and any payments by a subcontractor to any other person or entity that provides goods or services under this contract must be made in compliance with Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act

**19.13 Disaster Recovery Plan.** Upon request by the PUCT, Contractor must provide copies of its most recent business continuity and disaster recovery plans.

#### **Article 20. NO IMPLIED WAIVER**

The failure of any party, at any time, to enforce a provision of this contract will not constitute a waiver of that provision; will not affect the validity of this contract or any part of it; and will not affect the right of any party to enforce each and every provision.

#### **Article 21. ORDER OF PRECEDENCE**

In the event of conflicts or inconsistencies between the provisions of this contract and any attachments or exhibits, the following are given preference in the order listed below:

- 1) The terms and conditions of this contract;
- 2) The Statement of Work, including any exhibits;
- 3) The Request for Proposals;
- 4) The Contractor's proposal.

**Article 22. FORCE MAJEURE**

Neither the PUCT nor Contractor will be considered in default in the performance of its obligations under this contract to the extent that the performance of such obligations is prevented or delayed by any cause beyond the reasonable control of the affected party, which such party could not, by due diligence have avoided, including but not limited to acts of God, severe weather, explosions, riots, acts of war, or orders of legal authority. Such causes will not relieve either party of liability in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner, with all reasonable dispatch, and to give notice and full particulars of the same in writing to the other party as soon as possible after the occurrence of the cause that prevented or delayed performance of the obligations. If the event of Force Majeure continues for a period of more than one hundred and eighty (180) days, either party thereafter may terminate this contract upon giving at least ten (10) days prior written notice to the other party. The COVID-19 Pandemic will not be deemed a force majeure, as it is a currently known circumstance.

**Article 23. SEVERABILITY**

If any provision of this contract is held unlawful or otherwise unenforceable, that provision will be severed and deemed deleted and the remainder of this contract will continue in full force and effect, as if the provision had never existed.

**Article 24. FUNDING OUT CLAUSE**

This contract is contingent upon the continued availability of funding. If funds become unavailable through lack of appropriations, legislative or executive budget cuts, amendment of the Appropriations Act, state agency consolidations, or any other disruptions of current appropriations, provisions of Section 6.3 of this contract will apply. Any contract resulting from this solicitation is contingent upon the continued availability of lawful appropriations by the Texas Legislature. See Texas Constitution, Article III Section 49, State Debts; and Texas General Appropriations Act for the 2020-2021 Biennium, Article IX, Section 6.03, Excess Obligations Prohibited.

**Article 25. DRUG FREE WORKPLACE POLICY**

Contractor must comply with the applicable provisions of the Drug-Free Work Place Act of 1988, 41 U.S.C. § 8102, et seq., and 48 CFR § 52.223-6 Drug-Free Workplace) and maintain a drug-free work environment. The requirements of the Drug Free Workplace Act and the rules interpreting it are incorporated by reference and Contractor must comply with the relevant provisions thereof, including any amendments that may hereafter be issued.

**Article 26. SUBSTITUTIONS**

Substitutions are not permitted without written approval of the PUCT.

**Article 27. RIGHT TO AUDIT**

Pursuant to Section 2262.154 of the Texas Government Code, the State Auditor may conduct an audit or investigation of Contractor or any other entity or person receiving funds from the state directly under this Contract or indirectly through a subcontract under this contract. The



acceptance of funds by Contractor or any other entity or person directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, Contractor or any other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit. Contractor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through the vendor and the requirement to cooperate is included in any subcontract awards.

**Article 28. SIGNATORIES**

The undersigned signatories represent and warrant that they have full authority to enter into this contract on behalf of the respective parties.

**Article 29. ENTIRE AGREEMENT**

This contract, including the Statement of Work, constitutes the entire agreement and understanding between the parties with regard to its subject matter and supersedes and merges all prior discussions, writings, negotiations, understandings, and agreements concerning the provision of these Services. Any terms and conditions attached to a solicitation will not be considered unless incorporated into this contract by specific reference.

In WITNESS WHEREOF both parties by their duly authorized representatives have executed this contract effective as of [DATE].

**The Public Utility Commission of Texas**

By:

\_\_\_\_\_  
John Paul Urban  
Executive Director

Date Signed: \_\_\_\_\_

**Contractor**

By:

\_\_\_\_\_  
Name  
Title

Date Signed: \_\_\_\_\_