



REQUEST FOR PROPOSALS:

**PROCESS EVALUATION OF THE EXISTING
HOMES PROGRAM**

RFP Issued: June 10, 2011

Proposals Due: July 8, 2011

1. INTRODUCTION

Energy Trust of Oregon is soliciting proposals to conduct a process evaluation of its 2010-2011 Existing Homes (EH) Program. The evaluation will inform Energy Trust and program stakeholders of the effectiveness of the program and how it might be enhanced.

The Existing Homes program offers cash incentives to households that implement electric or gas energy efficiency measures in their homes. It also seeks to educate home owners about the benefits of energy efficiency. The program serves single family homes, manufactured/mobile homes, and small multifamily dwellings (2 to 4 units per building). The Program Management Contractor (PMC), Conservation Services Group (CSG), implements the program on behalf of Energy Trust with close communication with Energy Trust program management and marketing staff. Copies of the prior program process evaluations can be found on Energy Trust's website.

The following tables display the number and types of measures as well as the estimated annual gas and electric savings by housing type for 2010.¹

Table 1. Existing Single Family Homes

	Homes	kWh Savings	Therm Savings
2009	26,596	15,347,191	994,993
2010	70,635	31,590,251	1,010,703

Table 2. Existing Single Family – Major Measure Categories (2010 Only)

Measures	kWh Savings	Therm Savings
Weatherization		
Air sealing	629	180,314
Ceiling insulation	3,094	761,431
Duct insulation	423	15,111
Duct sealing	1,181	322,520
Floor insulation	2,092	1,007,979
Wall insulation	857	204,278
Windows	1,193	171,674
Space and Water Heating		
Ductless heat pump	436	1,055,564
Gas fireplace	749	--
Gas furnace	2,220	--
Heat pump	1,826	1,545,294

¹ Small multifamily is a new offering as of 2011. In 2010, small multifamily was treated as single family; large multifamily fell within the commercial sector.

	Measures	kWh Savings	Therm Savings
Heat pump commissioning	1,190	486,798	--
Water heater	2,147	103,710	91,812
Kits and Home Energy Reviews			
Energy saver kit	52,579	13,345,983	205,986
Home Energy Review*	6,635	5,405,357	113,222

* Includes savings from lightbulbs, faucet aerators and showerheads installed during reviews.

Table 3. Existing Manufactured Homes

	Homes	kWh Savings	Therm Savings
2009	1,807	2,033,290	5,093
2010	2,410	4,136,240	5,987

Table 4. Existing Manufactured – Major Measure Categories (2010 Only)

	Measures	kWh Savings	Therm Savings
Air sealing**	1,332	--	--
Duct sealing	2,406	1,651,744	3,985
Domestic hot water measures†	3,231	1,350,455	2,002
Lighting†	2,131	1,134,041	--

** A small amount of savings from air sealing is included in the savings from duct sealing, since the measures are almost always performed together.

† Installed by contractors when performing duct and air sealing measures.
Domestic hot water measures include faucet aerators and showerheads.

1.1. About Energy Trust

In 1999, the Oregon legislature adopted, and the governor approved, a comprehensive amendment (Senate Bill 1149) to Oregon Revised Statute 757.612 establishing public purpose funding to be used for new cost-effective local energy conservation, new market transformation efforts, the above-market costs of new renewable energy resources, and new low-income weatherization. The Oregon Public Utility Commission (OPUC) was authorized to direct the manner in which the collected funds would be spent. Energy Trust was formed as a nonprofit corporation and, in November 2001, signed a grant agreement with the OPUC (the OPUC Grant Agreement). On March 1, 2002, Energy Trust began receiving approximately 74% of the total public purpose funds collected to invest in energy efficiency, renewable energy, and new market transformation. The OPUC Grant Agreement governs the manner in which Energy Trust receives and expends the collected public purpose funds. Energy Trust also has subsequent and separate agreements with NW Natural and Cascade Natural Gas utilities to fund gas efficiency programs in their service territories.

Some of Energy Trust's requirements in this RFP and in any subsequent negotiating and/or contracting phases are driven by the provisions of the OPUC Grant Agreement. Additional information concerning Energy Trust, including background information and a complete copy of the Grant Agreement, can be found on Energy Trust's website at www.energytrust.org.

2. PROGRAM BACKGROUND & RESEARCH OBJECTIVES

Energy Trust performs process and impact evaluations on all of its programs on a regular basis. Given that the Existing Homes program has changed over time, the process evaluation focus will be on the program's current structure, delivery and implementation strategy, while documenting the recent program changes.

In the last two years, the program has reached a much higher level of maturity, offering more customized services to both homeowners and trade allies. Some of these offerings, to be assessed through this evaluation, include:

- **Regional Outreach Strategy**
Building on analysis of past program activity and publicly available socio-demographic data, the program has crafted a regional strategy to achieve aggressive savings goals for each of Energy Trust's four utilities for the current program year. The plan specifies targets for measure mixes and outreach efforts by region to make the most efficient use of the program budget.
- **Customer Engagement Initiative**
With growing demand for home consultation services and contractor referrals, the program has initiated a process to provide phone consultations, as well as the standard in-home visit (Home Energy Review, or HER) for residential customers. An energy advisor will first walk a customer through a home audit on the phone to determine the highest priority actions for them, moving to a HER only if the customer requests one or there are unresolved questions about home features. In this way, the program hopes to serve more customers with the same level of quality and service as a traditional HER, more quickly and with less inconvenience to the homeowner and cost to the program.
- **EnergySavvy**
Since Fall 2010, the program has partnered with EnergySavvy, an online home assessment tool, to provide homeowners with customized recommendations for energy upgrades to their home. After completing the on-line assessment, the customer can request a follow-up call from the program to discuss the recommendations or hiring a contractor. EnergySavvy is also being used by the energy advisors in the phone consultation portion of the customer engagement initiative.
- **Savings Within Reach**
Savings Within Reach, Energy Trust's moderate income track, began serving customers in October 2009. Increased incentives are offered on weatherization and heating measures for households with income between 200% and 250% of the federal poverty guidelines. Only approved contractors can provide services

and the incentive is paid directly to the contractor. Savings Within Reach represents a small portion of the program savings, having served 13 sites in 2009 and 91 in 2010.

- **Trade ally network tiering and development fund**

Because of the large number of trade allies participating in the program, beginning in mid-2010, residential trade allies were divided into tiers based on previous program activity and quality of installation work from program QC inspections. Trade allies receive up to a three star rating, with ratings displayed on Energy Trust's online trade ally list. The goal of the tiering system is to make it easier for customers to select a contractor from the extensive list and to encourage contractors to provide high quality installation practices and customer service. The program has also converted its cooperative marketing fund into a development fund to support non-Energy Trust training and trade association memberships.

- **Energy Saver Kits**

After some early efforts with select utilities to provide kits containing CFL bulbs, faucet aerators and showerheads to residential customers by mail, Energy Saver Kits became a standard offering for all customers in Fall 2010. Customers can order a kit on Energy Trust's website; the contents vary slightly based on electric and water heating utility. Kits include instructions for installation and information on other Energy Trust offerings. In 2011, the program hopes to allow customers some choice in which measures go into their kit.

The program has also been affected by several external market factors in the last few years, including:

- The large federal tax credit for energy efficient home improvements, and the substantial reduction for 2011
- The transformation of the high efficiency gas furnace market, resulting in the discontinuation of furnace incentives for most customers in May 2010; this has also made it more difficult for the program to meet its gas savings goals
- The transformation of the high efficiency heat pump market, resulting in high free ridership for heat pumps
- Increasing saturation of CFLs, limiting the use of CFLs for program offerings and savings
- The introduction of ductless heat pumps and 0.22 U-value windows (for which the program offers incentives) and heat pump water heaters (for which the program does not offer incentives).

Other Energy Trust programs or activities affecting the Existing Homes program, but not to be specifically addressed in this evaluation, include:

- The pilot of DOE's Home Energy Score and Energy Trust's Energy Performance Score for existing homes
- Clean Energy Works Portland (CEWP), the on-bill financing pilot, and its offspring, Clean Energy Works Oregon (CEWO)

- Energy Trust's offering for NW Natural customers in SW Washington
- Small Multifamily track within the Existing Homes program
- The Home Performance with ENERGY STAR® program
- Energy Trust's Home Energy IQ workshops, offered in cooperation with utilities
- Pilot programs such as personal energy reports and cold water detergent (detergent to be provided through HERs)

The goal of this process evaluation will be to obtain feedback on program design and implementation that can be used to enhance the implementation of the current program. Energy Trust is interested in observations and recommendations to help it more effectively and efficiently deliver the Existing Homes Program. The evaluation should address the following questions:

- Are residential customer well served by the new customer engagement strategy? Are they provided with enough information, by phone or in-home, to take action? What additional changes might improve the experience further?
- Are trade allies well served by the recent program changes, including customer engagement and referral, tiering and the development fund? Have they noticed any changes in customer awareness of energy efficiency or Energy Trust?
- Are the regional strategies realistic and well-formed? What challenges might the program encounter in implementing the regional strategies?
- Is communication between Energy Trust and the PMC effective and timely? Do the monthly reports compiled by the PMC provide the right level of detail? Are the right people included in communications and program planning?

3. TASKS

It is anticipated that the selected contractor will be required to undertake the following major tasks and the submitted proposal should address these topics:

3.1. Conduct Study Kickoff

The contractor will meet with Energy Trust to present and discuss the proposed evaluation research plan. Based on comments and discussion during the kick-off meeting a final work plan and detailed schedule will be developed that will become part of the contract and will be the basis for all study activities.

Deliverables:

- Draft and final work plan and detailed evaluation schedule

3.2. Review Program Documents, Activity and Conduct Staff Interviews

The contractor will gather and review program documents, including past evaluation reports and trade ally surveys, to understand the program background in preparation for staff interviews. The contractor will also be provided with a database of program measure activity for 2010 and early 2011 for review to determine trends, opportunities

and challenges to the program. Staff interviews will be used to review program direction, strategies and anticipated changes; obtain feedback on findings from the document review; and obtain insights on program challenges, opportunities and market barriers. It is anticipated that the contractor will conduct interviews with approximately 15 program staff at Energy Trust and the PMC.

Deliverables:

- Chapter in final report on methodology and findings of document and measure activity review and staff interviews
- Draft and final interview guide(s)

3.3. Survey of Program Participants

The contractor will develop a sampling plan for a survey of a random sample of 600 program participants from the 2010 or 2011 program years. The contractor will also develop a survey instrument and provide it to Energy Trust for review. Customers from the following measure groups should be included: heat pumps, gas fireplaces, water heaters, air sealing, duct sealing, insulation, Energy Saver Kits, both HER and phone consultation recipients who went on to install a measure, and Savings Within Reach participants.

Energy Trust is primarily interested in understanding the awareness, experiences and perceptions of residential participants, including the following issues:

- Motivations and challenges to improving the energy efficiency of their home
- Use of and satisfaction with Energy Trust's website and online resources
- The process of selecting a contractor, experience with their contractor and with Energy Trust's trade ally list and tiering system
- Experience with specific measures (e.g. availability, cost, ease of installation)
- Knowledge and perceptions of Energy Trust
- Use of Energy Trust consultation services and impressions of their usefulness, or willingness to use in the future
- For Energy Saver Kit recipients, installation of measures provided

Deliverables:

- Draft and final sampling plan
- Draft and final survey instrument(s) for participants
- Chapter in final report on methodology and findings of participant surveys

3.4. Survey of Nonparticipants

The contractor will develop a sampling plan for a survey of a random sample of 150 residential customers who participated in an HER or phone consultation and did not follow through with installing a measure within 6 months. The contractor will also develop a survey instrument and provide it to Energy Trust for review.

Energy Trust is primarily interested in understanding the motivations and experiences of residential customers who do not follow through with home upgrades despite the opportunity for savings, including the following issues:

- Motivations and challenges to improving the energy efficiency of their home
- Knowledge and perceptions of Energy Trust
- Awareness and use of Energy Trust's website and online resources
- Experience with specific measures (e.g. availability, cost, ease of installation)
- Willingness or apply for an incentive or use Energy Trust consultation services in the future

Deliverables:

- Draft and final sampling plan
- Draft and final survey instrument(s) for participants
- Chapter in final report on methodology and findings of nonparticipant surveys

3.5. Interviews with Trade Allies

The contractor will develop a sampling plan and will interview a geographically representative sample of 100 trade allies who work with the Existing Homes program. There are currently more than 900 trade allies of various specialties working with Energy Trust on the Existing Homes programs. Energy Trust is primarily interested in understanding:

- Perceptions of and experience with Energy Trust and the new tiering system
- Awareness of and experience with the development fund (formerly the cooperative marketing fund)
- How they encourage energy efficient measure installations in existing homes
- How Energy Trust can enhance its relationship with trade allies to increase energy savings

Deliverables:

- Draft and final sampling plan
- Draft and final interview guides for trade allies
- Chapter in final report on methodology and findings of trade ally interviews

3.6. Analysis and Reporting

The contractor will provide the study manager with an evaluation report in draft form. This draft will be reviewed and commented on by Energy Trust and other parties deemed appropriate by Energy Trust. Based upon these comments, the contractor shall make revisions and deliver to Energy Trust a final version of the report. Achieving an acceptable final report may take more than one iteration between the contractor and Energy Trust. Where applicable, data, phone conversations, non-confidential sources, publications, and other media used in the report must be referenced and cited. (It is anticipated that any respondents or sources can be promised confidentiality in terms of attribution of responses.) Findings and conclusions shall be based on the information

collected by the contractor and referenced in the report. The use of tables and graphs is recommended for material that does not lend itself well to narrative form, as well as for important findings. All evaluation reports must include, at a minimum, executive summary, methodologies, findings, and recommendations sections.

Contractor will be required to submit monthly status reports presenting (1) a summary of accomplishments during the previous month, (2) current month's activities/plans; (3) variances in schedule and budget, including any necessary explanations; and if applicable, (4) issues or concerns to be addressed with proposed solutions. These reports are due by the 10th of every month and must accompany the invoice, starting with the first month after the final work plan has been delivered.

Deliverables:

- Draft evaluation report
- Final evaluation report
- Monthly status reports

4. SCHEDULE

The draft report will be delivered to Energy Trust by January 31, 2012. A final report will be delivered within two weeks of having received all comments and edits on the submitted draft. The contractor will be required to provide a monthly evaluation update to Energy Trust on the 10th of every month.

5. BUDGET

It is anticipated that the approximate budget for the scope as described in this RFP will be in the neighborhood of \$100,000; however, Energy Trust reserves the right to revise budget assumptions at any time. The proposal should be bid as a time-and-materials, "not-to-exceed" type contract.

6. PROPOSAL REQUIREMENTS

Respondent's proposal must contain:

6.1. Proposal Information

- 1) A description of the firm's qualifications to conduct this evaluation.
- 2) A technical proposal, not to exceed 10 pages.
- 3) A management plan and proposed schedule of deliverables. This should include a kick-off meeting scheduled within two weeks of awarding the contract.
- 4) A detailed budget broken out by task and by individual. Key individuals should be identified by name, with billing rates for each.
- 5) Resumes of key staff and subcontractor team members who have not worked with Energy Trust before.

6.2. Conflict of Interest Disclosure

Respondents should disclose any direct or indirect, actual or potential conflicts of interest Respondents may have with Energy Trust in its proposal. A “direct or indirect conflict” is defined as any situation in which an individual or a member of their family or close business or personal acquaintance, is employed by Energy Trust or the OPUC, or may be reasonably construed to have a direct or indirect personal or financial interest in any business affairs of Energy Trust, whether because of a proposed contract or transaction to which Energy Trust may be a party or may be interested or is under consideration, or whether such conflict is purely conceptual, because of similarity of business interests or affairs.

If no conflict is identified by Respondent, the proposal will explicitly provide such a statement in their RFP response. The determination of whether a conflict or interest exists is left to the sole discretion of Energy Trust.

6.3. Representations and Signatures Page

Respondent’s proposal must contain the signature of a duly authorized officer or agent of the company submitting the proposal. Respondent’s duly authorized officer or agent shall sign **Appendix A** certifying to the representations stated on **Appendix A**.

7. PROPOSAL SELECTION CRITERIA

Proposals will be judged on the following criteria, and any other factors deemed relevant by Energy Trust:

- Technical approach
- Management plan
- Experience of proposed staff
- Experience of firm
- Proposed budget

8. SCHEDULE AND ADMINISTRATION OF PROPOSAL SELECTION PROCESS

8.1. Requests for Additional Information and Proposal Submission

Electronic PDF formatted submittals will be accepted; faxed proposals will not. A signed letter of transmittal (original) is required, but may follow the proposal itself. Proposals received by post or messenger should have five (5) copies, as well as an electronic copy of the proposal in PDF format. All proposals must be received by 5pm PST on July 8, 2011. Energy Trust will not be obligated to consider information received outside this

time interval for the purposes of this RFP. Please submit proposal, preferably by e-mail, to:

Sarah Castor
Evaluation Sr. Project Manager
Energy Trust of Oregon
851 SW Sixth Ave., Suite 1200
Portland, OR 97204
Phone (503) 493-8888, Ext 219
Email: sarah.castor@energytrust.org

8.2. Revisions to RFP

If it becomes necessary to revise any part of this RFP, an addendum will be issued by Energy Trust and will be posted on the website. Respondents should contact Energy Trust if they find any inconsistencies or ambiguities to the RFP. Clarification given by Energy Trust may become an addendum to the RFP.

8.3. Withdrawal and Modification of Proposals

Respondents may withdraw their proposal and submit a revised proposal prior to the response deadline. After the response deadline, Respondent initiated changes will not be accepted. Respondents may withdraw their proposal from consideration at any time.

8.4. Proposal Evaluation and Notification for Negotiations

Energy Trust will review the proposals as received and will initiate negotiations with the leading Respondent(s).

9. RFP GOVERNING PROVISIONS

All submitted proposals are subject to the following additional provisions.

9.1. Right to Accept or Reject Proposals, Multiple Awards

Energy Trust reserves the right to make multiple awards, reject any and all proposals and to waive any nonconformity in proposals received, to accept or reject any or all of the items in the proposal, and award the contract in whole or in part as it is deemed in Energy Trust's best interest. Energy Trust may also choose to negotiate any of the details of proposals prior to contracting.

9.2. Confidentiality

Subject to litigation or other legal disclosure and/or audit requirements, Energy Trust will not disclose information submitted in response to an RFP.

9.3. Ownership and Return of Proposals

All materials submitted in response to this RFP shall become the property of Energy Trust and shall not be returned to the respondent.

9.4. No Verbal Addendums

No verbal agreement or conversation made or had at any time with any officer, agent, or employee of Energy Trust, nor any oral representation by such party shall add to, detract from, affect or modify the terms of the RFP, unless specifically included in a written addendum issued by Energy Trust.

9.5. Proposal Costs

Each proposal prepared in response to this RFP will be prepared at the sole cost and expense of the Respondent and with the express understanding that there will be no claims whatsoever for reimbursement from Energy Trust.

9.6. Waiver of Claims

Respondent waives any right it may have to bring any claim, whether in damages or equity, against Energy Trust or its officers, directors, employees, or agents, with respect to any matter arising out of any process associated with this RFP.

9.7. Energy Trust Rights Reserved

Energy Trust reserves the right, in its sole discretion, to reject any or all proposals in whole or in part, to waive any minor irregularities or informalities in a proposal, and to enter into any agreement deemed to be in their best interests. In addition to any other enumerated reserved rights and/or options as stated in this RFP, Energy Trust may in its sole discretion do any one or more of the following:

- Determine which proposals are eligible for consideration in response to this RFP.
- Disqualify proposals that do not meet the requirements of this RFP, in the sole determination of Energy Trust.
- Negotiate with any Respondent to amend any proposal.
- Select and negotiate and/or enter into agreements with Respondents who, in Energy Trust's sole judgment, are most responsive to the RFP and whose proposals best satisfy the interests of Energy Trust, in its sole discretion, and not necessarily on the basis of price alone or any other single factor.
- Issue additional subsequent solicitations for proposals, including withdrawing this RFP at any time and/or issuing a new RFP that would supersede and replace this one.
- Vary any timetable or schedule, add or change any provisions discussed herein.

- Conduct any briefing session or further RFP process on any terms and conditions.
- Suspend or modify the RFP process at any time.
- Enter into relationships with more than one Respondent.

9.8. Resulting Contract

The selected respondent will be required to execute a written contract with Energy Trust to perform the evaluation work. No award will be considered a commitment, and no obligations or legal relations shall exist between Energy Trust and the selected respondent until a final and binding contract has been executed by and between Energy Trust and the contractor. Time is of the essence with regard to this program, and prolonged contract negotiations will not be undertaken. In general, Energy Trust strongly prefers contracts that are consistent with Energy Trust's standard terms and conditions; negotiations for such contracts can generally be completed quickly. In some cases, a few terms and conditions may need to be substituted or waived, in accordance with contract negotiations. Any party involved in these contract discussions can terminate negotiations at any time and for any reason. If it appears that contract negotiations are not proceeding in a timely manner, Energy Trust may opt to terminate the discussions and select another respondent.

Appendix A – Representations and Signature page

I, the undersigned declare that;

1. I am an authorized agent of the respondent and have authority to submit this proposal on behalf of the respondent.
2. The information provided in this proposal is true and correct to the best of my knowledge.
3. I have read this Request for Proposals in its entirety and agree unconditionally to all of its conditions and requirements.
4. The respondent has not directly or indirectly induced or solicited any other respondent to submit a false or sham proposal.
5. The respondent has not solicited or induced any other person, firm, or corporation to refrain from proposing.
6. The respondent has not sought by collusion to obtain for itself any advantage over any other respondent or Energy Trust.
7. The respondent's proposal is genuine; not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation; and is not submitted in conformity with an agreement of rules of any group, association, organization, or corporation.
8. I understand and accept that the approval or rejection of respondent's request is within the sole discretion of Energy Trust and that there is no legal commitment until all due diligence has been performed and a properly authorized contract has been duly and properly executed.
9. I authorize the representatives of Energy Trust to investigate the business and personal financial credit history of respondent, its affiliates, and all associated partners, principals and management and authorize the release of all said information.
10. I agree that I will report immediately in writing to Energy Trust any changes to the information contained herein at any time while I am under consideration for funding.

The information contained in this proposal and any part thereof, including its exhibits, schedules, and other documents and instruments delivered or to be delivered to Energy Trust is true, accurate, and complete. This proposal includes all information necessary to ensure that the statements therein do not in whole or in part mislead Energy Trust as to any material fact.

Date: _____

Authorized Signature: _____

Name and Title: _____
(please print)