



REQUEST FOR PROPOSALS

a2energy: Residential & Commercial

Solar Group Purchase Program

INSTALLATION OF RESIDENTIAL & COMMERCIAL SOLAR ENERGY SYSTEMS

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Issued By: Clean Energy Coalition

RFP Point of Contact: Bonnie Bona, Program Manager
Clean Energy Coalition
1250 N. Main St., Suite 1
Ann Arbor, MI 48104
bonnie@cec-mi.org

Introduction

a2energy: Residential & Commercial Solar Group Purchase Program

Clean Energy Coalition, as part of its partnership with the City of Ann Arbor's a2energy program, is seeking qualified organizations ("Proposers") to submit proposals for the design of a **private-sector-funded bulk buy or aggregation campaign for installation of new residential and commercial solar PV systems** at a per-watt price lower than a typical installation.

The goal of the *a2energy Residential & Commercial Solar Group Purchase Program* ("Program") is to expand solar education and accelerate the installation of solar photovoltaics (PV) on private property in Ann Arbor through a group purchase and competitive bidding process.

This request for proposal ("RFP") is to identify a *Solar Group Purchase Partner* ("Partner") to provide a **comprehensive campaign including outreach & marketing, installation, and post-installation support** of small solar PV energy systems for residents and businesses within the City of Ann Arbor. The initial Program will run for up to one year and is expected to be repeated in future years/phases.

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background

a2energy

a2energy, a joint program of the City of Ann Arbor (City) and Clean Energy Coalition (CEC), supports Ann Arbor's Climate Action Plan¹ (CAP) community-wide goals to reduce greenhouse gas emissions by 25% by 2025 and by 90% by 2050. Increasing renewable energy use will reduce our current dependency on fossil fuel generated electricity.

¹ http://www.a2gov.org/departments/systems-planning/energy/Documents/CityofAnnArborClimateActionPlan_low%20res_12_17_12.pdf

CAP Action EB-24: Implement community renewable energy projects

The City should consider working with identified partners and energy providers to develop community renewable energy projects to accelerate the adoption of distributed generation. There are many successful models of community renewable energy projects being implemented in the U.S. Most focus on driving down the transaction costs of installing renewable energy systems on homes.

a2energy is an outreach and education mechanism to promote energy efficiency and the use of renewable resources through the city. a2energy is a one-stop shop for energy-saving tips and resources for businesses, homeowners, renters, and landlords. In addition to periodic focused initiatives such as this, a2energy.org maintains a consistent presence in the community.

The City has a long history of encouraging renewable energy² and solar³ in particular. The citizen-advisory Energy Commission was formed in 1981 and produced the City of Ann Arbor's first Energy Plan. The City's Energy Office⁴ staffs the commission, oversees municipal energy, and pursues opportunities for residents and businesses to reduce energy use. In 2007, Ann Arbor was designated by the US Department of Energy (DOE) as a Solar America City and in partnership with Clean Energy Coalition published the Ann Arbor Solar Plan⁵ in 2010. Many solar installations have already taken place on public property, private and non-profit commercial properties, and residences.

In light of the CAP goal of 25% emissions reduction by 2025, the Energy Commission has set a target for renewable energy at 24 megawatts by 2025. Based on preliminary information, it is estimated that there is rooftop potential within the City limits, excluding University of Michigan property, of approximately 80 megawatts. Achieving the target will require multiple simultaneous approaches and may include public and community shared-ownership installations in addition to this Program.

program goals

Through consumer education coupled with a group purchase and competitive bidding process, the selected Program is expected to accelerate the installation of solar photovoltaics (PV) on private property in Ann Arbor.

The solar PV projects are to be installed on residential and commercial properties, primarily roof-mounted, although ground-mounted are acceptable. The aggregated sites are all within the municipal boundary of the City of Ann Arbor. This RFP is for a Program offering both customer-owned and leased installations.

The goals of the Program are to:

- enable property owners to receive a reduced installed cost on solar systems by initiating installations as a group, and lower the property owner's overall electric energy costs;
- ensure the Program offer is available to all residential and commercial properties with adequate solar access within the City limits;

² <http://www.a2gov.org/departments/systems-planning/energy/Pages/Renewable-Energy.aspx>

³ <http://www.a2gov.org/departments/systems-planning/energy/Pages/Solar.aspx>

⁴ <http://www.a2gov.org/departments/systems-planning/energy/Pages/Energy.aspx>

⁵ http://www.a2gov.org/departments/systems-planning/energy/solar-cities/Documents/Final_Solar_Plan_WEB.pdf

- provide a comprehensive, straight-forward process to educate residential and commercial property owners regarding the benefits and risks of installing a solar system, and offer purchase/lease options that best meet the property owner's needs; and
- set a reasonable campaign target for the Program's portion of the City's greenhouse gas emissions reduction goals and solar installation target.

about this rfp

solar group purchase partner selection

The intent of this RFP is to select a *Solar Group Purchase Partner* to install solar systems for all eligible *a2energy Residential & Commercial Solar Group Purchase Program* participants.

As a result of this RFP, a Partner may enter into a Solar Group Purchase Agreement (“Agreement”) with Clean Energy Coalition. The Agreement will set forth the terms and conditions under which the Partner will market, design, procure, install, and service solar systems for Program participants.

CEC will work with a selection committee made up of designated community representatives that may include City commission members, City staff, and City Council members. During the evaluation process, the selection committee reserves the right to require any clarification they need in order to understand the Proposer’s approach.

questions related to rfp

Questions, including requests for explanations of the meaning or interpretations of the provisions of the RFP, shall be submitted in writing (via email) to the RFP Point of Contact by 7/8/16 at 4:00pm EDT. Questions and answers will be emailed to all RFP respondents as they are received, with no more accepted after 7/8/16 at 4:00pm EDT.

proposal due date and submittal

Proposals must be received no later than 7/25/16 12:00pm EDT. Proposals must be submitted electronically to the RFP Point of Contact.

In order to maintain the fairness and integrity of the selection process, proposals must conform to the requirements of this RFP. All communications shall be through the RFP Point of Contact. Direct communications with members of the selection committee may be cause for the proposal to be rejected and disqualified from further consideration. CEC, on behalf of the selection committee, may also at its discretion, request oral presentations and/or request demonstration examples of the Proposer’s solution.

a2energy residential & commercial solar group purchase program timeline

RFP announced:	June 24, 2016
RFP Questions due:	July 8, 2016
Proposals due:	July 25, 2016

Interviews conducted:	August 8-12, 2016
Notice of intent to award:	August 19, 2016
Program begins:	determined by Proposer
Participants decision:	determined by Proposer
Installations completed:	determined by Proposer
Program ends:	determined by Proposer

proposal scoring and evaluation

The Proposer's preferred or model program will be evaluated on experience, adaptability to Ann Arbor, and proposed pricing structure. The scoring weight that will be applied to RFP responses is included below in the Proposal Content section.

proposer requirements

Proposers are responsible for carefully reading all of the terms and conditions contained in this RFP and for following instructions given. Proposals that do not contain all of the information requested may be rejected as non-responsive. Proposers must review the entire RFP to ensure that all required information is included in their proposal.

program details, roles and expectations

Promoting solar PV is a part of a2energy's multi-pronged approach to help all residents and businesses reduce their carbon footprint. This campaign is an important part of expanding solar PV within the city.

Engaging elected officials and their constituents will be an integral part of the Program. The City is divided into five wards, each with two City Council representatives. Neighborhood groups and associations are an active and important part of Ann Arbor's public engagement process. There are over 90 residential and commercial neighborhood associations registered with the City⁶, each with a designated contact person. As a part of the Program marketing and outreach, a champion will be identified from within each neighborhood that is interested in active participation and promoting this opportunity.

One program will be available across the city.

⁶ <http://www.a2gov.org/departments/planning-development/planning/Pages/Neighborhood-Associations.aspx>

cec's and the city's role

Clean Energy Coalition's role in the Program is to facilitate the selection of a Program Partner, provide technical assistance to the selection committee, oversee the Partner Agreement, and fulfill a2energy's responsibilities in the Partner Agreement. Neither the City/a2energy nor CEC will be responsible or liable for any Partner contracts with sub-contractors, financing institutions, or property owners.

CEC will be serve as the Program liaison to the selected Partner and expects to assist with outreach efforts.

partner expectations

Proposers are expected to offer a price structure that will be applied across the city based on total anticipated volume. Proposers should lay out the amount, terms and conditions for this price structure, clearly describing any variations. The rates offered should be valid for this initial program period, with potential renewal. Costs for services should be bundled on a final "work performed" basis, arranged through the Partner and their installers. There are no upfront funds directed for this proposal. Recouping of appropriate program and outreach expenses shall be rolled into the full cost of installations.

An example scope of work is provided in Exhibit A.

The Partner will provide site assessments (with site visits or desktop analysis, as appropriate), multiple ownership (or financing) models, and installation services to property owners. There shall be no cost to property owners prior to signing a contract for installation.

The Partner will be the technical expert responsible for assessing individual sites, working with interested property owners to answer questions, designing systems appropriate to the property, contracting with local installers of solar PV systems, and providing support during and after the installation.

The selected Partner will provide each property owner with an individual proposal that lists, at a minimum:

- proposed system size for the site
- estimated production of the system
- expected percentage of annual use (offset) and cost savings
- attachment and layout of the array
- warranty and guarantee terms
- for ownership, the total price of the proposed system
- for leasing, the monthly cost over the life of the contract and escalator vs. fixed price options, and terms for roof replacement, home resale, ownership at end of contract, and contract buy-out options

The selected Partner will sign a separate bilateral contract with each property owner.

local installer selection

The selected Partner will select local installer sub-contractors for the Program. Ann Arbor is a small community and many Program participants may have already considered installing solar, and as such local installers may be familiar to them. Local installer requirements for the Program include the following:

- a minimum of two installers, preferably more, will be available throughout the Program timeframe;
- for each installation type, the installers will offer the same terms, equipment options, and prices;
- installers must be a2energy Contractor Partners⁷/Michigan Saves authorized contractors⁸ prior to inclusion in the Program; and
- customers will have the option to choose from a minimum of two installers, otherwise the Program will assign installers based on availability and other criteria determined by the Partner.

payment options

The Partner will provide and arrange payment options that include cash, financing, and leasing. The Partner will select the financing firm(s) for the Program. Inclusion of local financing firm(s) is encouraged.

Ann Arbor financing institutions are aware of clean energy initiatives through existing City programs including PACE, Commercial Energy Revolving Fund (CERL), and Rental Housing Loan Fund (RHLF) and thus may be interested in participating in the Program. Property owners will have the option of selecting their own financing.

The Program will leverage the City's existing financing tools including PACE, CERL, and RHLF, along with Michigan Saves.

future phases

A solar group purchase program will likely be repeated in future years in order to meet Ann Arbor's emissions reduction goals. The Partner Agreement may be renewed or extended annually, while the City reserves the right to add additional Solar Group Purchase Partners in future phases. Ideally, future phases will also coordinate with other municipal neighbors within the county and region.

proposal content

A proposal is requested that describes the Proposer's preferred comprehensive program design including a sample quote for residential and commercial solar PV installations for ownership and lease options. Include recommended customization of the Program for the Ann Arbor market.

program outline

A program outline shall clearly define the roles of the Partner, any sub-contractors, and a2energy (the community). Provide a clear concise response to all the following numbered items below. If some details will be arrived at later or as part of finalizing costs with selected installers or financing institutions, please indicate as such. Each section includes a scoring weight that will be used by the selection committee in evaluating the proposals.

⁷ <http://www.a2gov.org/a2energy/homeowner/Pages/contractor-partners.aspx>

⁸ <http://michigansaves.org/contractors#primary>

proposer information, experience & qualifications (25 points)

1. Describe number of years in business, company size, and any other relevant information relating to the organization's stability and standing. Include registration to do business in the State of Michigan. Include any past or pending lawsuits. Include any federal or state debarment.
2. Briefly describe organization's experience developing, designing, and installing residential and commercial PV systems including the number completed in the U.S.
3. Describe how local installers were selected for inclusion in the Program and conditions under which these may change during the Program.
4. Identify the main point of contact for the Program.
5. Briefly describe experience with other community-wide programs, and group purchase campaigns in particular.
6. Identify financing firm(s) the Proposer works with, identifying any with a Michigan or local presence.
7. Describe any other local contractors or Program partners included in the Program.
8. Please provide three references, including at least one from another city program.

education and marketing (15 points)

9. Describe the proposed marketing plan, including website presence, materials, events, durations, and any a2energy (community) support desired.
10. Describe Program support needs from a2energy/CEC? How will the Program's outreach efforts interact with a2energy?
11. Describe how Program performance will be tracked and reported, including leads, quotes, signed contracts, and completed projects.
12. Describe how the Proposer will communicate with property owners whose homes/buildings are not a good candidate for solar. What other options or recommendations would the Proposer provide?

scope of work (15 points)

13. Describe Proposer's standard campaign design, with expanded detail on any unique or special features.
14. Describe recommended customization of standard campaign design for the Ann Arbor market in a Scope of Work, example provided in Exhibit A.
15. Describe how the customized campaign design may leverage other current or potential a2energy initiatives.
16. Provide a flow chart showing each step of the process from campaign launch and initial outreach to project installation and post-installation support including timeframe, lead contact, participants (i.e. organization, subcontractors, partners, a2energy, property owners), and responsibilities. Include a feedback loop for responding to local campaign challenges.

competitive pricing (25 points)

17. Describe the proposed incentive and pricing structure, including a quote and how it compares to standard local pricing for anticipated installation types (including \$/kW and \$/kWh). The price is to apply to all work described in the Scope of Work, example provided in Exhibit A.
18. Describe how outside incentives such as government (federal, state, local) rebates, utility rebates, and SRECs are incorporated into the proposed Program pricing, including any assistance provided to participants.
19. Describe the proposed Program's payment options, including cash, financing, and leasing.
20. List the proposed Program's financing option(s) for owned systems, including borrower qualifications and terms (i.e. interest rate, length of loan, payment options).
21. List the proposed Program's lease option(s), including qualifications and terms (i.e. initial rate, rate escalator, length of contract, buy-out options, property re-sale, etc.).
22. Describe any other initiatives the Program will offer to reduce the financial barrier to solar for low and moderate income households.

system quality (10 points)

23. Describe the proposed Program's equipment and component options, including any participant choice and the impact on relative cost.
24. Describe online system monitoring included in the proposed Program.
25. Describe any best practice (beyond code) standards of the organization.
26. Describe the Proposer's quality assurance practices.

system warranty (10 points)

27. Describe the warranty for the system and components provided by the proposed Program for participants, including warranty length, equipment warranties, and performance guarantees.
28. Describe any part of the warranty held by sub-contractors including the installer and any other building trades.
29. Describe impact of solar warranty to participant's existing roof warranties and property insurance.
30. Describe commitment to customer service beyond completion of the installation.

sample documents

31. Please provide a sample customer contract.
32. Please provide a sample Program agreement.

rfp conditions and reservations

Clean Energy Coalition is not obligated as a result of the submission of a proposal to enter into an agreement with any Proposer, and has no financial obligation to any Proposer arising from this RFP. All contracts for installation (“Contract(s)”) will be executed between the residential or commercial property owner and the selected Proposer.

The Contract between the property owner and the selected contractor will state that CEC and the City/a2energy are not parties to the Contract, and that the selected contractor will be solely liable for any claims, losses or damages arising out of the Contract. The contractor will be expected to sign an Agreement with CEC to confirm each organization’s roles and responsibilities, and will set forth the terms and conditions under which the Partner will design, procure, and install solar systems for Program participants.

Furthermore, CEC reserves all rights regarding this RFP, including, without limitation, the right to:

- Amend, delay or cancel the RFP without liability if the team finds it is in the best interest of the project to do so. In the event it becomes necessary to amend any part of this RFP, notice will be provided in the same manner as notice of the original solicitation;
- Reject any or all Proposals received upon finding that it is in the best interest of the project to do so;
- Waive any minor informality or non-conformance with the provisions or procedures of the RFP, and seek clarification of any Proposal, if required;
- Reject any Proposal that fails substantially to comply with all prescribed RFP procedures and requirements; and
- Negotiate and/or amend the Scope of Work to serve the best interest of the project.

signature

The proposal will be signed by a person authorized to act on behalf of the organization.

proposal effective dates

The proposal will be effective for at least 60 days.

exhibit a – scope of work

Proposers may use this outline as a guide for organizing a scope of work for their proposal, but are encouraged to expand upon, refine or suggest alternative approaches based on previous experiences with similar projects.

The [organization] will provide for design and installation of home and small business solar PV systems for property owners in the City of Ann Arbor in accordance with the general scope of services outlined below. The purpose of this project is to enable the installation of solar photovoltaic systems on homes and small businesses within the City of Ann Arbor at a per-watt price lower than that typically offered by local installers. The [organization] will access cost efficiencies through a Program which combines lowered customer acquisition costs with bulk purchasing and coordinated installations.

Between the months of [XX-XX 201X], program partners will promote and deliver educational workshops at easily accessible public locations. As prospective participants are identified who wish to proceed with the process, their names and contact information will be provided to a2energy.

The [organization] will provide **weekly progress reports** to CEC regarding campaign progress and lead status. Progress reports should include the following:

- Contact status
- Date of scheduled/completed site assessment
- Date of contract signing
- Date of scheduled installation
- Date of targeted completion
- Type of system installed
- Size of system installed
- Price of system installed

The [organization] will provide site assessments and system design proposals for each participant. Individual system designs will strive to be aesthetically pleasing, taking into consideration the preferences of the owner while minimizing project costs and maximizing solar energy production. System proposals should also take into consideration each owner's self-identified financial limitations including, if applicable, any owner-arranged financing with a bank, credit union or other financing entity. The [organization] will sign a separate bilateral contract with each property owner.

The installations will be carried out by the [organization] in conformance with all applicable laws, codes, and interconnection requirements for net-metered installations in DTE service territory.

For each participating home or small business, the [organization] will be responsible for securing all required permits, completing and submitting all incentive applications, and scheduling and passing all inspections. The [organization] will provide guidance and assistance to each contracted owner with completing a net-metering agreement with DTE. The [organization] will provide each owner with the information, documentation, and signatures required to complete the appropriate incentive applications. The [organization] will also provide each owner appropriate documentation and guidance for applying for

federal solar energy tax credits. The [organization] will provide introductions and support materials to banks, credit unions, and other interested financing entities as needed.

exhibit b – partner agreement

a2energy Solar Group Purchase Partner Agreement

The a2energy Partner program (“Program”) was established as part of a2energy, a joint program of the City of Ann Arbor (“City”) and Clean Energy Coalition (“CEC”) that aims to promote energy efficiency and renewable energy to residents and businesses across Ann Arbor. a2energy Partners (“Partners”) are private-sector businesses and non-profit organizations engaged in advancing the uptake of energy efficiency in homes and businesses across the city through promoting energy-efficient products and services and educating residents and business owners. In partnership, a2energy and Partners are supporting the City’s Climate Action Plan goals by working to accelerate the community-wide reduction of greenhouse gas emissions.

The a2energy Solar Group Purchase Partner is one firm for a term of one year. Annual renewals may be offered. a2energy reserves the right to include more than one firm in future years.

As a member of the Program, the undersigned company/organization agrees to:

- Inform all Ann Arbor customers about energy efficiency and renewable energy programs offered by or promoted by a2energy as part of its business marketing plan.
- Train all employees regarding the a2energy programs.
- Work with other Partners toward cross-project education of customers.
- Participate in periodic Program networking meetings.
- List City as an “additional insured” on insurance policies outlined in this Agreement.

In exchange, a2energy will:

- List firm name and contact information, including link to firm website, on www.a2energy.org as an “a2energy Contractor Partner.”
- Provide “a2energy Contractor Partner” identification materials at no cost to Partner, including a Program logo file for use on printed and electronic marketing materials of the contractor’s choice.
- Provide exhibit/informational display space for Partners at any a2energy-sponsored events.
- Hold periodic Program networking meetings.
- May provide assistance with program design, outreach and marketing as specifically identified within this agreement (attachment).

This Agreement shall become effective on the date of the execution by a2energy and shall remain in effect so long as the Partner maintains Michigan Saves Authorized or Advanced contractor status and the Program is in effect. Termination of the a2energy program by the City automatically terminates this Agreement. Partner may withdraw from the Agreement at any time on 30 days written notice. On termination of or withdrawal from this Agreement, Partner agrees to cease use of the “a2energy Contractor Partner” logo in connection with any business marketing program or materials.

During the term of this Agreement, each party will procure and maintain such insurance policies or self-insurance coverage as will protect itself from all claims for bodily injuries, death or property damage which may arise in connection with their respective responsibilities under the Program and/or this Agreement, including but not limited to property, general liability and worker's compensation. Partner agrees to name the City as an "additional insured" on the policies with respect to any action taken in connection with requirements herein stated, and provide proof of additional insurance as well as an endorsement from the insurance agency. Partner shall be responsible to the City or the insurance companies insuring the City for all costs resulting from both financially unsound insurance companies selected and their inadequate insurance coverage. If requested, Partner agrees to furnish the City with satisfactory certificates of self-insurance/insurance or a certified copy of the policy. Failure to comply with this requirement is grounds for termination of the Agreement.

This Agreement is governed by and enforced under the laws of the State of Michigan.

This Agreement, together with any affixed exhibits, schedules or other documentation, constitutes the entire understanding between the City and the Partner with respect to the subject matter of the Agreement, and it supersedes, unless otherwise incorporated by reference herein, all prior representations, negotiations, agreements or understandings whether written or oral. Neither party has relied on any prior representations, of any kind or nature, in entering into this Agreement. This Agreement may be altered, amended or modified only by written amendment signed by the Partner and the City.

The signatories on behalf of the parties hereto represent and warrant to the other parties hereto that they are duly authorized to execute and deliver this Agreement on behalf of such party and that this Agreement is binding upon and enforceable against such party.

a2energy Partner:

By: _____ Date: _____, 201__

Firm Name: _____

Its: _____

Address: _____

Primary Contact: _____

Phone: _____

e-mail: _____

a2energy (Clean Energy Coalition):

By: _____ Date: _____, 201__

Sean Reed

Its: Executive Director