



Statement of Work

Business Energy Efficiency Program Management Services

**Prepared for
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Statement of Work for Business Energy Efficiency Program Management Services



1 OVERVIEW

ERS currently provides energy efficiency program management services for the business energy efficiency programs provided by the City of Santa Clara's electric utility, Silicon Valley Power (SVP). This statement of work describes ERS's proposed scope of services for July 1, 2019, through November 30, 2020.

2 STATEMENT OF WORK

This section describes the services that ERS will provide for the business energy efficiency programs. Section 2.1 summarizes the current services that will be continued; Sections 2.2 through 2.5 outline our approach for customer outreach, our proposed support for the Trade Ally Network, our promotion of emerging technologies, and the performance metrics that we will track and report.

2.1 Continuing Program Management Services

ERS will provide the following current program services:

- **Program administration** of SVP's standard and custom rebate programs, including general customer service. ERS will provide a monthly report to track the key customer service performance metrics described below in Section 2.5. In addition, the open project section of the report will track regular customer check-ins on projects expected to take longer than 3 months to complete. For outreach activities and rebate applications received, ERS will track the reasons why a customer does not move forward with a project. A project status-check schedule is maintained for each open project.
- **Field services** for customer outreach, project development, project site inspections, standard energy audits, and project verification.
- **Customer services** to assist customers with identifying and implementing energy efficiency measures, understanding program offerings, and proactively developing relationships that result in increased customer satisfaction and program participation.
- **Ad hoc services** for providing technical assistance not covered under the above services. These services include, but are not limited to, custom energy audits for SVP's large customers.

2.2 Trade Ally Network

As a potential optional service, ERS will manage a Trade Ally Network of installation contractors and equipment vendors.

2.2.1 Online Web Portal

ERS operates and maintains an online web portal for the trade ally members. ERS hosts and manages the website. The portal is the primary link for ERS to manage and communicate with the network members.

We designed the website based on our successful design of the Efficiency Maine Qualified Partner website, and we also made it similar to the PG&E website. It consists of a home page that provides a site menu and highlights key programs, announcements, and upcoming events. The site menu will link to pages with additional information, tools, solutions, and resources. The solutions page will provide technology briefs and feature emerging technologies. The tool page provides calculator tools such as the simplified lighting rebate calculator, VFD rebate calculators, and operating-hours calculator. The resources page provides documents and links to key resources such as the DesignLights Consortium list of qualified products, the Food Services Technology Center list of qualifying food service products, and applicable building code (Title 24) compliance documentation. The events page provides a list of training and education events provided by ERS, as well as links to key trade association events.

2.2.2 Contractor Training and Education

ERS will offer training and educational events for the network contractors. As the network grows, the events will likely increase in breadth and width of offerings. Our plan is to provide annual program training and technology training requested by contractors. The maximum number of training events in any one year is four.

2.3 Customer Outreach

ERS will seek to continuously engage SVP customers, with a goal of increasing the number of program participants. This will be accomplished through a variety of ongoing outreach activities that will raise customers' level of awareness of SVP energy efficiency program offerings and increase their willingness to invest in energy efficient systems and equipment. ERS will provide program support and technical assistance to help ensure that customers successfully take advantage of SVP energy efficiency rebates.

For FY 2019–2020, ERS outreach efforts will shift from medium-sized customers to the top 50 customers. ERS is currently collecting information to identify and prioritize our large customer outreach efforts. The overall goal of this effort is to increase the number of rebate applications, which will lead to increased program energy savings. ERS will accomplish this by identifying

each customer's capital expenditure cycle for funding projects then engaging the customer at the right time in the project decision-making process. Our customer engagement will include in-person meetings, elevating customer awareness of SVP's program offerings, simplifying the rebate application process, and providing technical assistance. We will coordinate our outreach efforts with SVP Key Customer Representatives, relying on them for initial introductions, keeping them informed on all customer communication, and keeping them updated on active projects.

2.3.1 Outreach Opportunity Pipeline

ERS currently manages our program outreach activities through a program opportunity pipeline. For medium-sized customers, the opportunity pipeline consists of leads, qualified leads, opportunities, and program participants. This opportunity pipeline will be maintained until all active opportunities have been exhausted. For FY 2019–2020, the opportunity pipeline will be updated to track our large customer outreach efforts.

2.4 Emerging Technologies

ERS will educate customers, contractors, and SVP staff on promising energy efficient technologies. Our plan consists of research, tracking, promotion, and project development.

2.4.1 ERS Experience

ERS regularly conducts emerging and advanced technology research to build our company's overall subject matter expertise and on behalf of our clients, such as Northeast Energy Efficiency Partnerships. Specific to California, we track and monitor emerging technology research conducted by the California Energy Commission, investor-owned utilities, and Sacramento Municipal Utility District's Customer Advanced Technologies program. We also research advanced technology trends and proposed solutions promoted by ESource, Northwest Energy Efficiency Alliance, the Emerging Technology Coordinating Council, and the national labs (e.g., Lawrence Berkeley NL, Oak Ridge NL, Pacific Northwest NL, and the Office of Energy Efficiency and Renewable Energy).

2.4.2 Tracking and Promotion

Based on our research, ERS will maintain a database of promising technologies. The database will include a technology description, customer sectors, market status and barriers, incremental costs, energy savings potential, non-energy benefits, and assessment of the viability of the technology as a rebate program offering. ERS will update the database on a quarterly basis and provide it to SVP.

ERS will promote the most promising commercial technologies to customers and contractors. For contractors, ERS will publish information and technology briefs on the Trade Ally Network web portal. The web portal will also highlight SVP's Emerging Technologies Grant Application. Emerging technologies will also be included in contractor training and educational events. As part of our program outreach activities, we will promote selected technologies and SVP's emerging technology grant program.

ERS will provide SVP staff with a presentation on key emerging technologies. These presentations will be provided on a quarterly basis or as-needed, depending on the number of newly identified technologies. ERS will review our findings and consult with SVP on the timing and schedule of the presentations.

2.5 Staff Development

ERS will continue to provide training and resources to our SVP program staff in order to build their program outreach skills. In FY 2019–2020, new staff will complete the training originally completed by staff prior to the launch of the 2017–2018 programs. Over time, the staff will build upon their resource library and contribute to the shared best practices collectively developed with other ERS staff conducting outreach.

2.6 Performance Metrics

We will report the following performance metrics to SVP as part of the monthly report:

- Outreach of large customer in-person meetings, potential projects, and rebate applications -- Our goal is to receive 10 rebate applications by November 30, 2020, from customers primarily influenced by our outreach engagement.
- Number of site visits conducted by ERS staff
- Number of customers receiving project development/technical assistance support
- Number of site inspections conducted
- Percentage of time that each ERS Energy Engineer spent in the field conducting outreach, site inspections, audits, customer meetings, or providing technical assistance – The time percentage will be tracked against a target of 50% field time.
- Number of customer satisfaction surveys issued, and the number returned
- Number of Trade Ally Network members – The goal is to increase the number of members to 25.
- Number of Trade Ally Network completed projects, project savings, and incentives paid

- Energy savings from completed projects by medium-sized and large customers – For the purposes of performance payments, aggressive goals are proposed for both customer segments (see Section 3.3).

3 COMPENSATION

Fees for services will be a combination of fixed and variable fees, with a not-to-exceed contract price of \$1,682,506 for July 1, 2019, through November 30, 2020 (17 months).

Table 3-1 provides the overall cost summary.

Table 3-1. Price Summary: July 1, 2019 – November 30, 2020

Description	Price
Fixed fee services	\$1,310,411
Ad hoc services	\$100,000
Performance incentive – energy savings	\$150,000
Performance incentive – key performance indicators	\$30,000
Trade Ally Network administration (optional)	\$14,178
Total Not-To-Exceed Price	\$1,604,589

3.1 Fixed-Fee Services

Program administration, field services, and customer services will be billed on a fixed-fee-per-month basis. ERS is offering fixed-fee services without any increase to current fixed-fee amounts. Table 3-2 lists the monthly unit prices through November 30, 2020.

Table 3-2. Monthly Fixed Fees

Task	Service Category	Price
1	Program administration	\$7,523
2	Field services	\$40,052
3	Customer services	\$29,508
Total		\$77,083

The price for 17 months of fixed-fee services is \$1,310,411.

Task 4, Trade Ally Network administration, is offered at an optional cost of \$14,178, or \$834 per month.

3.2 Ad Hoc Services

Ad hoc services will be priced using either time-and-materials or fixed-fee pricing with a total not-to-exceed amount. The proposed services and costs will be submitted to SVP for approval before any work is performed. The pricing will be based on the ERS labor rates provided in Table 3-3, which remain unchanged from the current Call for Service.

The total budget for ad hoc services is \$100,000.

Table 3-3. ERS Hourly Labor Rates for Ad Hoc Services

Staffing Classification	Hourly Rate
Officer/Principal Consultant	\$245
Director	\$210
Associate Director	\$200
Senior Engineer/Consultant	\$175
Project Engineer II, Project Consultant II	\$155
Project Engineer I, Project Consultant I	\$145
Energy Analyst	\$130
Administrative Staff/Project Coordinator	\$100
Administrative Support	\$85

3.3 Performance Incentive – Energy Savings

ERS will be paid performance incentives for energy savings from completed projects. Table 3-4, below, provides the performance incentive rate, energy savings goals, and corresponding total incentive by customer size category.

Total incentive payments for the 17-month period are capped at \$150,000. The energy savings goals are gross savings before any net savings impacts are applied. Energy savings counted toward achieving goals include all business energy efficiency program projects completed during the performance period, excluding small-sized customer savings achieved through third-party programs.

Table 3-4. Performance Incentive: July 1, 2019 – November 30, 2020

Project Category	Gross Energy Savings (MWh)	Incentive Rate (\$/MWh)	Performance Incentive
Medium-sized customers (equal to and greater than 200 kW, less than 1 MW)	9,000	\$4.00	\$36,000
Large customers (1 MW and greater)	28,500	\$4.00	\$114,000
Total	37,500		\$150,000

3.4 Performance Incentive – Key Performance Indicators

ERS will be paid a performance incentive for achieving key performance indicators (KPIs). The performance incentive will be paid at the end of the contract (November 30, 2020) if a minimum performance score is achieved. The performance incentive is \$30,000.

ERS will be awarded the performance incentive if the average overall KPI score meets or exceeds 85%. The score percentage for each KPI is determined by dividing the actual achievements by the goal for each category. The overall KPI score is the average of the KPI score percentages. Table 3-5 lists each KPI goal.

Table 3-5. KPI Category and Goal

KPI	Goal	Notes
Outreach rebate participant	10	Number of rebate applications received from customers targeted in our outreach activities (excludes open projects rolling over from the 2018 program year and projects already funded by customers). ERS will demonstrate influence on the customer decision-making process.
SVP staff satisfaction survey	5	Survey of SVP staff (KCRs and SVP program manager), based on a rating of 1 to 5, with 5 being very satisfied. The survey will measure ERS performance related to on-time deliverables, customer complaint resolution, and overall level of service provided by ERS.
Emerging technology grant applications	4	Number of grant applications received and pre-approved
Trade Ally Network members	25	Number of network members by December 31, 2020. Note that this goal may be eliminated if optional Trade Ally Network services are not included in our service.