

RFP 252602- Energy Affordability Guarantee Implementation

Pre-Bid Questions/Answers

As outlined in the RFP, DPS will accept questions from potential Bidders on RFP 252602, the scope and expectations for the Energy Affordability Guarantee Pilot, and any related questions until December 13, 2024. This document summarizes all questions received from potential Bidders and provides answers to those questions. Note: questions have been grouped by category to assist potential Bidders in their review.

Reference Materials

- [Order Approving the Energy Affordability Guarantee Pilot with Modifications](#), August 15, 2024
- [Energy Affordability Guarantee Pilot Implementation Plan](#), filed November 15, 2024

Pilot Design and Implementation

1. Q: Will New York's municipal utilities be included in this pilot?

A: No, the Pilot will operate in the territory of the State's major electric Investor-Owned Utilities (IOUs): Central Hudson, Con Edison, LIPA/PSEG-LI, National Grid, NYSEG, RG&E, and Orange and Rockland.

2. Q: How much of the pilot design already is determined? For example, has DPS decided exactly what the guarantee looks like and how it will work with other programs in market like rate discounts, solar credits, etc., or is the implementation contractor responsible for contributing on that end?

A: Most parameters for the design of the Pilot have already been established, as outlined in the August 15, 2024 Public Service Commission Order and the Energy Affordability Guarantee Pilot Implementation Plan. With respect to the interaction of the Guarantee with other programs or credits, the Guarantee is expected to be incremental to any other bill discounts or programs that the participant is enrolled in.

The Guarantee is based on the difference between the six percent energy burden goal for the household and their actual electricity bill, net any credits. If the monthly electricity bill is less than the six percent energy burden goal for the participant, a Guarantee credit will not be applied for that month.

3. Q: Will NYS DPS issue a mandate for all of the IOUs to share customer billing data with the contractor, or should the contractor assume that individual customer approval must be acquired?

A: The August 15, 2024 Public Service Commission Order outlines expectations for all parties involved in administration of the Pilot, including the need for utilities to provide a monthly transfer of customer billing information including kWh consumption, cost, and any bill credits to the Implementation Contractor. In addition, Section 4.5 of the Implementation Plan outlines the data that is expected to be provided from the utility to the Implementation Contractor. The Pilot application will include participant consent for the sharing of billing data, and the Implementation

Contractor will need to sign a data security agreement/non-disclosure agreement with each utility following contract execution.

4. Q: Is there potential for this pilot to scale into a statewide program? If so, how will the vendor's role evolve, and what expertise would be most valuable in scaling operations?

A: A decision on the scalability of the Pilot has not been made. However, DPS expects that the lessons learned in the first two years of the Pilot will inform whether and how the Pilot could be either broadened or incorporated into a broader effort to address energy affordability for low-income customers.

5. Q: Is there feasibility of using pre-paid debit cards with spending restricted to specific energy companies to directly pay the pilot participant, rather than through bill credits?

A: No. The Guarantee must be applied on the customer's bill, as outlined in the August 15, 2024 Order. This is necessary to make a direct link between the customer's energy consumption, bill, and the Guarantee credit. In addition, the DPS is interested in learning from the process of providing tailored bill payment assistance, including the experience of the utilities in processing and applying these credits.

6. Q: What is the desired visibility of each program participant into the monthly credits?

A: Participants should be made aware when a Guarantee credit has been placed on their bill each month. As outlined in the August 15, 2024 Order, the utilities will include a bill message indicating if a Guarantee credit has been applied. However, if a Bidder has an additional or alternate proposal to improve visibility and communications with participants, DPS would be interested to explore those options.

7. Q: Does DPS expect to continue running the program in-house, with a consultant, or in some other capacity if the pilot meets its objectives?"

A: The Guarantee is expected to be provided to participants for 15 years, barring the participants exiting the Pilot. DPS intends to bring the administration of the Guarantee in-house when the implementation contract expires. However, the manner in which DPS would administer the Pilot will depend on the lessons learned over the first two years of the Pilot.

8. Q: Have all the customers and electrification projects for the pilot been identified, and when will those heat pump installations be completed?

A: The August 15 Order provides an enrollment deadline of January 1, 2026, however DPS Staff have the ability to seek an extension if necessary. As of December 18, 2024 112 low-income households have electrified their space and water heating through EmPower+, and would be eligible to participate in the Pilot.

9. Q: Does DPS anticipate any energy modeling or predicted energy savings from EmPower+ efficiency and electrification projects, and would any site visits be required to confirm and check on new systems?

A: NYSERDA will install energy monitors in the homes of the participants to isolate the electricity consumption of the heat pump. This data will be made available to the Implementation Contractor on a regular basis as another piece of data that could be used in the event that participants are experiencing electricity consumption beyond the Guarantee Limit.

NYSERDA will also provide the details on each electrification project, such as the installed workscope and projected savings, to allow for a holistic view into the electrification experience of participants. DPS does not anticipate the need for site visits to confirm or check on new systems, however if a Bidder identifies a specific need or value add through the incorporation of site visits into the contract scope, they are welcome to include a rationale in their proposal.

10. Q: DPS' staff report's estimate for the electrical energy to run a heat pump during the heating season may be too low (422.25 kWh per month). Will this pilot set a new baseline for heat pump electricity use in different climate zones across New York to ensure the EAG cap is reasonable?

A: Yes, data and insights collected through the first two years of the Pilot will be used to make adjustments to the calculation of the Guarantee and Guarantee Limit, as necessary. In addition, DPS and the Implementation Contractor will monitor electricity consumption and energy burden for each participant on monthly basis, and if trends indicate that an adjustment to any of the Pilot design methodologies is warranted, those adjustments will be considered.

Scope of Work

11. Q: Under Task 2, is there a preferred method for verifying participant's income?

A: There is no preferred method for collecting participant's household income. To be clear, the collection of participant household income will be necessary for calculating the participant's energy burden each year, which the Guarantee will be based on. Participant income does not need to be collected for Pilot eligibility considerations. Participation in EmPower+ will be used to establish categorical eligibility for the Pilot. If a participant experiences an increase in income at any point during their participation in the Pilot, they will remain eligible for the Guarantee.

12. Q: Under Task 2, there is a requirement for "Entering of participant information into project management database and maintaining that information."

a. Can this database be developed by the contractor with access for Department staff or is there a particular existing Department database that this represents?

b. If it is the latter, can you provide information on what type of database this is, i.e. what software and version it is hosted with, any ability to connect via API, database type like MySQL.

A: The DPS does not currently have a database for this purpose, it would need to be developed for the purposes of implementing the Pilot. DPS does not have a preference for the type of database is used. Bidders should include details on the proposed database, including functionality and associated cost. Proposals should also include a justification of the proposed database solution.

13. Q: Will the contractor be required to calculate the 150% of average electric consumption for low-income customers for each utility? If so, what data will be provided to the contractor and in what format to make this calculation?

A: DPS will provide the average electric consumption for low-income customers that heat with electricity in each utility territory on an annual basis. The Contractor will then be expected to incorporate these values into the calculation of the Guarantee Limit on a monthly basis.

14. Q: Task 2 requires "Communicating updated Guarantee levels/bill credit amounts to the electric utility of the Pilot participants to ensure an accurate and timely Guarantee/credit."
- a. Is there an expectation that the Contractor will provide bill credit information to the utility in order to match the credit to that month's bill. For example, if the utility bills a customer on Feb 5th for January electricity usage, is the Contractor expected to calculate January's bill credit in time for it to appear on the January bill that is sent out on Feb 5th?
 - b. If the answer to a above is yes, how long will the contractor have after the end of the billing period to provide bill credit information to the utilities?
 - c. Are all bills sent on the first business day of the month for each utility, or is the billing date randomly assigned to each customer so a subset of billing periods occurs every business day of the month?

A: The expectation is that the Guarantee credit, if necessary, will be applied on the next month's bill. For example, the credit for the January bill would appear on the bill for February. Billing cycles vary by utility, however the utilities are exploring the potential to provide participant billing data in two batches per month. DPS will work with the utilities and Implementation Contractor to develop a schedule for communicating billing information from the utility to the Implementation Contractor, as well as communicating Guarantee credit information back to the utility.

15. Q: Task 5 requires "Alerting utilities when Contractor becomes aware that a participant is moving from their residence and may no longer be eligible for the Pilot."
- a. It would seem that the utilities would be most aware of when a customer moved from their residence because they would terminate services. What measures is the Contractor expected to take to track real-time occupancy of all participants in the program?
 - b. Does the Contractor have any liability if a participant does not inform them that they have moved and the account receives bill credits that they were not eligible for as a result?

A: DPS expects the Implementation Contractor to alert DPS and the utilities if they become aware of whether a participant moves. The Pilot application will outline the obligations of the participant, including alerting the utility and the Implementation Contractor if they do move. While this measure may not adequately address all instances of changes in participant occupancy, DPS expects that the combination of utility insights on customer bills and the potential that the participant will notify the Implementation Contractor if they move, to be sufficient to capture most instances of when a participant moves.

The Implementation Contractor will not have liability if a participant does not inform them that they have moved, and the account receives bill credits that they were not eligible for.

16. Q: Is there a need or appetite for financial education tools and services to support the financial stability of program participants?

A: DPS has not identified a need for financial education tools or services to support participants during the Pilot. However, as outlined in the RFP, Bidders have the ability to demonstrate how their proposal could exceed minimum expectations outlined in the RFP. In cases where a Bidder includes additional considerations for Pilot implementation, the proposal should include justification for these considerations, including how the considerations will advance the objectives of the Pilot.

17. Q: In scenarios where participants move and, therefore, may need to change utility companies, is there potential to use restricted pre-paid debit cards to flexibly provide the payment?

A: If a participant moves from the home that had been electrified for EmPower+, they would only receive the Guarantee if they move into another home that had been electrified through EmPower+. In this scenario, Guarantee credits would still be provided through the utility that is serving the participant.

18. Q: Are there opportunities for vendors to bring in innovative tools or processes to enhance the pilot's efficiency and scalability?

A: Yes. As outlined in the RFP, Bidders have the ability to demonstrate how their proposal could exceed minimum expectations outlined in the RFP. In cases where a Bidder includes additional considerations for Pilot implementation, the proposal should include justification for these considerations, including how the considerations will advance the objectives of the Pilot.

19. Q: Will utilities be responsible for notifying participants when the Guarantee is applied, or is that the vendor's role?

A: The utility will be responsible for including a bill message that indicates that a Guarantee has been applied to a bill. However, if Bidders have other considerations for how to communicate the application of the Guarantee to participants, these considerations should be outlined in the proposal.

20. Q: Could you elaborate on what access the selected vendor will have to the current Empower + program to determine participants? For example, is it a NYSEERDA owned CRM data system or proprietary to the program administrator? Has the NY DPS received commitment from NYSEERDA or current system administrator that the selected vendor would be granted access to the data in that system?

A: Pilot participants will be identified two ways- NYSEERDA will provide a list of households that have participated in EmPower+ since May 2023 and meet the participation requirements; and DPS will work with NYSEERDA to provide Pilot applications to EmPower+ participants that are undergoing a workscope that meets Pilot requirements. The application would be returned to the Implementation Contractor for enrollment. The Implementation Contractor will not have access to NYSEERDA systems, however an extract from the system containing the necessary information for each project will be provided by NYSEERDA to DPS and the Implementation Contractor.

21. Q: Is DPS looking for an embedded evaluation contractor for this pilot?

A: No, DPS is not seeking an embedded evaluation, however the assessment of participant data is expected to provide the insights necessary for DPS to assess effectiveness of the Pilot.

Proposal Development and Administrative Forms

22. Q: What forms are required in the initial submission?

A: All forms referenced in Attachment 1, along with State Consultant Form A, are required as part of the initial submission.

23. Q: How many references would you like bidders to include in the technical proposal?

A: Bidders should include three references in the technical proposal.

24. Q: Are Form No. ST-220-TD and Form No. ST-220-CA required to be completed and submitted with the proposal or are those only required for the successful bidder?

A: The S-220-TD and ST-220-CA are only required to be submitted by successful bidder(s).

25. Q: Are "State Consultant Services Contractor's Planned Employment from Contract Start Date through the End of the Contract Term" (Form A) and "State Consultant Services Contractor's Annual Employment Report" (Form B) required to be completed and submitted with the proposal or are those only required for the successful bidder?

A: Only State Consultant Form A is required to be submitted with the proposal. Form B is the annual employment form for the Contractor and would be completed at the end of each New York State fiscal year, which is March 31st.

26. Q: Can veteran-owned businesses be counted toward the 30% Minority or Women-Owned Business Enterprise (MWBE) goal?

A: While DPS values and supports veteran-owned businesses, they do not qualify for New York State's MWBE status. Additional detail on the New York State MWBE certification eligibility requirements can be found on Empire State Development's [website](#). The RFP also includes a six percent goal for NYS certified Service-Disabled Veteran-Owned Business Certification (SDVOB) vendors. More information on the SDVOB certification can be found on the NYS Office of General Services' [website](#).