



Consolidated Edison Company of New York, Inc.

Request for Proposal

Non-Pipeline Alternatives to Provide Targeted Area Gas Demand Side Management Load Reduction

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Introduction

Consolidated Edison, Inc., is one of the nation's largest investor-owned energy companies providing electric service to approximately 3.6 million customers and gas service to approximately 1.2 million customers.

Consolidated Edison, Inc., provides a wide range of energy-related products and services to its customers through its two regulated subsidiaries: Consolidated Edison Company of New York, Inc., which provides electric, gas and steam services to New York City and Westchester County; and Orange & Rockland Utilities, Inc., which provides electric and gas services in Rockland County and Orange County of New York State, and also parts of New Jersey and Pennsylvania.

Consolidated Edison Company of New York, Inc. (the "Company" or "Con Edison") is extending this request for proposal ("RFP") to qualified and experienced vendors ("Respondents") with the capability to deliver solutions that provide gas distribution system load relief in the form of customer-sited energy efficiency, building electrification, or other feasible solutions through the Company's Non-Pipeline Alternatives Program ("NPA"). The project opportunity identified in this RFP is the following:

- Port Chester Distribution System Reinforcement Project

Background

Con Edison supports New York State's clean energy objectives, including the ambitious goal of the Climate Leadership and Community Protection Act ("CLCPA") of reducing greenhouse gas ("GHG") emissions by 85 percent from 1990 levels by 2050. The Company recognizes that reducing the GHG emissions associated with the combustion of natural gas for heating, cooling, cooking, and hot water (among other uses) will help limit overall GHG emissions. In its clean energy commitment, the Company notes its plans to work with customers, stakeholders, government, and industry in order to expand its efforts to reduce the use of fossil fuels for heating to achieve a clean, smart, and reliable energy future.

RFP Purpose

This RFP solicits responses from qualified Respondents able to deliver customer-sited load relief solutions for the indicated NPA projects and details the requirements that Respondents must follow to submit a proposal. Through this RFP, the Company seeks to replace traditional gas system infrastructure investment with a suitable NPA solution or portfolio of NPA solutions identified through this market solicitation. This specific RFP seeks to identify projects that would be designed for strategic elimination of distribution reinforcement projects by reducing system load through energy efficiency, electrification, or other customer-sited measures, where most effective, while maintaining system reliability. Proposed solutions should ensure the achievement of winter peak day reduction of natural gas usage in targeted buildings and customer segments. They should also support system reliability and be cost effective for Con Edison's customers.

The project described in this RFP has a specified year by which the need for load reduction by energy efficiency, electrification, or other customer-sited measures must contribute to the overall load reduction goal. This RFP is not looking to award a contract for the entire load reduction target. Furthermore, there is no minimum load reduction amount that can be submitted in a Respondent's proposal. Proposed solutions should decrease peak load demand and aim to increase reliability at the lowest reasonable cost possible. Con Edison intends to award multiple contracts in an attempt to build a portfolio of projects that will diversify project execution risks and



maximize benefits to customers. Proposals will be evaluated on their ability to cost-effectively reduce customer load in the specified areas as quickly as possible in lieu of completing a distribution reinforcement project.

Con Edison expects that each RFP response should, at a minimum, detail the Respondent's suggested customer acquisition approach (if applicable), load relief impact, cost for completing the project, project plan or proposal, and a timeline for implementation as outlined in the Proposal Response Format section of this RFP. Responses must also include a peak day dekatherm load relief impact analysis resulting from the proposed solution, as part of a completed **Non-Pipeline Alternative Questionnaire (Attachment A)** (also, the "Questionnaire").

Respondents are expected to be financially and technically capable of developing, permitting, constructing, interconnecting, and operating on proposed projects, such that the anticipated benefits can be realized on time to meet the Company's needs. Respondents are also expected to be capable of complying with the Company's vendor qualifications and reporting requirements. Con Edison will make reasonable efforts to evaluate each Respondent's solution in a manner that equitably balances that solution against the solutions proposed by other Respondents and the system needs. Professionalism and organization of proposal responses will also be taken into consideration during the review process.

Respondents are permitted to propose compensation arrangements and commercial terms appropriate to their proposed projects. Con Edison will consider the risks and costs in connection with the proposed terms during its evaluation process.

Responses will be disqualified in the review process if key solution details are left out of the **Questionnaire** or proposal (e.g., equipment nameplate and peak day load relief, full cost details, electric demand impact for a proposed technology, etc.). If Con Edison enters into a contract with a Respondent, then the Respondent will be subject to additional verification milestones to ensure that the Respondent is on track to provide the contracted load reduction. Con Edison may terminate that contract if the Company deems that load reduction goals are not likely to be achieved.

Non-Pipeline Alternatives Project Description

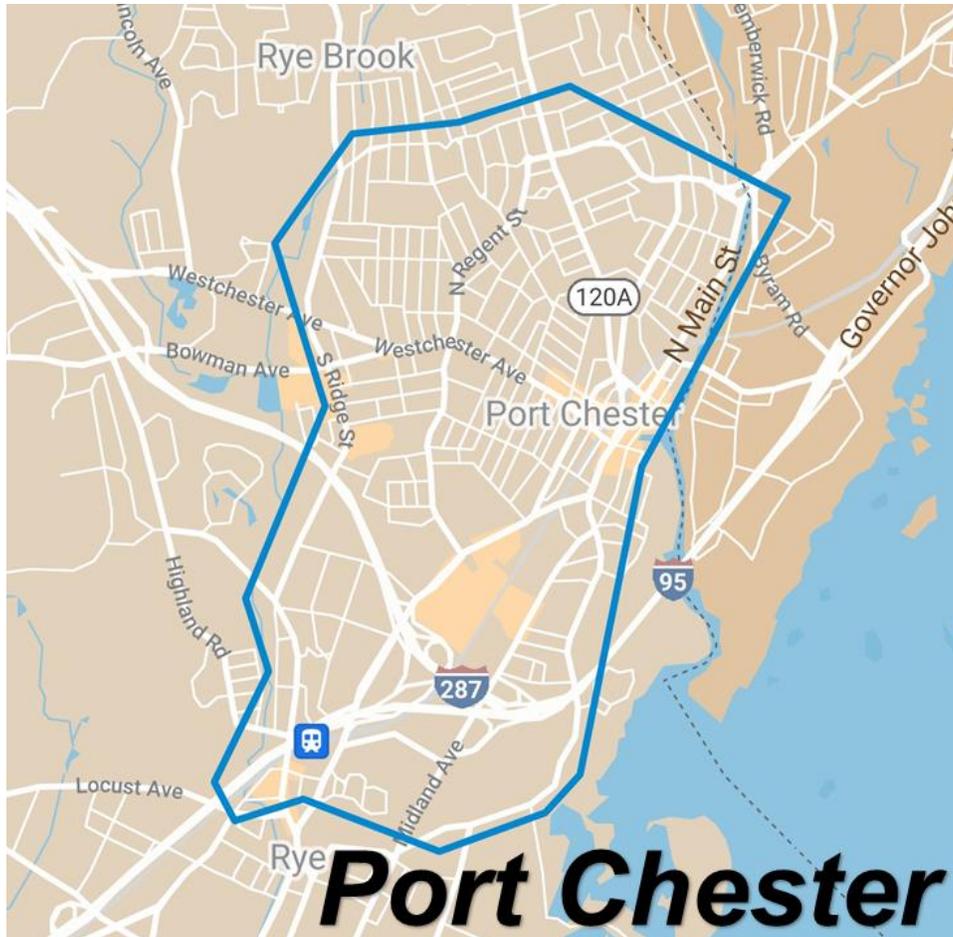
Project Background

The following natural gas distribution reinforcement project will ensure the continued safety and reliability of the system and require significant capital investments.

DISTRIBUTION SYSTEM REINFORCEMENT PROJECT

The medium-pressure distribution system in Port Chester is supported by a series of backbone medium-pressure supply mains that supply the local low-pressure distribution system through multiple medium-pressure to low-pressure regulator stations. Load growth on the medium-pressure distribution system in the Port Chester neighborhood is projected to exceed existing regulator station capacity within the next 5 years. To alleviate the projected capacity deficiency, it is necessary to install a new transmission-pressure to high-pressure regulator station, approximately 13,000 feet of new high-pressure supply main, and revamp two medium-pressure to low-pressure regulators stations to high-pressure to low-pressure regulators all prior to November 1, 2025. The goal of the NPA will be to reduce the local medium-pressure distribution system's peak load to an extent such that it

will eliminate the need for the distribution reinforcement project. Respondents should demonstrate the ability to reduce the peak day load of customers within the identified area through electrification, energy efficiency, or other customer-sited measures in close collaboration with Con Edison’s other ongoing efforts. Con Edison has mapped the geographic boundary around the distribution reinforcement project impact area where targeted NPA load reductions will alleviate the projected deficiencies. For a summary of customer segmentation and associated characteristics, please refer to Appendix A. This summary is not an exhaustive list and is subject to change. Respondents should utilize it to determine the types of customers they wish to target and scale the size of their proposed NPA solutions.



Year	Dth/Dy
2023	310
2024	207
2025	4,339

Note: The load reduction need identified for each year will persist through the full need period so the measure implemented must also persist as well. Reduction target must be met by November 1st of the stated year.

This RFP identifies geographic boundaries that encompass the areas surrounding planned distribution system reinforcement projects that require targeted load reductions via electrification, energy efficiency, or other customer-sited measures. All customers within the identified boundary should be pursued for the overall load reduction under the NPA solution.

Respondents should propose collaborative methodologies for effectively evaluating and acquiring projects, including the identification of an appropriate scope of work needed to reduce the customer's gas usage in partnership with representatives from the Company.

Solutions must put forth a holistic business model that would result in net benefits to customers, contribute significantly to emissions reductions, and provide a sustainable path forward for electrification, energy efficiency or other customer-sited load reduction measures that provide similar benefits. The customer experience must also be addressed through this program, and maintain reasonable customer energy costs, comfort, convenience, and maintain reliability.

Additional Requirements

The Company requires that the following components be incorporated into Respondents' proposals:

1. **Customer acquisition strategy:** Respondents must put forth a detailed strategy to target and acquire the customers needed for load reduction measures. Con Edison expects that Respondents shall be able to effectively reach their target audience with minimal reliance on Con Edison resources or customer data. Including letters of support from customers who plan to implement the solution at their site is highly encouraged.
2. **Financial analysis:** Respondents must put forth a detailed financial analysis that provides a cost-competitive solution for the Respondent, participating customers, and the Company.
3. **Incorporation of existing incentives and other market support:** The Company already has existing incentive programs, which can be found at www.coned.com/energyefficiency, for many common energy efficiency measures and heat pump equipment (e.g., NYS Clean Heat Program.¹). Respondents must address how they anticipate leveraging these as well as any other opportunities within their proposed NPA solution in order to optimize customer value.

Eligibility and Requirements

Project Eligibility

Eligible projects must be confirmed via a joint site identification process in collaboration with Con Edison. Customers must be firm gas users; see Appendix A for a summary of currently identified eligible customers. Verification of customer eligibility is a requirement prior to project installation and commitment to issue any incentive payments.

¹ See here for a full listing of our existing energy efficiency offerings:
<https://www.coned.com/en/save-money/rebates-incentives-tax-credits>

Qualifying Technologies

This RFP is open to any customer-sited solution that can provide peak day gas load reduction in the targeted areas, without proposing delivery methods already available to customers under the Company's existing energy efficiency programs. Preferred solutions should have a lifespan that extends well beyond the project's target deadline. Respondents should make considerations for these existing programs, e.g., Commercial & Industrial Gas EE, Small-Medium Business HVAC, and the Clean Heat program.

Visit www.coned.com/energyefficiency for more information on current Con Edison programs.

Visit [Find a Program – NYSERDA](#) for more information on current NYSERDA programs.

Timing

Con Edison is seeking NPA solutions that can provide load relief prior to the winters (i.e., November 1st) of the project's target years, identified in the Project Summary List in Appendix A, with preference given to solutions that can deliver in earlier years. The final year of eligibility for projects associated with this RFP is 2025 for Port Chester. Respondents are required to identify an appropriate load relief delivery date(s) for their proposed project(s).

Projects that anticipate requiring a new electric service and apply for interconnection with Con Edison's electric distribution system (i.e., projects that include electric generation assets such as solar and/or battery energy storage) should expect and plan for at least a 24-month timeframe to complete the interconnection process following the issuance of a Coordinated Electrical System Interconnection Review (CESIR) study and receipt of full payment for the associated upgrades. Projects must demonstrate in their application a milestone-based timeline that incorporates this timeline.

Siting and Interconnection

Siting and interconnecting solutions to meet the NPA electrification needs are the sole responsibility of the Respondents awarded under this RFP. Respondents are strongly encouraged to review all relevant Con Edison specifications, application, and interconnection upgrade timelines prior to submitting proposals. Winning proposals will demonstrate competency and experience in navigating siting, permitting, installation, and interconnection of their proposed solution.

NPA contracts awarded under this RFP will be required to follow the New York State process for interconnecting projects that include Distributed Energy Resources (DERs) that prove valuable to NPA needs. NPA projects will not receive preferential treatment during interconnection application process or while in the queue.

Submission of a proposal in response to this RFP implies the Respondent fully understands the process for submitting their building projects in the Con Edison Project Launch Center as well as the interconnection process and requirements (where applicable).

Installation and Operational Status

Con Edison reserves the right to hold periodic project status calls with selected Awardees to determine whether projects are on schedule and to assess any aspects that require assistance from Con Edison.

If there is a change in the Scope of Work, Con Edison must be notified and all work must stop until Con Edison gives approval to proceed in writing. If the change in the Scope of Work results in the inability for one or more project sites under the NPA solution to achieve any load reductions, then the Respondent may forfeit the contractually specified NPA incentives for that project(s).

After the equipment is fully operational, the Respondent must sign and deliver a Certificate of Completion along with all itemized invoices to Con Edison.

Measurement and Verification (M&V)

Con Edison (including by its contractors and subcontractors) reserves the right to conduct pre- and post-installation inspections of the site to ensure operational availability and conduct performance testing to achieve the stated objectives of the projects proposed by any proposal to meet the objectives of this RFP. If deemed necessary, Con Edison may install data loggers and/or download building management system data for M&V purposes. In addition, energy storage and distributed generation projects will need to provide real-time information access to the project for performance evaluation purposes. Overall, the Respondent will be responsible for providing site-specific access, data, supporting documentation and otherwise cooperate fully in support of this effort.

All awarded incentives will be subject to change based on the success of achieving the forecasted load reduction at identified customer sites.

Incentive Payments

An Awardee under this RFP will be eligible to receive incentives from Con Edison that compensate solutions based on their successful reduction of load in the required area through energy efficiency, electrification, or other customer-sited measures, subject to contract requirements. The incentive payment may be adjusted based on the post-installation inspection and M&V analysis to confirm a building's ability to disconnect (where applicable) and/or the operational performance of the new equipment.

All solutions will be paid at the approved awarded incentive rate following the satisfaction of contract requirements, including installation of the solutions and a post-inspection analysis by the Company or its third-party contractor based on the measured load relief provided by the solutions.

Project Schedule and Milestones

Respondents will be required to adhere to several key project milestones to ensure that proposed solutions are on track to deliver Con Edison's system requirements. Failure to meet critical project milestones may result in the Company having to implement the traditional distribution reinforcement project, which would therefore lead to the forfeiture of any potential future NPA incentive payments.

The project schedule below represents an example timeline for an NPA project to deliver distribution system load reductions by the associated target year. Any contract entered into by an Awardee and the Company will include similar project milestones depending on the type of solution provided and expected operational date.

Table 1. Project Schedule and Milestones Example

Vendor Milestone	Timeline
Provide Con Edison NPA team with customer outreach plan and preliminary design for each targeted project	>4 months prior to Nov 1 of Target Year
Submit to Con Edison NPA all engineering reports and projected energy system impacts	>3 months prior to Nov 1 of Target Year
Project made available for pre-installation inspection	>2 months prior to Nov 1 of Target Year
Project made available for post-installation inspection and verification	>1 month prior to Nov 1 of Target Year
Project complete and operational	No later than Nov 1 of Target Year

RFP Response Evaluation Approach

Solutions proposed in response to this RFP will be reviewed in detail by Con Edison. Con Edison will use an evaluation framework to develop optimal solutions to address the identified need. The primary proposal review criteria are listed below. The review process is intended to be fair and equitable, with the objective of achieving the greatest overall value to Con Edison customers while maintaining or increasing the reliability of the gas distribution system.

Respondents should note that although Con Edison will be reviewing each Respondent’s proposed solution, assuming the submission criteria are met, there is no guarantee that it will be selected.

Respondents should also note that each measure of any proposal submitted, whether part of a single-measure proposal or a multiple-measure proposal, will be evaluated against other like measures; and, thereafter, the Company may evaluate all measures in the aggregate in a manner that considers the overall benefit to the Company based on the criteria set forth in this RFP, and include considerations that could allow for the selection of individual measures across multiple proposals.

As stated above, projects will be disqualified in the review process if key solution details are left out of the **Questionnaire** or proposal (e.g., equipment nameplate and peak day load relief impact, full cost details, electric demand impact for a proposed technology).

Proposal Evaluation Criteria

Proposals will be evaluated and scored based on the following criteria which are not necessarily listed in order of significance:

Review Approach	Objective
Proposal Content and Presentation	Information requested has been provided and is comprehensive to allow for evaluation. Professionalism and organization of proposal responses will also be taken into consideration during the review process.
Project Costs	Total cost of the project, total NPA incentive required from Con Edison, and utilization of existing incentives for the proposed solution.
Benefit-Cost Analysis	The Company is required to utilize a BCA as outlined in the BCA Handbook filed with the New York State Public Service Commission (PSC). A BCA will be applied to each Respondent's solution as well as the complete NPA portfolio of solutions to inform selection of projects that bring the most net benefits to customers.
Execution Risk	<p>The expected ease of project implementation within the timeframe required for the NPA (e.g., siting, permitting, construction risks, and operating risks).</p> <p>The ability to meet Con Edison's schedule including customer acquisition and interconnection requirements for the particular NPA opportunity. The extent to which the project schedule reflects realistic and sufficient detail from contract execution to project implementation and completion.</p>
Qualifications	The relevant experience and past success of Respondents, including their partners, in providing their proposed solutions to other locations, including as indicated by reference checks and documented results. For Respondents proposing distributed generation or energy storage projects, qualifications include relevant experience in siting, permitting, and interconnecting the proposed solution.
Customer Acquisition	The extent to which Respondent's proposed solution would fit into the needs of the targeted customer(s) and Respondent's customer acquisition strategy. Preference will be given to proposals that include commitments from eligible customers to install the project(s).
Load Reduction Potential	The ability of the proposed solution to achieve load reduction.
Community Impact	The positive or negative impact that the proposed solution may have on the community in the identified area (e.g., noise, pollution, environmental and health considerations,).
Innovative Solution	Innovative solution that (i) targets customers and uses technologies and approaches that are currently not part of Con Edison's existing programs, (ii) considers generally underserved customer segments (i.e., low to moderate income residential customers or small to medium commercial customers), and/or (iii) is based on the use of advanced technology that helps foster new energy efficiency and electrification markets and provides potential future learnings.

Non-Pipeline Alternative Questionnaire Completion

The **Questionnaire** must be fully completed and submitted with the Respondent’s proposal. Respondents should provide complete benefit and cost details for each measure they identify in the **Questionnaire** and submit them with the proposal.

All fields in the **Questionnaire** are critical to allow for a thorough review of a potential NPA, as well as provide information important to the creation of the portfolio of awarded projects. All tabs within the **Questionnaire** must be completed. Failure to submit a completed **Questionnaire** is cause for disqualification.

RFP Submission and Timing

Below is the expected schedule to be followed for this solicitation:

RFP Solicitation Milestones	Completion Date*
RFP issued	12/10/2021
RFP Webinar	12/17/2021
Deadline for Respondents to submit clarification questions	1/14/2022
Con Edison responses to clarification questions due	1/28/2022
Deadline for Respondents to become enabled in Con Edison Procurement System	2/4/2022
Qualified Respondents proposals due	4/8/2022 at 3:00 PM

***Con Edison reserves the right to change any of the above dates.**

The Company expects to provide a status update to Respondents by 6/2/2022 for Port Chester Distribution System Reinforcement Project.

Clarification Questions

All Respondents should direct questions during the clarification question timeframe by emailing NPA@coned.com. All questions and answers deemed essential for the viable submission of a proposal will be publicly posted at: coned.com/nonpipes. Respondent names will be kept confidential. Respondents must not reach out to other Con Edison personnel regarding this RFP.

Submittal Instructions

All proposals must be submitted through the Company’s Oracle RFQ System on or prior to the due date and time. Respondents who fail to submit by the due date and time will be locked out of the Oracle RFQ System. Therefore, Respondents are encouraged to upload submissions well in advance of the closing time to avoid any potential issues that may occur, including any unfamiliarity with the Oracle RFQ System.

If you are already enabled in Con Edison's Oracle RFQ system, please email Lauren Armely at ArmelyL@coned.com, copying NPA@coned.com to confirm, indicating your interest in participating.

Respondents who have never participated in a Con Edison RFP must take the following actions to successfully submit a proposal:

1. Download this RFP and the **Non-Pipeline Alternative Questionnaire (Attachment A)**, and email Lauren Armely at ArmelyL@coned.com, copying NPA@coned.com, to indicate your interest in participating.
 - a. Provide the following documents to become enabled in the Oracle RFQ System:
 - i. W-9 form
 - ii. Supplier Enablement Template (provided by Lauren Armely)
2. Receive Formal RFQ response request.
3. Submit response and fully completed **Vendor Qualification Application (VQA)** to Con Edison Procurement System through the Oracle RFQ System.

Note: The Oracle RFQ System is only capable of accepting individual documents no larger than 5MB in size. Respondents may find it necessary to split up large documents into smaller files due to this system constraint.

RFP Response Format and Content

This section outlines the requirements for responses to this RFP, including the format and content. Respondents are strongly encouraged to submit their proposal in accordance with the summary instructions outlined in this section. Any limitation regarding a Respondent's ability to supply information requested in this RFP (or to support or perform a particular function or service) should be explicitly stated in the proposal response. Any Respondent partnering with other solution providers to perform a particular function or service must be explicitly stated. Respondents must submit the response in the following separate documents:

1. Proposal with format and content as described below
2. Proposal attachments
3. Non-Pipeline Alternative Questionnaire (Attachment A)

Proposal

- Proposals (excluding appendices and attachments) should be no longer than 25 pages
- The proposal's solution must meet the [Project Eligibility and Requirement](#) outlined above
- The proposal content must be submitted as either a Word or PDF document
- The proposal content must be organized as follows:

Proposal	
This document must be titled “ <i>ProjectName_VendorName_Proposal</i> ” (e.g. “Load Reduction_ConEdison_Proposal”)	
Section	Section Description
Respondent Checklist	Respondent should provide the properly completed Respondent Checklist (Appendix C) as part of the proposal.
Cover Letter	Respondent’s Cover Letter must include Respondent’s legal name and address; the name, title and telephone number of the individual authorized to negotiate and execute the agreement that might result if there is an award; the signature of a person authorized to contractually bind Respondent’s organization; a statement that Respondent has read, understands and agrees to all provisions of this RFP, or, alternately, that indicates exceptions will be taken to this RFP.
Table of Contents	Include a clear identification of the proposal by section and by page number as identified above.
Executive Summary	In this section, Respondent should provide an executive overview and summary of the key features of Respondent’s solution.
Proposal Body	<p>The main body of the proposal must be presented with specified sections. Refer to Proposal Content below for detailed descriptions.</p> <ul style="list-style-type: none"> • Proposed Solution Description • Project Schedule, Siting and Acquisition Plan • Risks, Challenges, and Community Impacts • Professional Background and Experience with the Proposed Solution
Assumptions and Exceptions	Respondents should provide a list of assumptions made in developing the response to this RFP that should be considered when evaluating the response. Respondents should provide a stand-alone section listing any exceptions to this RFP.
Glossary of Terms	Respondent should provide a glossary of terms that is specific to Respondent’s solution.
25 page limit (not including Appendices)	
Appendix	<p>As separate attachments, Respondents should provide:</p> <ul style="list-style-type: none"> • Completed Non-Pipeline Alternative Questionnaire (Attachment A) • Detailed Costs and Assumptions Associated with Proposed Solution • Project organizational chart and project team resumes • Financial statements for the past three years and services offered • Letters of support • Any other relevant information deemed appropriate and noteworthy supporting and validating the proposed solution

Proposal Content

The following information addresses major areas that must be included in Respondent's main body of the proposal.

Proposed Solution Description

Project proposals must demonstrate how the proposed solution will achieve the demand reduction through customer-sited measures and maximize value to Con Edison's customers. Detailed project information must include:

- General scope of work
- Technology/Solution description (including discussion on technology readiness, flexibility and applicability if not listed in TRM v8)
- Performance characteristics of technology and approach
- Summary table of the types of customers the Respondent plans to implement load reduction measures for (refer to Appendix A for target list)
- Detailed description of methodology and approach towards providing the proposed project experience for targeted customers
- Detailed calculations, data, methodology, and assumptions used to determine the estimated load impact for both gas and electric systems.
- Specification sheets associated with the proposed solution(s)
- Operation and maintenance plan (if applicable)
- Confirmation of cooperation to facilitate any M&V that the Company may deem necessary.

Project Schedule, Siting and Acquisition Plan

Proposed measures must be in service, and the pledged demand load reduction must be guaranteed to commence, prior to the date(s) specified in the agreed upon contract. This section must contain a detailed plan to implement the solution, including:

- Implementation plan and detailed timeline from contracting to implementation and completion of the proposed solution
- Existing partnerships with Engineering, Procurement, and Construction (EPC) firms and any additional relevant subcontractor agreements
- Respondents proposing to market the installation of measures to customers must include the following:
 - Customer acquisition and marketing plan
 - A full and complete assessment of the opportunity, including at a minimum, a description of the markets, such as one-to-four family homes, multifamily buildings, small commercial buildings (e.g., retail stores, restaurants), large commercial buildings (e.g., office buildings, industrial) and government or institutional buildings (e.g., hospitals, hotels, schools, colleges), and the applicable measures and technologies to be directed at each selected market or customer segment
 - An illustration of the marketing and sales strategies that will be employed to capture the selected market or customer segment and to deliver the measures included in their proposals. Please note that marketing and sales plans must be expressly approved by the Company

- Letters of support from partners, vendors, and/or any party that will influence the success and desired outcomes of Respondent's proposal
- Letters of support from customers who plan to implement the solution at their site in the applicable area of need identified (Note: since customer qualifications will need to be verified and confirmed by Con Edison, please provide customer account numbers).

Risks, Challenges, Community Impacts

Respondents must provide the following:

- Identify and explain risks, barriers and challenges associated with implementing the solutions such as:
 - Permitting
 - Construction
 - Interconnection
 - Operations
 - Customer acquisition
 - Contingency plan for inability to achieve load reduction need
- Detailed description of non-energy benefits associated with the proposed solution
- Information on elements of the proposal that affect the environment and community (both positive and negative) including, but not limited to, associated GHG emissions, waste streams and management, job creation potential, and visual or noise impacts.

Professional Background and Experience with the Proposed Solution

Respondents must provide the following:

- Firm's core business and organizational structure
- Relevant project experience and examples of prior industry specific work that is similar in nature and relevant to the Non-Pipeline Alternative requirements, with particular emphasis on implementation of the solution, such as at other utilities, large municipalities, co-ops, or any other applicable facilities
- Respondents proposing projects that require submission through Con Edison's Building & Remodeling Project center, must specifically indicate in their proposal responses whether they have previous experience with submission of these project types in New York State and/or New York City. Please include relevant details on these projects as applicable.
- References and contact information of customers where the solutions have been implemented (at least three references)
- Firm's commitment to supplier diversity (**see Vendor Qualifications below**)
- Project organizational chart and project team resumes (**include in Appendix**)
- Any other relevant information deemed appropriate and noteworthy supporting and validating the proposed solution (**include in Appendix**)
- Financial statements for the past three years, and services offered (**include in Appendix**).

Detailed Costs Associated with Proposed Solution

Exclude all cost and pricing information associated with an RFP response from the body of the proposal (e.g., executive summary, solution description, assumptions, and exceptions, etc.). Cost information must be submitted as separate files in an appendix.

Respondents must provide the following:

- A detailed cost breakdown, also requested in the **Non-Pipeline Alternative Questionnaire (Attachment A)**, with explanations and validation of funding strategies providing examples which are provable and repeatable
- Identification of other funding streams that will be utilized to mitigate cost impact to the Company's customers (i.e., City, State, utility, Federal and private sector incentive and funding opportunities)
- Description of anticipated financing, including transaction structures and pricing formulas.

Vendor Qualification

The Company's policy requires all vendors to be commercially qualified with the Company prior to a contract award. To become commercially qualified, vendors must complete an online Vendor Qualification Application (VQA). Instructions to access the VQA form will be forwarded to each potential vendor that has not been previously qualified by the Company.

Supplier Diversity

All attachments referenced below will be provided through the Vendor Qualification Application process. If you have any questions, please contact Lauren Armely at ArmelyL@coned.com.

Minority-Owned and Women-Owned Business Enterprises

The Company recognizes the importance of supplier diversity in all aspects of our business and procurement practices and actively encourages the development, utilization, and economic growth of certified Minority-owned and Women-owned Business Enterprises (MWBEs). We are committed to including MWBE's as prime vendors, 2nd Tier subcontractors, and value-added resellers in our Supply Chain to the maximum extent practicable.

As such, Respondent outline how Respondent's procurement practices for tier-2 suppliers and manufacturers incorporates sustainable practices impacting both the Company's service area and the material source's local community.

This section sets forth the required efforts by a supplier related to the Company's Supplier Diversity Program if Respondent should become a supplier, including the use of certified diverse suppliers and the regular reporting of such use.

Supplier's Good Faith Efforts

Supplier must make a good faith effort (see SDP Attachment A1 for further guidance related to Good Faith Efforts) to include MWBE Utilization and submit a MWBE Subcontracting Good Faith Effort Summary form (SDP Attachment A2).



Examples of Good Faith Efforts include participating in industry trade association outreach and matchmaker events, creating joint ventures or reseller agreements, with MWBEs, and including diverse vendors in bid list solicitations for subcontracting opportunities.

MWBE 2nd Tier Utilization Plan Summary

Supplier is required to submit a MWBE 2nd Tier Utilization Plan Summary (SDP Attachment A3) outlining Vendor's plan to subcontract direct and/or indirect business to diverse suppliers.

The completion and submission of the MWBE 2nd Tier Utilization Plan Summary does not constitute a contractual agreement between a supplier and named subcontractor but is solely for documenting proposed compliance with Con Edison's Supplier Diversity Program requirements.

Supplier must maintain the following records, which must be made available to the Company upon request:

- Documentation of Subcontractor's MWBE certification
- List of MWBEs solicited for subcontract opportunities
- Organizations contacted to source potential subcontractors
- Documentation to support payment data

MWBE 2nd Tier Utilization Plan Summaries must be submitted with the proposal submission. A MWBE 2nd Tier Utilization Plan Summary must contain the following components:

1. Contract Number and/or Statement of Work (SOW) Number
2. Legal company name of the supplier
3. Description of operational services and/or supplies to be subcontracted.
4. Target goal percentage to be subcontracted to diverse businesses.
5. Contact information for a prime vendor's supplier diversity efforts

Proposal Attachments

The response must include the following attachments including the fully completed **Non-Pipeline Alternative Questionnaire (Attachment A)**.

Proposal Attachments	
Document	Description
Non-Pipeline Alternative Questionnaire	<p>The Non-Pipeline Alternative Questionnaire (Attachment A) must be fully completed and submitted with Respondent’s proposal. Respondents should provide complete benefit and cost detail for each measure they identify in the Questionnaire and submit with the proposal.</p> <p>All fields in the Questionnaire are critical to allow for a thorough review of a potential NPA, as well as provide information important to the creation of the portfolio of awarded projects. All tabs within the Questionnaire must be fully completed.</p> <p>Failure to submit a fully completed Questionnaire will lead to disqualification.</p> <p><i>This document must be titled “ProjectName_VendorName_ Questionnaire”</i></p>
All Other Attachments	<p>Respondents should provide information not specifically requested in the body of the proposal as a separate attachment. Such items include:</p> <ul style="list-style-type: none"> • Detailed Costs and Assumptions Associated with Proposed Solution • Project organizational chart and project team resumes • Financial statements for the past three years and services offered • Letters of support • Any other relevant information deemed appropriate and noteworthy supporting and validating the proposed solution <p>Any additional information that Respondents would like to provide about the proposed solution can be included as an attachment to the proposal. However, priority will be given to the information contained within the specified RFP format and the Questionnaire.</p> <p><i>This document must be titled “ProjectName_VendorName_ Attachments”</i></p>

RFP Terms and Conditions

It is solely the responsibility of each Respondent to ensure that all pertinent and required information is included in its submission. Con Edison reserves the right to determine at its sole discretion whether a submission is incomplete or non-responsive.

Respondents should state clearly all assumptions made with respect to this RFP. In the absence of an explicit statement to the contrary, each Respondent shall be deemed to have agreed with and understood the requirements of this RFP. While Con Edison has endeavored to provide accurate information, Con Edison makes no warranty or representation of accuracy.

Any exceptions to the terms, conditions, provisions, and requirements herein must be specifically noted and explained by Respondent in Respondent’s response to this RFP. Con Edison will assume that any response to this RFP expressly accepts all terms, conditions, provisions, and requirements, except as expressly and specifically stated by a Respondent in its response to this RFP.

Respondents agree to keep confidential all information provided by Con Edison in connection with this RFP.

Qualifications of Respondents

The Company may make such investigations as the Company deems necessary to determine the qualifications of Respondents and proposed subcontractors to perform the work. A Respondent should promptly furnish any information and data as may be requested by the Company as part of any such investigation. The failure of a Respondent to produce timely information and data requested by the Company may provide a basis for rejection of the proposal.

Proprietary Information

If a proposal includes any proprietary data or information that a Respondent does not want disclosed to the public, then such data or information must be specifically designated as such on each page on which it is found. Con Edison shall be held harmless from any claim arising from the release of proprietary information not clearly identified as such by a Respondent. Because of the need for public accountability, the following information regarding the proposal may not be considered proprietary, even if such information is designated as such: pricing terms and non-financial information concerning compliance with RFP specifications, and, whenever possible, such information if required to be shared may be shared in a fashion not identifiable to an individual Respondent.

Cost of Proposal Preparation

The cost of preparing a proposal in response to this RFP, including, but not limited to, the cost associated with site visits and preliminary engineering analysis, will not be reimbursed by Con Edison.

Environmental Health and Safety

The Company's Environmental Health and Safety (EH&S) guidelines and requirements can be found on the Company's Oracle Procurement System. There are also local, state, and federal requirements, which include, but are not limited to, building codes, proper disposal/recycling of ballasts and fluorescent lamps, air conditioning and refrigeration equipment, hazardous material, and equipment removal from program participants. When entering into a contract with the Company, a corporate EH&S plan must be submitted to the Company, and a task-specific EH&S plan must be created and approved before any work may begin.

Data Management, Customer Eligibility Verification and Payment

The Company uses a customized Salesforce.com interface known as Demand Management Tracking System (DMTS) as its system of record for all program project tracking and review of invoices for work completed by an Awardee. The system is constantly updated to incorporate program changes. It will be necessary for an Awardee to collaborate and provide resources dedicated to the data transfer/upload and maintenance to DMTS. DMTS possesses the functionality to act as the Customer Relationship Manager (CRM), workflow management, tracking, and project & energy savings.

An Awardee must submit all required project details/information directly to DMTS on a regularly scheduled basis. The Company will utilize it to review project details and invoices and forward payment to an Awardee.

The Company is required to report program information to the PSC at various times throughout the year. An Awardee will be expected to collect and validate all information necessary to support this reporting. The

Company also is expected to collect data for program evaluation purposes. Appendix B provides the Company's general data requirements. An Awardee will be expected to add, remove, or modify data collection efforts as a result of evaluation recommendations and/or regulatory requirements. All data related to this program is the property of the Company. An Awardee's data security and integrity is expected to have been discussed in Awardee's proposal. Additionally, an Awardee will be required to review and submit a completed response to the Company Vendor Product/Service Security Assessment Checklist discussed in Appendix C.

Right to Reject

This RFP shall not be construed to create an obligation on the part of Con Edison to enter into any contract, or to serve as a basis for any claim whatsoever for reimbursement of costs for efforts expended by Respondent. Con Edison shall not be obligated by any statements or representations, whether oral or written, that may be made by the Company, its employees, principals, or agents.

Con Edison reserves the right to accept any responsive proposal, to reject any and all proposals, and to waive irregularities or formalities if deemed to be in the best interests of the Company. Any such waiver shall not modify any remaining RFP requirements nor excuse any Respondent from full compliance with all other RFP specifications and contract requirements if Respondent is awarded a contract. Con Edison shall reject the proposal of any Respondent that is determined not to be a responsible bidder, or whose proposal is determined by the Company to be non-responsive.

Con Edison reserves the right to withdraw this RFP at any time and for any reason, and to issue such clarifications, modifications, and/or amendments at any time as it may deem appropriate. Receipt by the Company of a response to this RFP confers no rights upon a Respondent, nor any obligations upon the Company.

Revisions to this RFP

Con Edison reserves the right to make changes to this RFP by issuance of one or more addenda or amendments and to distribute additional clarifying or supporting information relating thereto. Con Edison may ask any or all Respondents to elaborate or clarify specific points or portions of their submission. Clarification may take the form of written responses to questions or phone calls or in-person meetings for the purpose of discussing this RFP, the responses thereto, or both.

If it becomes necessary to clarify or revise this RFP, such clarification or addendum shall be issued by the Company by letter, e-mail or written addendum to this RFP. Any RFP addendum shall be delivered by hand, certified mail, facsimile, e-mail or delivery by courier service which certifies delivery. Only those Respondents that have already received the proposal documentation directly from the Company will be provided the clarification. Any addendum to, and/or clarification or revision of this RFP, shall become part of this RFP and, if appropriate, part of the agreement that derives from this RFP.

Basis of Proposal Award

Award of proposal shall be made to the most responsive and responsible respondent meeting the specifications, price and other factors considered, as determined by the Company, in its sole discretion. The proposal evaluation criteria are set forth within this RFP.

Collusion and Other Prohibited Activities

Collusion with other Respondents at any time in connection with this RFP is strictly prohibited. Collusion and other prohibited activities include, but are not limited to: discussing bid strategies with other program participants, engaging in any activity with the intent to influence the outcome of this RFP in a manner inconsistent with competitive behavior, or taking any action to undermine the competitive nature of this RFP and otherwise benefit from Con Edison incentives with no intent or expectation of providing the amount of Peak Demand Reduction or Annual Energy Savings submitted in the Respondent's proposal. The Company shall have the discretion to determine when collusion or other prohibited activities have occurred and to take any appropriate action, including barring participation in future RFPs or programs, and reporting the activity to the New York State Department of Public Service, the PSC and any other appropriate state or federal agencies.

NPA Key Provisions

Below are notable provisions for entering into an NPA contract, which do not reflect all of the items that could be important to a given Respondent. Respondents are encouraged to review the corresponding agreement in its entirety prior to submitting a proposal to understand all terms and conditions.

Underperformance

The inability to deliver load relief commitment will result in a lower performance payment and may also result in liquidated damages to Con Edison as provided for by any contract between Respondent and Con Edison.

Security

Respondents are put on notice that if a Respondent's solution is selected, then Respondent may be required to furnish security to Con Edison that demonstrates, among other things, financial capability to pay liquidated damages in the event that the Respondent fails to satisfy its demand reduction commitments during the period required. Financial assurances may be required to ensure that projects achieve the programmatic goals of this RFP and maintain a safe and reliable energy system for Con Edison and its customers.

Subcontracting and Assignment

No portion of the work associated with any solution resulting from a successful response to this RFP by a Respondent may be delegated, subcontracted, assigned, or otherwise transferred without the prior written approval of the Company in each case.

Definitions

Awardee: A person and/or entity, or a representative thereof, selected by Con Edison as the primary contractor in response to this RFP.

Benefit-Cost Analysis (BCA): The use of consistent and transparent methodologies that calculate the benefits and costs of potential demand side projects and investments to weigh the relative value to the Company of those initiatives, and as shall be informed by the “Interim Benefit-Cost Analysis Handbook for Non-Pipeline Solutions” filed with the PSC by the Company on September 28, 2018 and any successor handbook or manual.

Dekatherm or Dth: A unit of heating value equivalent to 10 therms or 1,000,000 British Thermal Units (Btu) that is typically used as a measure of the energy content of natural gas and that is also the unit of purchase for most natural gas.

Demand: The level of need for natural gas at a specific location or customer end use.

Distribution System: Con Edison’s gas distribution mains and services.

Full Electrification: The process of fully converting a property’s HVAC, appliances, and any other on-site equipment connected to Con Edison gas service to electric alternatives.

Low- to Moderate-Income (LMI): defined as households at or below 80% of State or Area Median Income; Market Rate, used when not LMI or for Residential/Multifamily households above 80% of State or Area Median Income.

Measure: Individual Non-Pipeline Alternative strategies included by a Respondent in their proposal.

Non-Pipeline Alternative(s) (NPA): A demand-side (whether a singular project or a portfolio of multiple projects) that allows Con Edison to reduce the amount of natural gas supplied to the Con Edison distribution system on peak winter days for use by Con Edison’s Gas Customers and therefore either defer or eliminate the need for traditional gas distribution infrastructure.

Peak Day: The coldest day to which Con Edison plans its gas system and supply portfolio to meet the full requirements of Firm Gas Customers, which is any day where the temperature variable (TV) is 0° F (Fahrenheit).

Relief: A reduction in Demand that reduces or offsets the Peak Day gas requirements in Con Edison’s gas service territory.

Respondent: A person and/or entity, or a representative thereof, replying to this RFP.

Response: A package submitted to Con Edison by a Respondent that explains Respondent’s Non-Pipeline Solution(s) and that complies with all requirements outlined in this RFP.

Societal Cost Test: Compares the costs incurred to design and deliver projects, and customer costs with avoided electricity and other supply-side resource costs (e.g., generation, transmission, and natural gas); also includes the cost of externalities (e.g., carbon emissions, and net non-energy benefits).

Therm: A unit of heating value equivalent to 100,000 British thermal units (Btu).

Winter Season: From November 1 through March 31.

Appendix A: Projects Summary

Below is a chart of high-level, anonymized project summary for which Respondents should use to plan and design their NPA solutions. This list is current as of the launching of this RFP and as accurate as possible, representing real world customers. An Awardee may receive an updated list of projects with more customer level information and additional projects identified and vetted by Con Edison. A copy of this list is included in the Non-Pipeline Alternative Questionnaire (Attachment A), in the Project Summary tab.

Area Project: Port Chester Project Customer Segmentation

Customer Segment	Customer Count	Annual Gas Consumption	% of Total Gas Consumption
Residential			
Single Family - Heating	2,691	304,960	24%
Single Family -Nonheating	1,363	29,674	2%
Residential Multifamily-Heating	1,052	163,126	13%
Residential Multifamily - Nonheating	1,432	37,047	3%
Multifamily			
Multifamily Common Area - Heating	18	49,949	4%
Small Commercial			
Restaurant – Heating	27	17,122	1.4%
Restaurant - Nonheating	69	50,687	4%
Misc/Entertainment - Heating	35	8,397	0.6%
Small Office - Heating	274	54,315	4%
Small Retail - Heating	183	46,792	4%
Automotive/Transportation - Heating	7	3,783	0.3%
Large Commerical			
Education - Heating	16	10,644	1%
Education - Nonheating	1	20	~0%
Hotel - Heating	2	32,459	2%
Large Office - Heating	3	29,950	2%
Large Retail - Heating	9	24,200	2%
Large Retail - Nonheating	1	6,646	1%
Warehouse/Industrial - Heating	244	363,677	28%
Warehouse/Industrial - Nonheating	85	66,087	5%
Total	7,512	1,249,587	100%

Appendix B: Data and Reporting Requirements

Certain reports may be required on a weekly basis while others may be required monthly. In certain circumstances, such as high program volume periods, during specific marketing campaigns, or if performance is lagging, reporting may be required more frequently. The Awardee will be responsible for transferring all related physical and intellectual property to the Company or a subsequent contract awardee (or both) at the end of the contract. The Awardee will need to maintain back-up copies of all program data and information. The back-up files will need to be completed and updated at least once every three months over the course of the program cycle. These backup files should be made available to identified Company personnel with electronic access credentials that allow for an independent log-in at any point in time. All customer information must be sent via a secured ftp site and follow the Company's data standards.

- The Awardee will be responsible for reviewing and forwarding supporting documentation for customer rebates and incentives to the Company for payment processing
- The Company's program managers will require access to all related sales tracking and reporting databases
- Availability of dashboard reports e.g., cost per MWh, cost per Dth, and cost per MMBtu, program enrollment, project commitments, project acquisitions, and QA/QC activities, installations, customer backlog, staffing, budgets, QA/QC, call center volume, marketing activities, and customer concerns and complaints
- Evaluation data requests for documentation/data not already provided in regular reporting

The Company's Demand Management Tracking System (DMTS) will act as the system of record for all work completed by the Awardee and will be used for the purposes of lead and project tracking, energy saving calculation and verification, workflow management, incentive review and budgeting. DMTS operates on the cloud-based Salesforce.com system, with energy management tracking capabilities provided on the Energy Orbit platform. The system is intended to provide the following functionality to the Company:

- Track and manage Company developed sales leads
- Track and manage customer projects including contact information, project details, project status, program participation, and workflow milestones
- Store a project's energy efficiency measures and equipment information
- Verify Awardee energy calculations and incentive payments through the measure library

The Awardee may be expected to input data parameters directly to the cloud-based platform. Should the Awardee elect to report through an alternate method such as a weekly file transfer upload, the Awardee must work with the Company to implement a reporting method that allows for seamless integration of their data to DMTS. While these alternative methods will be considered for the purposes of this proposal, the Company's intent is to have the Awardee transition to direct DMTS data entry in the near future. Additionally, the Awardee will be required to review and submit a completed response to the Company's Vendor Product/Service Security Assessment Checklist.

Appendix C: Respondent Checklist

Respondent must provide the following checklist which must be properly completed with the proposal and submitted to the Company as part of the proposal.

Checklist Item	Initial
RFP RESPONSE SPECIFIED FOR APPLICABLE PROJECT	
REVIEWED ALL RFP DOCUMENTS AND LAWS AND REGULATIONS THAT IN ANY MANNER MAY AFFECT COST, PROGRESS, OR PERFORMANCE	
FULLY COMPLETED PROPOSAL ADHERING TO THE FORMAT PROVIDED WITHIN THIS RFP	
ENABLED IN CON EDISON PROCUREMENT SYSTEM	
FULLY COMPLETED NON-PIPELINE ALTERNATIVE QUESTIONNAIRE (ATTACHMENT A)	
<ul style="list-style-type: none"> • Summary 	
<ul style="list-style-type: none"> • Solution Details 	
<ul style="list-style-type: none"> • Backup Calculations and Assumptions (As Needed) 	

NOTE: FAILURE TO COMPLY WITH RFP PROCESS, COMPLETE AND SUBMIT OF ALL THE ABOVE DOCUMENTS ON THE FORMS PROVIDED HEREIN, WILL RESULT IN A REJECTION OF YOUR PROPOSAL.

By placing my initials in the boxes provided above, I acknowledge having read and that I understand fully all of the requirements, including with regard to each of the documents referenced herein.

RESPONDENT (PRINT NAME): _____

RESPONDENT (SIGNATURE): _____

DATE: _____