

**MICHIGAN PUBLIC SERVICE COMMISSION**

**LOW-INCOME ENERGY EFFICIENCY GRANT  
(CASE NO. U-13129)**

**REQUEST FOR PROPOSAL**

**(LOW- INCOME ENERGY AFFORDABILITY DEMONSTRATION PROJECTS)**

**APRIL 16, 2010**

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**LOW-INCOME ENERGY EFFICIENCY GRANT  
ENERGY AFFORDABILITY DEMONSTRATION PROJECTS**

**REQUEST FOR PROPOSAL**

**PART I: GENERAL GRANT INFORMATION**

*(PLEASE READ AND RETAIN FOR FUTURE REFERENCE)*

**I-A Statement of Purpose**

The purpose of this Request for Proposal (RFP) is to obtain proposals to conduct one or more pilot demonstration projects addressing energy affordability within Michigan's low-income residential customer class. Projects should include a combination of energy efficiency services with a portion that addresses innovative bill payment tariff/rate options. The demonstration projects should be used to test new and innovative approaches to ensure that low income households can continue to receive safe, reliable electric and natural gas services. Projects solicited by this RFP will be completed using a two phase approach. Applicants must submit proposals that accomplish the objectives and tasks contained in this RFP using the two phase approach set forth in Section III-D, Tasks.

The total amount available for Phase I of this Low-Income Energy Efficiency Grant (LIEEG) is \$1.9 million. It is anticipated that one or more grants will be awarded in a Michigan Public Service Commission Order in June/July 2010, and the grant period is expected to begin July 1, 2010, and end December 31, 2012.

Upon completion of Phase I, the Michigan Public Service Commission (PSC) will review and evaluate the outcomes of the project. If Phase I has been deemed to be effective, the PSC shall approve continuation of the grant as outlined in the grantee's proposal as referenced under Phase II. The Phase II project will also be contingent upon passage of the 2011 appropriation by the Legislature and approval by the State Administrative Board. The total amount available for Phase II is \$5.0 million.

The grant(s) awarded from this solicitation will support actual expenditures incurred within the grant period that are supported by source documentation (further defined in Section II-G, Accounting). This RFP provides interested parties with sufficient information to enable them to prepare and submit a proposal that includes separate budgets, budget narratives, and timelines for Phase I and Phase II of the project. Refer to the Part V, Information Requested from Applicant.

**I-B Eligibility Requirements**

To be eligible to receive a grant under this RFP, the applicant must be a nonprofit, public, or private organization offering services to low-income residents in Michigan. A public organization is considered to be a governmental agency or an educational institution. Applicant must ensure a partnership with a rate-regulated utility. Preference will be given to applicants that are Michigan-based and that have partnerships or collaborative offerings with multiple stakeholders.

## **I-C Issuing Office and Funding Source**

This RFP is issued by the Michigan Public Service Commission (Issuing Office or Commission), an agency within the Department of Energy, Labor & Economic Growth. The Commission is the point of contact for this RFP for purposes of grant administration. The contact person at the Commission is:

Cheryl Rojas, Grant Administrator  
Michigan Public Service Commission  
Management Services Division  
6545 Mercantile Way  
Lansing, MI 48911

The initial funding source for this grant is the Low-Income and Energy Efficiency Fund (LIEEF) established by 2000 PA 141, MCL 460.10d(6). The Michigan Public Service Commission is the administrator of the LIEEF.

On February 20, 2004 the Commission issued an order in Case No. U-13808 granting interim rate relief, rolling securitization savings into base rates for Detroit Edison's electric customers and continued funding of the LIEEF as part of the utility's cost of service. The funding mechanism for the LIEEF was affirmed in the Commission's final order issued on November 23, 2004, authorizing Detroit Edison to provide \$39.9 million annually to the LIEEF.

On December 22, 2005 the Commission issued an Order in Case No. U-14347 authorizing Consumers Energy to fund \$26.5 million annually for the LIEEF from its electric customers. On November 21, 2006 the Commission issued an Order in Case No. U-14547 authorizing Consumers Energy to provide \$17.4 million annually for the LIEEF from its natural gas customers.

## **I-D Grant Award**

Grant award negotiations will be undertaken with the applicant(s) whose proposal shows the organization to be responsible, highly qualified, and capable of performing the project within the established timeline. It is expected that one or more grants will be awarded. The total amount available for these Phase I grants is \$1.9 million.

The Commission anticipates that additional funding up to \$5 million (for a total of \$6.9 million) may be allocated for Phase II **contingent on the passage of the fiscal year 2011 appropriation by the legislature, and PSC approval on the completion and success of Phase I of the project.**

The grant(s) that may be entered into will be based on the RFP selection criteria provided in Part VI, and the objectives of the Commission.

## **I-E Rejection of Proposals**

The State reserves the right to reject any and all proposals received as a result of this RFP.

## **I-F Incurring Costs**

The State of Michigan is not liable for any cost incurred by an applicant prior to signing of a Grant Agreement.

## **I-G Pre-Proposal Conference**

No pre-proposal conference will be held for this RFP. Inquiries should be submitted as outlined in Section I-H, Inquiries.

## **I-H Inquiries**

Questions that arise as a result of this RFP must be submitted **no later than 5:00 p.m., April 29, 2010**. Inquiries may be submitted electronically to the Issuing Office at [mpsc-grants@michigan.gov](mailto:mpsc-grants@michigan.gov), or made in writing to the attention of the Grant Administrator, Michigan Public Service Commission, Management Services Division, 6545 Mercantile Way, Lansing, Michigan 48911. All inquiries should reference LIEEG-Low-Income Energy Affordability Demonstration Projects, Case No. U-13129.

Inquiries will be responded to and posted on the Commission's website at [www.michigan.gov/liefund](http://www.michigan.gov/liefund), under "Questions & Answers."

## **I-I Changes to the RFP**

Written answers to questions that change or substantially clarify the RFP will be provided to all prospective applicants on the Commission's website at [www.michigan.gov/liefund](http://www.michigan.gov/liefund).

## **I-J Due Date**

To be considered for a grant award, a proposal in response to this RFP must be received in the Issuing Office **no later than 3:00 p.m., May 13, 2010**. Proposals must reference LIEEG-Low-Income Energy Affordability Demonstration Projects, Case No. U-13129. Proposals may be submitted using one of the following options:

- Electronically – applicant may submit proposal to [mpsc-grants@michigan.gov](mailto:mpsc-grants@michigan.gov). A confirmation will be sent by the Issuing Office within 24 hours of receipt of the proposal. If a confirmation is not received, applicant must contact the Grant Administrator identified in Section I-C, Issuing Office and Funding Source. Electronic submission of PDF documents can not exceed 15 MB.

or

- Mail or hand delivery - applicant may mail or deliver one original proposal with signature, and 10 additional copies of same to the Issuing Office, Management Services Division, 6545 Mercantile Way, Lansing, Michigan 48911. Proposals hand delivered to the Issuing Office shall be accompanied with a pre-printed receipt, provided by the

applicant, indicating proposals were “Hand Delivered.” Fax proposals will not be accepted.

**I-K Proposals**

To be considered, applicants must submit a complete response to this RFP, using the format specified in Part V, Information Required from Applicant. The proposal must be signed by an official authorized to bind the applicant to the provisions of this RFP. For this RFP, the proposal must remain valid for at least 180 days.

**I-L Acceptance of Proposal Content**

The contents of this RFP and the proposal of the selected applicant may become grant obligations if a grant award ensues. Failure of the selected applicant to accept these obligations may result in cancellation of the award.

**I-M Economy of Preparation**

Using the format provided in PART V, Information Required from Applicant, proposals should be prepared simply and economically, providing a straight-forward, concise description of the applicant’s ability to meet the requirements of the RFP. Hardcopy proposals may be binder clipped. Staples, fancy bindings, colored displays, promotional materials, and so forth, are not desired. Emphasis should be on completeness and clarity of content.

**I-N Prime Applicant Responsibilities**

The selected applicant(s) will be required to assume responsibility for all services offered in their proposal whether or not they possess them within their organization. Further, the State will consider the selected applicant(s) to be the sole point of contact with regard to grant matters, including payment of any and all charges resulting from the grant.

**I-O Partner Responsibilities**

Organizations partnering with selected applicant(s) must comply with the requirements of the RFP and will be held to the same standards as prime applicants. Partnering organizations must respond to Part V, Information Required from Applicant and must make grant accounting records available for audit by the Issuing Office in accordance with Section II-G, Accounting, and Section II-H, Audit. Organizations partnering with selected applicant(s) must enter into a partnership agreement. A copy of the partnership agreement must be provided to the Grant Administrator.

**I-P Grant Payment Schedule**

Payment for any grant entered into as a result of this RFP will be made according to the following:

Upon Completion of Phase I, the MPSC will review and evaluate the outcomes of the project. If Phase I has been deemed effective, the MPSC shall approve continuation of the grant as outlined in the grantee's proposal as referenced under Phase II. If the selected applicant satisfactorily completes Phase I and funding for Phase II is made available by the 2011 appropriations bill and the grant is approved by the State Administrative Board, the payment schedule will be as follows:

(a) After execution of a grant contract, the selected applicant will receive an initial advance equal to forty five (45) percent of the total Phase I grant award.

(b) Upon submission of documentation to the State showing the selected applicant has expended 90% or more of the initial advance described in (a) above and an appropriate level of progress has been made toward completing the project, the selected applicant will be provided a second advance equal to forty five (45) percent of the total Phase I grant award.

(c) Upon submission of documentation to the State showing the selected applicant has expended 90% or more of the initial advance described in (a) above and the second advance described in (b) above and with notification of approval to proceed with Phase II of the project, the selected applicant will be provided a third advance equal to forty five (45) percent of the total Phase II grant award.

(d) Upon submission of documentation to the State showing the selected applicant has expended 90% or more of the initial advance described in (a) above, the second advance described in (b) above, and the third advance described in (c) above and an appropriate level of progress has been made toward completing the project, the selected applicant will be provided a final advance equal to forty five (45) percent of the total Phase II grant award.

(e) Ten (10) percent of the total grant award will be held back pending completion of the project and submission of final documentation and reporting requirements.

Upon Completion of Phase I, the MPSC will review and evaluate the outcomes of the project. If Phase I has not been deemed effective, the MPSC will not approve continuation of the grant as outlined in the grantee's proposal as referenced under Phase II. If the selected applicant does not satisfactorily complete Phase I and does not receive funding for Phase II of the project, the payment schedule will be as follows:

(a) After execution of a grant contract, the selected applicant will receive an initial advance equal to forty five (45) percent of the total Phase I grant award.

(b) Upon submission of documentation to the State showing the selected applicant has expended greater than or equal to ninety (90) percent of initial advance and an appropriate level of progress has been made toward completing the project, the selected applicant will receive a second advance equal to forty five (45) percent of the total Phase I grant award.

(c) Ten (10) percent of the total Phase I grant award will be held back pending completion of the project and submission of final documentation and reporting requirements.

Public Act 279 of 1984, MCL 17.52, States that the State shall take all steps necessary to assure that payment for goods or services is mailed within 45 days after receipt of the goods or services, a complete invoice for goods or services, or a complete contract for goods or services, whichever is later.

**I-Q News Releases**

News releases pertaining to this RFP or the service, study or project to which it relates shall not be made without prior State approval and coordination with the Michigan Public Service Commission.

**I-R Disclosure of Proposal Contents**

The information in all proposals and any grant resulting from the RFP are subject to disclosure under the Michigan Freedom of Information Act, 1976 PA 442, as amended, MCL 15.231, *et seq.*

**I-S Copyrighted Materials**

The selected applicant(s) shall agree to grant to the State a nonexclusive, irrevocable license to reproduce, translate, publish, use, and dispose of all copyrightable material developed as a result of the project.

## **PART II: GENERAL PROVISIONS**

### **II-A Project Changes**

The selected applicant(s) *must* obtain prior written approval for major project changes from the Grant Administrator.

### **II-B Record Retention**

The selected applicant(s) shall retain all financial records, supporting documents, statistical records, and all other pertinent records for a period of seven (7) years or greater as provided by law following the creation of the records or documents.

### **II-C Program Income**

To the extent that it can be determined that interest was earned on advances of funds, such interest shall be remitted to the grantor. All other program income shall either be added to the program budget and used to further eligible program objectives or deducted from the total program budget for the purpose of determining the amount of reimbursable costs. The final determination shall be made by the Grant Administrator.

### **II-D Share-in-Savings**

The grantor expects to share in any cost savings realized by the selected applicant(s). Therefore, final grantee reimbursement will be based on actual expenditures. Exceptions to this requirement must be approved in writing by the Grant Administrator.

### **II-E Order of Spending**

Unless otherwise required, the selected applicant(s) shall expend funds in the following order: (1) private or local funds, (2) federal funds, and (3) State funds. The selected applicant(s) are responsible for securing any required matching funds from sources other than the State.

### **II-F Purchase of Equipment**

The purchase of equipment not specifically listed in the budget must have prior written approval of the Grant Administrator. Equipment is defined as non-expendable personal property having a useful life of more than one year. Such equipment shall be retained by the selected applicant(s) unless otherwise specified at the time of approval.

### **II-G Accounting**

The selected applicant(s) shall adhere to the Generally Accepted Accounting Principles and shall maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The selected applicant(s)' overall financial management system must ensure effective control over and accountability for all funds received. Accounting records must be supported by source documentation including, but not limited to, balance sheets, general ledgers,

time sheets and invoices. The expenditure of State funds shall be reported by line item and compared to the budget.

## **II-H Audit**

The selected applicant(s) agrees that the State may, upon 24-hour notice, perform an audit and/or monitoring review at the selected applicant's location(s) to determine if the selected applicant(s) is complying with the requirements of the Grant Agreement. The selected applicant agrees to cooperate with the State during the audit and/or monitoring review and produce all records and documentation that verifies compliance with the Grant Agreement requirements. The grantor may require the completion of an audit before final payment.

If a selected applicant is a recipient of Low-Income and Energy Efficiency funds and receives \$100,000 or more in any 12-month period, then the selected applicant is required to submit an audited financial report to the grantor within thirty (30) days after the completion of the audit; but no later than nine (9) months after the end of the grantee's fiscal year.

## **II-I Competitive Bidding**

The selected applicant(s) agrees that all procurement transactions involving the use of State funds shall be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the selected applicable agrees to obtain the written approval of the Grant Administrator before making a sole source selection. Sole source contracts should be negotiated to the extent that such negotiation is possible.

## **II-J Liability**

The State is not liable for any costs incurred by the selected applicant(s) before the start date or after the end date of the Grant Agreement. Liability of the State is limited to the terms and conditions of the Grant Agreement and the grant amount.

## **II-K Intellectual Property**

Selected applicant(s) grants to the grantor a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Deliverables and related documentation according to the terms and conditions of this Agreement. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

The grantor may modify the Deliverable and may combine the Deliverable with other programs or materials to form a derivative work. The grantor will own and hold all copyright, trademarks, patent and other intellectual property rights in any derivative work, excluding any rights or interest in Deliverable other than those granted in this Agreement.

The grantor may copy each Deliverable to multiple hard drives or networks unless otherwise agreed by the parties.

The grantor will make and maintain no more than one archival copy of each Deliverable, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The grantor may also make copies of the Deliverable in the course of routine backups for the purpose of recovery of contents.

In the event that the selected applicant(s) shall, for any reason, cease to conduct business, or cease to support the Deliverable, the grantor shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.

## **II-L Safety**

The selected applicant(s), all contractors, and subcontractors are responsible for insuring that all precautions are exercised at all times for the protection of persons and property. Safety provisions of all applicable laws and building and construction codes shall be observed. The selected applicant(s), contractors, and every subcontractor are responsible for compliance with all federal, State and local laws and regulations in any manner affecting the work or performance of the Grant Agreement and shall at all times carefully observe and comply with all rules, ordinances, and regulations. The selected applicant(s), all contractors and subcontractors shall secure all necessary certificates and permits from municipal or other public authorities as may be required in connection with the performance of the Grant Agreement.

## **II-M Indemnification**

### **(1) General Indemnification**

To the extent permitted by law, the selected applicant(s) shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the selected applicant(s) in the performance of the Grant Agreement and that are attributable to the negligence or tortious acts of the selected applicant(s) or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

### **(2) Employee Indemnification**

In any and all claims against the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the selected applicant(s) or any of its subcontractors, the indemnification obligation under the Grant Agreement shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the selected applicant(s) or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

### (3) Patent/Copyright Infringement Indemnification

To the extent permitted by law, the selected applicant(s) shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service developed or supplied by the selected applicant(s) or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

The selected applicant's duty to indemnify pursuant to this section continues in full force and effect, notwithstanding the expiration or early cancellation of the Grant Agreement, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

## **II-N Cancellation**

The State may terminate the Grant Agreement without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

### (1) Termination for Cause

In the event that selected applicant(s) breaches any of its material duties or obligations under the Grant Agreement or poses a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may terminate the Grant Agreement immediately in whole or in part, for cause, as of the date specified in the notice of termination. In the event that the Grant Agreement is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, selected applicant(s) shall be responsible for all costs incurred by the State in terminating the Grant Agreement, including but not limited to, State administrative costs, reasonable attorney's fees and court costs, and any reasonable additional costs the State may incur.

### (2) Termination for Convenience

The State may terminate the Grant Agreement for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the services or products specified in the Grant Agreement, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the services no longer practical or feasible. The State may terminate the Grant Agreement for its convenience, in whole or in part, by giving selected applicant(s) written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Grant Agreement in part, the budget shall be equitably adjusted to reflect those reductions.

(3) Non-Appropriation

Selected applicant(s) acknowledges that continuation of the Grant Agreement is subject to appropriation or availability of funds for the Grant Agreement. If funds to enable the State to effect continued payment under the Grant Agreement are not appropriated or otherwise made available (including the federal government suspending or halting the program or issuing directives preventing the State from continuing the program), the State shall have the right to terminate this Grant Agreement, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to selected applicant(s). The State shall give selected applicant(s) at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff). In the event of a termination under this section, the selected applicant(s) shall, unless otherwise directed by the State in writing, immediately take all reasonable steps to terminate its operations and to avoid and/or minimize further expenditures under the Grant Agreement.

(4) Criminal Conviction

The State may terminate the Grant Agreement immediately and without further liability or penalty in the event selected applicant(s), an officer of selected applicant(s), or an owner of a 25% or greater share of selected applicant(s) is convicted of a criminal offense incident to the application for, or performance of, a State, public or private contract or subcontract or grant; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon selected applicant's business integrity.

(5) Approvals Rescinded

The State may terminate the Grant Agreement without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to selected applicant(s) or may be effective as of the date Stated in such written notice.

**II-O No State Employees or Legislators**

No member of the Legislature or Judiciary of the State of Michigan or any individual employed by the State shall be permitted to share in the Grant Agreement, or any benefit that arises from the Grant Agreement.

**II-P Non-Discrimination**

In the performance of the Grant Agreement, selected applicant(s) agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to

employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Selected applicant(s) further agrees that every subcontract entered into for the performance of the Grant Agreement will contain a provision requiring non-discrimination in employment, as here specified, binding upon each subcontractor. This covenant is required pursuant to the Elliott Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.* and the Persons with Disabilities Civil Rights Act, 1976 PA 200, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Grant Agreement.

## **II-Q Unfair Labor Practices**

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a grant or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A selected applicant, in relation to the Grant Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Grant Agreement if, subsequent to award of the Grant Agreement, the name of grantor as an employer or the name of the subcontractor, manufacturer or supplier of grantor appears in the register.

## **II-R Certification Regarding Debarment**

The selected applicant(s) certifies, by signature to the Grant Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the Grant Agreement by any federal or State department or agency. If the selected applicant(s) is unable to certify to any portion of this Statement, the selected applicant(s) shall attach an explanation to the Grant Agreement.

## **II-S Illegal Influence**

(1) The selected applicant(s) certifies, to the best of his or her knowledge and belief that:

(a) No federal appropriated funds have been paid nor will be paid, by or on behalf of the selected applicant(s), to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.

(b) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this grant, the selected applicant(s) shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The selected applicant(s) shall require that the language of this certification be included in the award documents for all grant or subcontracts and that all subrecipients shall certify and disclose accordingly.

The State has relied upon this certification as a material representation. Submission of this certification is a prerequisite for entering into this Grant Agreement imposed by 31 USC § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(2) The selected applicant(s) certifies, to the best of his or her knowledge and belief that no State funds have been paid nor will be paid, by or on behalf of the selected applicant(s), to any person for influencing or attempting to influence an officer or employee of any State agency, a member of the Legislature, or an employee of a member of the Legislature in connection with the awarding of any State contract, the making of any State grant, the making of any State loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any State contract, grant, loan or cooperative agreement.

## **II-T Governing Law**

The Grant Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

## **II-U Compliance with Laws**

Selected applicant shall comply with all applicable State, federal, and local laws and ordinances (“Applicable Laws”) in performing this Grant Agreement.

## **II-V Jurisdiction**

Any dispute arising from the Grant Agreement shall be resolved in the State of Michigan. With respect to any claim between the parties, selected applicant(s) consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

## **II-W Assignment**

Selected applicant(s) shall not have the right to assign the Grant Agreement, or to assign or delegate any of its duties or obligations under the Grant Agreement, to any other party (whether by operation of law or otherwise), without the prior written consent of the grantor. Any purported assignment in violation of this section shall be null and void.

## **II-X Entire Grant Agreement**

The Grant Agreement, including any Attachments, will constitute the entire Grant Agreement between the parties with respect to the grant and supersedes all prior Grant Agreements, whether written or oral, with respect to such subject matter.

## **II-Y Independent Contractor Relationship**

The relationship between the State and selected applicant(s) is that of client and independent contractor. No agent, employee, or servant of selected applicant(s) or any of its subcontractors shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Selected applicant(s) will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of the Grant Agreement.

## **II-Z Conflicts**

In the event of a conflict between the terms of the Grant Agreement and any federal or State laws or regulations, the federal or State laws or regulations will supersede any contrary term contained in the Grant Agreement.

## **PART III: WORK STATEMENT**

### **III-A Purpose**

The purpose of this Request for Proposal (RFP) is to obtain proposals to conduct one or more pilot demonstration projects addressing energy affordability within Michigan's low-income residential customer class. Projects should include a combination of energy efficiency services with a portion that addresses innovative bill payment tariff/rate options. The demonstration projects should be used to test new and innovative approaches to ensure that low income households can continue to receive safe, reliable electric and natural gas services. Projects solicited by this RFP will be completed using a two phase approach. Applicants must submit proposals that accomplish the objectives and tasks contained in this RFP using the two phase approach set forth in Section III-D, Tasks.

### **III-B Problem Statement**

Each year an increasing number of low-income households are struggling to pay heating bills. Compared with an estimated 5% for other households, low-income households may spend up to 25% of their income on household energy bills. Any increase in energy costs can have a significant impact on low-income households. As Michigan's economic situation tightens, low-income households face utility shut-offs for nonpayment of bills. In an attempt to maintain uninterrupted utility service, an increasing number of low-income households are taking drastic measures that have resulted in serious injury and/or death. Any reduction in energy expenditures can have a positive impact on the economic security and safety of low-income households.

### **III-C Objectives**

- (1) Design pilot programs, with low overhead and administrative costs that could easily be implemented for low-income households by specific geographic area, including regional or statewide.
- (2) Assemble and lead a team that includes a partnership with a rate-regulated utility and a partnership or collaborative with multiple stakeholders who are dedicated to making energy more affordable for low-income households.
- (3) Seek to minimize the option for utilities to shut-off services by offering alternative solutions at the front-end instead of the back-end when a low-income customer is in a bill payment crisis. For customers who are already shut-off, pursue reconnection with the customer in order to provide energy efficiency and energy assistance which will result in service restoration and an ongoing relationship with the customer.
- (4) Design pilot programs that include pre and post data (utility bill assessments) and will compare such results to a control group that will continue to receive typical customer services. It is optimal if the projects are designed using market segmentation techniques to explore how subsets of low-income customers (seniors, high bills, multi-family, etc.) benefit from the program, i.e., income level, dollar amount of utility bill, household type, and condition of housing stock. These projects should result in development of an effective alternative to the current system of providing utility assistance to low income households.

(5) Develop a pilot tariff/rate design that is supportive of the energy efficiency policy goals of the state with inclusion of natural gas and electric rates for low-income customers and “easy to understand” utility bills.

(6) Utilize cost accounting to measure the effectiveness of the pilot versus “business as usual” for customers from start to finish in the energy assistance and weatherization cycle. Cost effectiveness should be determined in the areas of: (1) utility business costs, (2) non-profit, public, or private organization costs, and (3) direct and indirect customer costs.

(7) Create energy education and awareness programs for participants and the public in general.

### **III-D Tasks**

#### **(1) Phase I**

(a) Develop a clear, concise work plan for Phase I of the project outlining the general aspects of the project and incorporating the project objectives identified in Section III-C.

(b) Develop a timeline that demonstrates execution of at least one pilot project by November 2010.

(c) Provide a Phase I Project Report by February 28, 2011 that includes preliminary pilot project results and test data for the pilot project developed and executed in November 2010. For further details see Section IV-B, Monitoring and Reporting Program Performance.

#### **(2) Phase II**

(a) Develop a clear, concise work plan for implementing Phase II of the project outlining the general aspects of the project and incorporating the project objectives identified in Section III-C.

(b) Using lessons learned during the development and implementation of the Phase I pilot project, expand upon the Phase I pilot project and/or develop and implement additional pilot programs addressing energy affordability within Michigan’s low-income residential customer class that test new and innovative approaches to ensure that low-income households can continue to receive safe, reliable electric and natural gas services.

(c) At the end of the Phase II grant term, provide the results of the pilot studies and test data, including analysis of “before-and-after” and comparisons to control group data.

#### **(3) Phases I and II**

(a) Identify and assemble a project team to implement Phase I and Phase II of the project. Include organizational team members and all relevant project partners. Identify the roles and responsibilities of all team members and project partners.

(b) Establish and implement quality control measures to ensure funds are used for the intended purpose.

(c) Provide quarterly project status reports and financial status reports with source documentation, to indicate the amount of funds expended in each line item category of the budget. At the close of the grant period, a final project status report and final financial status report with source documentation are required by January 31, 2013. For further details and due dates see Section IV-B, Monitoring and Reporting Program Performance.

(d) If project includes a contractor that provided upgrades and/or repairs using grant funds during the grant term, provide a record of all work performed. The record shall contain separate fields for the street address, city, state, zip code, contractor name, date of upgrade(s) and/or repair(s), dollar amount of upgrade(s) and/or repair(s), and type upgrade(s) and/or repair(s) performed. The Grant Administrator will provide the selected applicant(s) with an MS Excel spreadsheet to track these transactions.

(e) Evaluate all pilot project(s) to determine whether project objectives were met and proposed benefits were realized.

## **PART IV: PROJECT CONTROL AND REPORTS**

### **IV-A Project Control**

The selected applicant(s) will carry out the project under the review of the Grant Administrator. The Michigan Department of Energy, Labor & Economic Growth Grant Administrator shall have final authority over the Agency/Grantee Agreement.

Along with continuous liaison with the selected applicant(s), the Grant Administrator will meet as needed with the selected applicant's contact person for the purpose of reviewing progress and providing necessary guidance to the selected applicant(s) in solving problems that arise.

Prior to executing any changes to the scope of the project and/or budget, the selected applicant(s) must inform the Grant Administrator in writing outlining the proposed changes.

### **IV-B Monitoring and Reporting Program Performance**

The selected applicant(s) will be required to assume responsibility for monitoring and reporting. The selected applicant(s) shall monitor performance to assure that time schedules are being met and projected work by time period is being accomplished.

(1) **Phase I Project Report.** The selected applicant(s) shall submit a Phase I Project Report to the Grant Administrator no later than February 28, 2011. The report should include the following information at a minimum;

- (a) Preliminary results and test data for the pilot project developed and executed in November 2010.
- (b) A brief description of lessons learned during the development and implementation of the pilot project executed in November 2010.

(2) **Quarterly Project Status Reports.** The selected applicant(s) shall submit quarterly project status reports to the Grant Administrator no later than the 15th of:

Phase I - October 2010 and January 2011.

Phase II - April 2011, July 2011, October 2011, January 2012, April 2012, July 2012, and October 2012.

The reports should include the following information at a minimum:

- (a) Name of selected applicant(s), grant number, and dates of current reporting period.
- (b) Percent (%) completion of the project objectives.
- (c) A brief outline of the work accomplished during the reporting period and the work to be completed during the subsequent reporting period.

- (d) Project materials developed and implemented during the reporting period, i.e., newspaper articles, newspaper advertisements, forms, brochures, announcements, studies, reports, analyses, audits, etc.
- (e) Noteworthy accomplishments.
- (f) A brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.
- (g) A Statement concerning any significant deviation from the previously agreed-upon Work Statement set forth in Part III.
- (h) If project includes a contractor that provided upgrades and/or repairs using grant funds during the grant term, provide a record of all work performed. The record shall contain separate fields for the street address, city, State, zip code, contractor name, date of upgrade(s) and/or repair(s), dollar amount of upgrade(s) and/or repair(s), and type upgrade(s) and/or repair(s) performed. The Grant Administrator will provide the selected applicant(s) with a MS Excel spreadsheet to track these transactions.

(3) **Quarterly Financial Status Reports (FSR)/Payment Requests.** The selected applicant(s) shall submit a signed and dated FSR/Payment Request to the Grant Administrator indicating the amount of funds expended in each line item category of the budget. Quarterly FSR/payment requests are due the 15<sup>th</sup> of:

Phase I - October 2010 and January 2011.

Phase II - April 2011, July 2011, October 2011, January 2012, April 2012, July 2012, and October 2012.

- (a) Form C-108 shall be used for both FSRs and payment requests. Form C-108 in MS Excel will be electronically provided to selected applicant(s) by the Grant Administrator.
- (b) Attach source documentation as specified in Section II-G, Accounting.
- (c) The expenditure of State funds shall be incurred within the grant period and reported by line item and compared to the budget.
- (d) Cost share expenditures must occur within the established timeline for this grant, and must be supported by source documentation as specified in Section II-G, Accounting.
- (e) An individual authorized by the organization must sign and date form C-108.

(4) **Final Project Status Report.** The selected applicant(s) shall submit a draft of the Phase II final project status report by January 31, 2013. After the Grant Administrator has determined the completeness and factual accuracy of the report, the selected applicant shall submit a final copy of the report to the Grant Administrator. The final project status report shall include the following information at a minimum:

- (a) Name of selected applicant(s), grant number, and dates of final reporting period.

- (b) Percent (%) completion of the project objectives.
- (c) A summary of the project implementation plan and any deviations from the original plan as proposed.
- (d) Evaluate the success of the demonstration project(s) to determine whether project objectives were met and proposed benefits were realized.
- (e) Accomplishments and problems experienced while carrying out project activities.
- (f) Impacts, anticipated and unanticipated, experienced as a result of project implementation.
- (g) Any experience in applying the project products and “next steps.”
- (h) Project materials developed and implemented that were not provided with quarterly project status reports, i.e., newspaper articles, newspaper advertisements, forms, brochures, announcements, studies, reports, analyses, audits, etc.
- (i) Financial expenditures of grant money and other contributions to the project, cost share and/or direct funding.
- (j) Actual expenditures compared to the budget in the Grant Agreement, including cost share and/or direct funding. Include the basis or reason for any discrepancies.
- (k) If project includes a contractor that provided upgrades and/or repairs using grant funds during the grant term, provide a record of all work performed. The record shall contain separate fields for the street address, city, State, zip code, contractor name, date of upgrade(s) and/or repair(s), dollar amount of upgrade(s) and/or repair(s), and type upgrade(s) and/or repair(s) performed. The Grant Administrator will provide the selected applicant(s) with a MS Excel spreadsheet to track these transactions.

(5) **Final FSR/Payment Request.** The selected applicant(s) shall submit a signed and dated final FSR/payment request to the Grant Administrator indicating the amount of funds expended in each line item category of the budget along with the final project status report by January 31, 2013.

- (a) On Form C-108, indicate in box 5 “Final.”
- (b) Attach source documentation as specified in Section II-G, Accounting.
- (c) The expenditure of State funds shall be incurred within the grant period and reported by line item and compared to the budget.
- (d) Cost share expenditures must occur within the established timeline for this grant, and must be supported by source documentation.
- (e) An individual authorized by the organization must sign and date form C-108.

## **PART V: INFORMATION REQUIRED FROM APPLICANT**

Grant proposals must be typed in a 12 point Times New Roman font with no more than 40 numbered, double-spaced (single-sided) pages. The page count includes any cover page, and/or attachments, but does not include resumes. Hard copy proposals must have an original signature. Electronically submitted proposals must have a scanned signature or e-signature.

Applicant(s) must provide responses to each section below. Please follow the format identified by stating the section number and title followed by the response. Be as descriptive as possible and answer each question in its entirety; some questions have multiple components. Questions that do not apply should be answered "NA."

### **V-A Identification of Organization**

State the full name and address of the organization, the organization's federal identification number, the telephone and fax number, and if applicable provide the names, addresses, electronic mail addresses and telephone numbers of person(s) that will perform, or assist in performing, the work hereunder.

### **V-B Authorized Negotiator**

State the name of one (1) contact person, his/her telephone and fax number, and electronic mail address. The contact person *must* be authorized to be the negotiator for the proposed Grant Agreement with the State.

### **V-C Method for Addressing the Problem**

State in succinct terms the applicant's proposed method for addressing the problem presented in this RFP, see Section III-B, Problem Statement. Describe any significant obstacles the applicant has had meeting the needs of low-income households in providing energy efficiency.

### **V-D Management Summary**

Provide a brief summary of the organization, including:

- (1) The length of time the organization has been in existence.
- (2) The type of projects the organization generally performs.
- (3) The size of the organization (e.g. number of employees, etc.).
- (4) Current funding sources, including the level of funding for the current year and the previous five (5) years.
- (5) The type of accounting package the organization will use to account for grant funds.
- (6) Whether internal and external audits are performed on an annual basis.

(7) MPSC grant award percentage of the organization's total anticipated funding/revenue during the grant period.

(8) Any other information that may be applicable to the proposed project.

This section should identify the project manager and the individual(s) responsible for financial management and reporting. It should also provide a summary of how the proposed project will be monitored to ensure funds are used for the intended purpose, project milestones and timelines are met, and quality control and assurance standards are followed.

## **V-E Work Plan**

The work plan is a detailed explanation of the work to be performed to complete the proposed project, including project timelines, objectives, technical plans, benefits, and evaluation.

(1) Develop a timeline for completing the planned activities and tasks for Phases I and a separate timeline for Phase II of the proposed project. The grant period for Phase I is expected to begin July 1, 2010 and end February 28, 2011. Phase II is expected to begin upon completion of Phase I and end December 31, 2012. A month-by-month format should include significant project tasks, milestones, deliverables and due dates for required reports set forth in Part IV, Project Control and Reports. Selected applicant assumes the responsibility for ensuring the grant project is performed within the established timeline.

(2) Identify specific objectives of the proposed project. Identify each objective by number and link to the timeline developed in (1) above.

(3) Describe in narrative form the scope of the project to be undertaken and technical plan for accomplishing the work proposed for Phases I and II. Link the work plan narrative to the objectives outlined in (2) above.

(4) Describe expected benefits to be derived from the proposed project. Include both quantitative and qualitative information.

(5) Include details on other funds available to the applicant's organization that will be used directly for this grant project, or to cover administrative and overhead expenses, and the anticipated source of those funds.

(6) Describe how the project(s) proposed for Phase I and Phase II will be evaluated to determine whether project objectives were met and proposed benefits were realized. Link the project evaluation narrative to the objectives outlined in (2) above and the benefits outlined in (4) above.

## **V-F Current and Prior Experience Disclosure**

Current and prior experience in conducting the type of work proposed is important to the selection process. Proposals submitted should include:

(1) A description of the organization's experience in implementing the project(s) proposed. Include current activities and activities performed in the previous five (5) years. Include project results.

(2) If applicant received a LIEEF award in prior years for the type of project proposed, provide a summary of project accomplishments, including noteworthy accomplishments, and problems encountered in carrying out grant responsibilities and how the problems were resolved.

## **V-G Personnel**

Applicants must be able to staff a project team that clearly possesses talent and experience in providing energy services to low-income residents. In the narrative, identify the authorized contact person and key personnel to be involved with this project, by name and title, and provide their qualifications. Also, provide the Issuing Office with a resumé for each person listed on the budget, including persons listed under cost share in the budget.

If other organizations will be playing a role in the proposed project in coordination with this grant, provide sufficient background information on them in order to give the Issuing Office a reasonable understanding of their qualifications.

Include a detailed organizational chart including names and titles of all individuals that will contribute to the project.

## **V-H Budget**

To enable the Issuing Office to evaluate all project costs, applicants shall submit two separate budgets *and* corresponding separate budget narratives for Phase I and Phase II. The budgets must follow the format outlined in Appendix A. The budget narratives must identify the budget line item and number, provide a detailed description for each line, and include individual unit prices.

Changes in the budget of less than 5% of the total line item amount do not require prior written approval, but selected applicant(s) must provide notice to the Grant Administrator.

Changes in the budget equal to or greater than 5% of the total line item amount will be allowed only upon prior review and written approval by the Grant Administrator. A formal grant amendment must be signed by both the grantor and grantee.

Disallowed costs include but are not limited to the following: sick pay, vacation pay, holiday pay, bonuses, overtime, parking, tuition reimbursement/remission, vehicle allowance, car rental, seminars, conferences, meetings, subscriptions, dues, and memberships.

The proposed budget shall display five (5) headings identified as the: Line Item, Budget Category, MPSC Share, Cost Share, and Total. The budget line items that need to be included, at a minimum, are listed below. The budget should reflect the best estimate of actual costs. Refer to the budget example in Appendix A.

(1) **Personnel** – include the name and job title for each staff position to be paid for by the grant. Time sheets and payroll registers must be submitted and hours worked must be grant related.

Fringe benefits may not exceed 25% of the employee's salary. Allowable benefits include: health, dental, and optical insurance, employer-paid Social Security and Medicare tax, Michigan and Federal unemployment tax, and other miscellaneous fringe benefits (life insurance, long- and short-term disability insurance, worker's compensation, and retirement program contributions up to 4%).

Where cost share funds are involved, the MPSC must be allocated the same share of cost for each individual's salary and fringe. For example, if the MPSC is allocated 80% of an individual's grant-related salary, it should also be allocated 80% of the same individual's allowable fringe benefits. The remaining 20% of this individual's salary and fringe would be cost share.

The budget narrative should include a description of the work to be performed by each individual, the estimated hours to be worked and the estimated pay rate, the percentage of the employee's time allocated to the MPSC, and any other applicable information related to the individual's performance on this grant.

Independent contractors (i.e. individuals receiving a Form 1099) should be placed under the **Contractual Services** budget category. Only employees on the selected applicant's payroll should be included in the Personnel budget category.

(2) **Partnering Organizations** – all partner expenses (personnel, supplies, travel, etc.) must be placed in this budget category and separately identified in the budget narrative. On the face of the budget, the applicant may show a single lump sum for the anticipated total payment to be made to the partnering organization(s). Partnering organization expenses that are not identified in the budget narrative may be disallowed.

Organizations identified as partners must provide letters of commitment. The letter(s) should accompany the proposal submitted in response to this RFP.

(3) **Supplies, Materials, & Equipment** – specify item(s) and cost. The budget narrative should include the anticipated cost of each item, a detailed explanation of the item's purpose, and how it relates to the project being funded. Be as detailed as possible.

(4) **Contractual Services** – must be competitively bid. Individuals that are independent contractors (Form 1099) must be placed under **Contractual Services**. The services provided by the independent contractor must be competitively bid unless a contract or other documentation showing an existing relationship prior to the beginning of the grant is provided by the selected applicant(s). The existing relationship must have been competitively bid; the selected applicant may be required to provide the competitive bid documentation.

Selected applicant(s) assumes responsibility to select subcontractors on a competitive basis. Bids should be solicited from non-affiliated companies. A minimum of three (3) bids must be solicited and proposals must include, at a minimum: (1) name of selected applicant(s), grant

number, and grant period; and (2) the type, number, and description of projects as described in the proposal.

The subcontractor(s) shall mail or email a copy of their bid directly to the Grant Administrator.

The selected applicant(s) must award the project to the lowest bid unless the Grant Administrator has given prior written approval for selection of a higher bid. Selected applicant(s) must provide a written justification for the selection of a higher bid. When awarding subcontracts, the selected applicant(s) shall ensure that preference is given to products manufactured in or services offered by Michigan-based firms.

(5) **Travel** – The State will reimburse for mileage, lodging, and meals. See Appendix B for current State travel rates. Meals and lodging must be supported by itemized, legible receipts and reasons for travel. Mileage must be supported by travel logs with beginning and ending addresses, mileage total, and reason for travel. Out-of-State travel must be directly related to the grant project and approved by the Grant Administrator prior to travel. Travel expenses listed in the travel budget category are strictly for employees of the applicant. Per diem payments and alcoholic beverage reimbursements are not allowed.

(6) **Other Expenses** – specify item(s) and cost. Other expenses represent costs that are not appropriately categorized under any other budget category. The budget narrative should include the anticipated cost of each item, a detailed explanation of the item's purpose, and how it relates to the project being funded. Be as detailed as possible.

(7) **Indirect Costs** – indirect costs are costs not directly or specifically related to the grant program. Indirect costs are costs of administering the organization and must be spread over a number of products, services, or grant programs proportionately. Examples include office supplies, utilities, rent, maintenance and repair, insurance, accounting and bookkeeping services, and legal services. Non-cash expenses like depreciation, amortization, and depletion are not allowable indirect costs under this grant.

Selected applicant(s) will be reimbursed for its proportional share of indirect costs. This means the MPSC should be allocated a portion of the selected applicant's indirect costs and **not** 100% of the organization's total indirect cost.

Indirect costs may only be allocated to the MPSC share of expenses. Cost share indirect expenses should not be reflected on the budget.

Indirect costs should be displayed on the face of the budget on a single line item and the indirect rate should be rounded to four (4) decimal places. The budget narrative should contain a list of indirect costs, how the selected applicant(s) determined its indirect costs, and the percentage rate calculation for reimbursable indirect costs.

The total amount of indirect costs may not exceed 15% of the grant award.

(8) Each budget category should have a subtotal displaying the total anticipated amount to be expended, and the budget should include a subtotal for total direct project costs and a sum of total project costs.

(9) After grants are awarded by the Commission, modifications of proposals and budgets may be necessary. If the Commission does not award the total amount requested in the original proposal, selected applicant(s) will be required to submit a revised proposal and budget for the purpose of entering into a Grant Agreement. New line items to the revised budget are not allowed.

(10) The documentation requirements for cost sharing expenses are identical to the documentation requirements for expenses made using LIEEF funding. Applicants should keep this documentation requirement in mind when committing realistic cost sharing expenses. A selected applicant's inability to provide sufficient documentation may cause the MPSC to disallow the expense.

(11) Cost sharing (i.e. matched funding) is monetary support provided by selected applicant(s) or its partners to supplement funds provided by the LIEEF. Cost sharing represents expenses – or portions of expenses – the selected applicant or its partners pay using their own financial resources. Cost sharing amounts must be supported by a letter of commitment from the party potentially providing funding.

(12) In-kind contributions represent non-cash support provided by the selected applicant or an outside party. These contributions can include volunteer hours worked, donated equipment, donated workspace, etc.

(13) Selected applicant(s) assumes the responsibility of ensuring all unexpended grant funds are returned to the State of Michigan at the end of the grant period. Failure to do so may render the selected applicant ineligible for future grant awards that may be available from the LIEEF.

(14) If the entire State share of the grant award is spent but the entire cost share committed to the grant is not spent, the reimbursable amount of the grant award will be proportionately reduced and selected applicant(s) will be responsible for returning the reimbursed overage amount to the MPSC if payment has previously been made.

(15) Indirect costs must be proportionately reduced if the selected applicant(s) does not expend the entire grant award by the end of the grant term. The adjustment for the reduction shall be calculated by determining the percentage of the grant not spent. This percentage is the amount to be reduced from the indirect costs total. Indirect costs shall be based on a percentage of the budget line items listed under the State share column. Indirect costs must be utilized for this grant within the established timeline.

(16) Selected applicant(s) may not commingle grant award funds with current or future grant funds received from the LIEEF. Grants from each funding source must be managed, reported, and accounted for separately.

## **V-I Additional Information and Comments**

Include in this section any other information that is believed to be pertinent, but not specifically requested elsewhere in this RFP.

**V-J Certification of Proposal**

Please sign the proposal and include the following language:

I certify that all information contained in the proposal is true to the best of my knowledge and belief, and that the organization is in compliance and agreement with all sections of the Request for Proposal.

Certified by: \_\_\_\_\_  
Authorized Signatory and Title  
Name of Organization

## **PART VI: SELECTION CRITERIA**

All proposals received shall be subject to an evaluation by the Issuing Office. The evaluation will be conducted to select an organization to perform the proposed grant project within the established timeline.

All proposals will receive an initial screening to ensure that the eligibility criteria are met. Proposals failing to meet the eligibility requirements described in Section I-B, will be rejected automatically. Proposals meeting the eligibility requirements will be evaluated according to the selection criteria below.

Total points equal 100.

### **1. General (5 points):**

- (a) Is the name of the organization and federal ID number provided?
- (b) Did applicant follow the format identified in Part V, Information Requested from Applicant?
- (c) Is an authorized negotiator identified and contact information provided?
- (d) Is the applicant based in Michigan?

### **2. Experience of organization and project team (15 points):**

- (a) Does the organization possess an existing structure for providing services to low-income residents in Michigan?
- (b) Is a project team identified, including organizational team members and all relevant project partners, along with job titles, project roles, resumes and contact information for each project team member?
- (c) Did applicant provide project partner commitment letters?
- (d) Is the project team qualified to carry out the project?
- (e) Has the project team been involved with similar successful projects in the past?

### **3. Management summary (10 points):**

- (a) Did the organization identify a qualified and knowledgeable project manager and person(s) responsible for financial management reporting?
- (b) Are the organization's management procedures adequate to accomplish set goals?
- (c) Summary of how the proposed project will be monitored to ensure funds are used for the intended purpose, project milestones and timelines are met, and quality assurance standards are followed?

**4. Work Plan (55 points):**

- (a) Are the plans to develop and implement Phases I and II of the project detailed, clear and concise?
- (b) Do the plans include a pilot tariff/rate designed for low-income customers?
- (c) Do the plans include execution of at least one pilot demonstration by November 2010?
- (d) Do the plans include a partnership with a rate-regulated utility?
- (e) Do the plans include a partnership or collaboration between multiple stakeholders?
- (f) Are project objectives clearly defined and aligned with the objectives identified in the RFP?
- (g) Are benefits that will be derived from the project identified?
- (h) Are reasonable timelines for completion of Phases I and II of the project provided?
- (i) Is an adequate plan to evaluate the project's effectiveness in meeting goals laid out in the RFP provided?

**5. Budget (15 points):**

- (a) Are two separate budgets and budget narratives included for Phases I and II.
- (b) Budget line items reasonable and detailed as requested?
- (c) Ability to minimize administrative and overhead costs.

## APPENDIX A

Applicant's Name  
BUDGET

Line Item	Budget Category	MPSC Share	Cost Share*	TOTAL
<b>1</b>	<b>PERSONNEL</b>			
2	<i>Salary</i>			
3	Employee 1 (Job Title 1)	0	0	0
4	Employee 2 (Job Title 2)	0	0	0
5	<i>Total Salary</i>	<u>0</u>	<u>0</u>	<u>0</u>
6	<i>Fringe Benefits</i>			
7	Employee 1 (Job Title 1)	0	0	0
8	Employee 2 (Job Title 2)	0	0	0
9	<i>Total Fringe Benefits</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>10</b>	<b>Total Personnel</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>11</b>	<b>PARTNERING ORGANIZATIONS</b>			
12		0	0	0
13	<b>Partnering Organizations</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>14</b>	<b>SUPPLIES, MATERIALS, AND EQUIPMENT</b>			
15		0	0	0
16	<b>Total Supplies, Materials, &amp; Equipment</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>17</b>	<b>CONTRACTUAL SERVICES</b>			
18		0	0	0
19	<b>Total Contractual Services</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>20</b>	<b>TRAVEL</b>			
21		0	0	0
22	<b>Total Travel</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>23</b>	<b>OTHER EXPENSES</b>			
24		0	0	0
25	<b>Total Other Expenses</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
26	Total Direct Cost	0	0	0
27	Indirect Cost (MPSC Rate: 0)	0	0	0
28	Total Project Cost	<u>0</u>	<u>0</u>	<u>0</u>
29	Percentages	0.00%	0.00%	0.00%

\*Only matching funds should be included under "Cost Share;" do not include in-kind contributions.

## APPENDIX B

**DEPARTMENT OF MANAGEMENT AND BUDGET, VEHICLE AND TRAVEL SERVICES (VTS)  
SCHEDULE OF TRAVEL RATES FOR CLASSIFIED and UNCLASSIFIED EMPLOYEES  
RATES EFFECTIVE January 1, 2010**

**MICHIGAN SELECT CITIES \***

Meals and Lodging	
Lodging**	\$65.00
Breakfast	8.75
Lunch	8.75
Dinner	21.00

**IN-STATE ALL OTHER**

Meals and Lodging	
Lodging **	\$65.00
Breakfast	7.25
Lunch	7.25
Dinner	16.50
Per Diem	
Total Per Diem	\$76.50
Lodging	45.50
Breakfast	7.25
Lunch	7.25
Dinner	16.50
Group Meetings	
Group Lunch	10.25

**OUT-OF-STATE SELECT CITIES \***

Meals and Lodging	
Lodging **	Contact Conlin Travel
Breakfast	11.00
Lunch	11.00
Dinner	22.00

**OUT-OF-STATE ALL OTHER**

Meals and Lodging	
Lodging **	Contact Conlin Travel
Breakfast	8.75
Lunch	8.75
Dinner	20.50
Per Diem	
Total Per Diem	\$83.50
Lodging	45.50
Breakfast	8.75
Lunch	8.75
Dinner	20.50
Incidental Costs Per Day (with overnight stay)	
	\$2.00

**MILEAGE RATES**

Standard Rate (State's Mid-Sized Car Cost)	\$.362 per mile
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\* See select cities listing.

\*\* Lodging available nightly at State rate, or call Conlin Travel 877-654-2179

**SELECT HIGH COST CITY LIST**  
**TRAVEL RATE REIMBURSEMENT FOR CLASSIFIED and UNCLASSIFIED EMPLOYEES**  
**EFFECTIVE OCTOBER 1, 2009**

<b><u>MICHIGAN SELECT CITIES AND COUNTIES</u></b>	
<b>CITIES</b>	<b>COUNTIES</b>
Benton Harbor Charlevoix Detroit Mackinac Island Petoskey St. Joseph	All of Wayne All of Oakland

<b><u>OUT-OF-STATE SELECT CITIES</u></b>			
<b>STATE</b>	<b>SELECT CITY OR COUNTY AS DEFINED</b>	<b>STATE</b>	<b>SELECT CITY OR COUNTY AS DEFINED</b>
<b>ARIZONA</b>	Sedona Yavapai	<b>MINNESOTA</b>	Minneapolis / St. Paul Hennepin County Ramsey County
<b>CALIFORNIA</b>	Los Angeles (Los Angeles, Orange & Ventura Counties, and Edwards AFB) / Monterey / Napa San Diego / San Francisco Santa Monica / Santa Rosa Yosemite National Park	<b>NEW JERSEY</b>	Cape May / Ocean City
<b>COLORADO</b>	Aspen / Vail	<b>NEVADA</b>	Las Vegas Stateline (Douglas County)
<b>CONNECTICUT</b>	Bridgeport / Danbury Lakeville / Salisbury New Haven / New London / Groton	<b>NEW YORK</b>	Floral Park / Garden City Glen Cove / Great Neck Roslyn (Nassau County) Manhattan (the borough of, Manhattan, Brooklyn, Queens, Staten Island) River Head / Ronkonkoma
<b>DISTRICT OF COLUMBIA</b>	Washington DC (Also the cities of Alexandria, Falls Church, Fairfax & Counties of Arlington, Loudon Fairfax, in Virginia and the Counties of Montgomery and Prince George in Maryland)		Melville / Smithtown / Huntington Station, Suffolk
<b>FLORIDA</b>	Key West / Naples / Palm Beach	<b>PENNSYLVANIA</b>	Philadelphia
<b>ILLINOIS</b>	Chicago (Cook and Lake Counties)	<b>RHODE ISLAND</b>	Jamestown / Middletown Newport (Newport County)
<b>MASSACHUSETTS</b>	Boston (Suffolk County) / Cambridge Martha's Vineyard / Nantucket	<b>UTAH</b>	Park City (Summit County)
<b>MARYLAND</b>	See District of Columbia Annapolis / Ocean City	<b>VIRGINIA</b>	See District of Columbia
		<b>VERMONT</b>	Stowe (Lamoille County)
		<b>WASHINGTON</b>	Seattle
		<b>WISCONSIN</b>	Wisconsin Dells