

State of Michigan
Department of Licensing and Regulatory Affairs
Michigan Public Service Commission

ENERGY SECURITY TECHNICAL ASSISTANCE GRANT PROJECT

2023

REQUEST FOR PROPOSALS

ENERGY SECURITY TECHNICAL ASSISTANCE GRANT

ESTIMATED TIMELINE	
Issue Date	December 12, 2022
Inquiries Due	December 22, 2022
Inquiries Response Posted	December 29, 2022
Proposals Due	January 12, 2023
Anticipated Start Date	February 1, 2023



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PART I: GENERAL GRANT INFORMATION

I-A Statement of Purpose

The Michigan Public Service Commission (MPSC or Commission) is a state agency housed under the Department of Licensing and Regulatory Affairs. The MPSC is tasked with regulatory responsibilities which include ensuring safe, reliable, and accessible energy and telecommunications services at reasonable rates. The MPSC is also responsible for energy emergency preparedness and response for the State of Michigan and serves as the Emergency Support Function 12 (Energy) lead at the State Emergency Operations Center. The MPSC authors and maintains two energy emergency plans, the Michigan Energy Security Plan (MESP) and the Petroleum Shortage Response Plan (PSRP). This project focuses on the MESP, which by law must address physical and cybersecurity threats and vulnerabilities and the risks they pose to the energy sector and energy sector systems, among other things. Although Michigan's energy security plans are well developed, the MPSC considers them living documents that should evolve to meet the ever-changing threat landscape and benefit from occasional evaluation and updating.

With the Energy Security Technical Assistance Project, the MPSC is seeking a contractor to review and make recommendations to update the physical and cybersecurity elements of the MESP and identify security-related actions the MPSC should conduct to develop staff capacity and improve the plan. The project is intended to enhance the MPSC's understanding, processes, plans, and overall posture with respect to energy sector security risks. It will increase MPSC staff's understanding of security best practices and technologies and will assist MPSC staff in evaluating the security posture of regulated electric and natural gas utilities in Michigan. The project will cover both the physical and cybersecurity domains with a primary focus on the latter.

The grant period is expected to begin February 1, 2023, and end May 31, 2023. The amount available for this Energy Security Technical Assistance Project is \$75,000.00.

The grant 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, budget, budget narrative, and timeline. Refer to Part V: Information Required from Applicant(s).

I-B Eligibility Requirements

To be eligible to receive a grant under this RFP, the applicant(s) must:

1. Have experience with electric and natural gas utility information technology and operational technology systems.
2. Be familiar with energy sector-related physical and cybersecurity practices and guidance, including NERC-CIP, ES-C2M2, API Standard 1164, NIST CSF, and TSA Security Directives.
3. Be familiar with the prevailing regulatory environment for the security of electric and natural gas utilities including the roles performed by entities such as state public utility commissions, NERC, and TSA.
4. Have exposure to state energy security (energy assurance) planning and guidance, including the U.S. DOE's State Energy Security Plan Guidance and NASEO's State Energy Assurance Guidelines.

By submitting a response to this RFP, bidders are agreeing that they are or will be registered as a vendor in SIGMA VSS (State Integrated Governmental Management Applications, Vendor Self-Service). The SIGMA Vendor Helpdesk can be reached at 888-734-9749 or by emailing SIGMA-Vendor@michigan.gov. Bidders must be registered in SIGMA prior to receiving a grant award.

I-C Issuing Office

This RFP is issued by the MPSC and is the point of contact for this RFP for purposes of grant administration. The contact person at the MPSC is:

Brian Sheldon, Grant Administrator
Phone: 517-388-6610
Email: SheldonB@Michigan.gov

I-D Grant Award

Grant award negotiations will be undertaken with the applicant whose proposal shows the organization to be responsible, highly qualified, prepared to assist the MPSC in multiple domains of utility security regulation, and capable of performing the project within the established guidelines. It is anticipated that one grant will be awarded. The approximate amount available is \$75,000.00.

The grant that may be entered into will be based on the RFP evaluation and selection criteria provided in Part VI and the objectives of the Energy Security Technical Assistance Project.

I-E Rejection of Proposals

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

I-F Incurring Costs

LARA and the MPSC are not liable for any costs incurred by an applicant prior to signing of a Grant Agreement.

I-G Inquiries

Questions that arise as a result of this RFP must be submitted no later than **12:00 PM (noon) on December 22, 2022**. Any questions submitted at or after 12:01 PM on December 22, 2022 will not be accepted. Inquiries must be submitted electronically to the Issuing Office Grant Administrator at SheldonB@Michigan.gov. **All inquiries should reference "Energy Security Technical Assistance Project."**

Inquiries will be responded to and posted on the MPSC website at <https://www.michigan.gov/mpsc/regulatory/emergency-management>.

I-H Changes to the RFP

Written answers to questions that change or substantially clarify the RFP will be provided to all prospective applicant(s) on the MPSC website at <https://www.michigan.gov/mpsc/regulatory/emergency-management>.

I-I Proposal Submission

To be considered, applicant(s) must submit a complete response to this RFP using the format specified in Part V: Information Required from Applicant(s). The proposal must be signed by an official authorized to bind the applicant(s) to the provisions of this RFP. For this RFP, the proposal must remain valid for at least 90 days. **When submitting a proposal, applicants must submit their proposed budget as a separate PDF document.**

To be considered for a grant award, a proposal must be received in the Issuing Office no later than **3:00 PM on January 12, 2023**.

Any proposals submitted on or after **3:01 PM on January 12, 2023** will not be accepted. **Proposals must reference "Energy Security Technical Assistance Project". Proposals must be submitted electronically** to Lynn Beck at BeckL12@Michigan.gov.

A confirmation email will be sent by Lynn Beck within 24 hours of receipt. If a confirmation is not received, applicant(s) must contact Lynn Beck at BeckL12@Michigan.gov. Electronic submission of PDF documents cannot exceed 15 MB. **Mailed, hand delivered, and faxed proposals will not be accepted.**

I-J Acceptance of Proposal Content

The contents of this RFP and the proposal of the selected applicant(s) may become grant obligations if a grant award ensues. Failure of the selected applicant(s) to accept these obligations may result in cancellation of the award and the return of any monies awarded.

I-K Economy of Preparation

Using the format provided in Part V: Information Required from Applicant(s), proposals should be prepared providing a straight-forward, concise description of the applicant(s)'s ability to meet the requirements of the RFP. Emphasis should be on completeness and clarity of content.

I-L Prime Applicant(s) Responsibilities

The selected applicant 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 to be the sole point of contact with regard to grant matters, including payment of any and all charges resulting from the grant.

I-M Grant Payment Schedule

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

Progress payments up to a total of 85% of the Total Authorized Budget may be made upon submission of a Grantee request indicating grant funds received to date, project expenditures to date (supported with computer printouts of accounts, general ledger sheets, balance sheets, etc.), and objectives completed to date. Backup documentation such as computer printouts of accounts, ledger sheets, check copies, etc. shall be maintained for audit purposes in order to comply with this Agreement. The expenditure of state funds shall be reported by line item and compared to the approved budget.

The payment of the final 15% of the grant amount shall be made after completion of the project and after the Grant Administrator has received and approved a final report, if applicable. The final payment is also contingent upon the submission of a final invoice that includes expenditures of grant funds reported by line item and compared to the approved Budget.

Public Act 279 of 1984, MCL 17.52, states that the State will 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-N News Releases

News releases pertaining to this RFP or the service, study, or project to which it relates will not be made without prior approval and coordination with the MPSC.

I-O 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-P Copyrighted Materials

The selected applicant(s) will 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

Grantee *must* obtain prior written approval for project changes from the Grant Administrator.

II-B Delegation

Grantee may not delegate any of its obligations under the Grant without the prior written approval of the State. Grantee must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Grantee must: (a) be the sole point of contact regarding all contractual project matters, including payment and charges for all Grant Activities; (b) make all payments to the subgrantee; and (c) incorporate the terms and conditions contained in this Grant in any subgrant with a subgrantee. Grantee remains responsible for the completion of the Grant Activities, compliance with the terms of this Grant, and the acts and omissions of the subgrantee. The State, in its sole discretion, may require the replacement of any subgrantee.

II-C Program Income

To the extent that it can be determined that interest was earned on advances of funds, such interest will be remitted to the Grantor. All other program income will either be added to the project 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 will be made by the Grant Administrator.

II-D Share-in-Savings

The Grantor expects to share in any cost savings realized by the Grantee. 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

At this time, there is no required order of spending.

II-F Purchase of Equipment

The purchase of equipment not specifically listed in your approved 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 will be retained by the Grantee unless otherwise specified at the time of approval.

II-G Accounting

The Grantee will adhere to the Generally Accepted Accounting Principles and will maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The Grantee'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 will be reported by line item and compared to the Budget.

II-H Records Maintenance, Inspection, Examination, and Audit

The State or its designee may audit Grantee to verify compliance with this Grant. Grantee must retain, and provide to the State or its designee upon request, all financial and accounting records related to the Grant through the term of the Grant and for 4 years after the latter of termination, expiration, or final payment under this Grant or any extension ("Audit Period"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Grantee must retain the records until all issues are resolved.

Within 24 hours of providing notice, the State and its authorized representatives or designees have the right to enter and inspect a selected applicant(s)'s premises or any other places where grant activities are being performed, and examine selected applicant(s)'s books and records; and copy and audit all records related to the Grant Agreement anytime during the period of the grant and for a period of four (4) years after the latter of termination, expiration, or final payment under the Grant Agreement or any extension. Selected applicant(s) must cooperate and provide reasonable assistance. If an audit, litigation, or other action involving the records is initiated before the end of the audit period, selected applicant(s) must retain the records until all audit and monitoring issues are resolved. Any disqualified costs identified as a result of the monitoring review or audit will be refunded within 30 days.

This section applies to selected applicant(s), any parent, affiliate, or subsidiary organization of selected applicant(s), and any subcontractor that performs grant activities in connection with this Grant Agreement.

If the selected applicant(s) is a governmental or nonprofit organization and expends the minimum level specified in OMB Uniform Guidance (\$750,000 as of December 26, 2013) or more in total federal funds in its fiscal year, then Grantee is required to submit an Audit Report to the Federal Audit Clearinghouse (FAC) as required in 200.36. Any questioned costs identified must be refunded within 30 days.

The MPSC will perform a close-out audit of the expenses of the selected applicant at the end of the grant period. Any disqualified costs identified must be refunded within 30 days.

II-I Competitive Bidding

The Grantee agrees that all procurement transactions involving the use of state funds will be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the Grantee 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 Grantee before the start date or after the end date of this Agreement. Liability of the State is limited to the terms and conditions of this Agreement and the grant amount.

II-K Intellectual Property

Unless otherwise required by law, all intellectual property developed using funds from this Agreement, including copyright, patent, trademark and trade secret, will belong to the Grantee.

II-L Safety

The Grantee, and all subgrantees are responsible for ensuring 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 will be observed. The Grantee, and every subgrantee are responsible for compliance with all federal, state and local laws and regulations in any manner affecting the work or performance of this Agreement and will at all times carefully observe and comply with all rules, ordinances, and regulations. The Grantee, and all subgrantees will secure all necessary certificates and permits from municipal or other public authorities as may be required in connection with the performance of this Agreement.

II-M General Indemnification

Grantee must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Grantee (or any of Grantee's employees, agents, subgrantees, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in

this Grant; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Grantee (or any of Grantee's employees, agents, subgrantees, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Grantee (or any of Grantee's employees, agents, subgrantees, or by anyone else for whose acts any of them may be liable).

The State will notify Grantee in writing if indemnification is sought; however, failure to do so will not relieve Grantee, except to the extent that Grantee is materially prejudiced. Grantee must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Grantee will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

II-N Termination

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:

The State may terminate this Grant for cause, in whole or in part, if Grantee, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Grant will not be construed to mean that other breaches are not material.

If the State terminates this Grant under this Section, the State will issue a termination notice specifying whether Grantee must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Grantee was not in breach of the Grant, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Subsection B, Termination for Convenience.

The State will only pay for amounts due to Grantee for Grant Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Grantee for the State's reasonable costs in terminating this Grant. The Grantee must pay all reasonable costs incurred by the State in terminating this Grant for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Grant Activities from other sources.

(2) Termination for Convenience

The State may immediately terminate this Grant in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. If the State terminates this Grant for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Grant Responsibilities.

(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 will have the right to terminate the 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 will 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) will, 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)'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.

(6) Transition Responsibilities

Upon termination or expiration of the Grant Agreement for any reason, selected applicant(s) must, for a period of time specified by the State (not to exceed 90 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the grant activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such grant activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the grant activities at the rates established in the Grant Agreement; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable grant activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to selected applicant(s) by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under the Grant Agreement as of the Grant Agreement termination date; and (e) preparing an accurate accounting from which the State and selected applicant(s) may reconcile all outstanding accounts (collectively, "Transition Responsibilities"). The Grant Agreement will automatically be extended through the end of the transition period.

II-O Conflicts and Ethics

Grantee will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Grant; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Grant; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Grantee, any consideration contingent upon the award of the Grant. Grantee must immediately notify the State of any violation or potential violation of these standards. This Section applies to Grantee, any parent, affiliate, or subsidiary organization of Grantee, and any subgrantee that performs Grant Activities in connection with this Grant.

II-P Non-Discrimination

Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and [Executive Directive 2019-09](#), Grantee and its subgrantees agree not to discriminate against an employee or applicant(s) for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract.

II-Q Unfair Labor Practices

Under MCL 423.324, the State may void any Grant with a Grantee or subgrantee who appears on the Unfair Labor Practice register compiled under MCL 423.322.

II-R Force Majeure

Neither party will be in breach of this Grant because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Grantee will not be relieved of a breach or delay caused by its subgrantees. If immediate performance is necessary to ensure public health and safety, the State may immediately Grant with a third party.

II-S Media Releases

News releases (including promotional literature and commercial advertisements) pertaining to the Grant or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.

II-T Website Incorporation

The State is not bound by any content on Grantee's website unless expressly incorporated directly into this Grant.

II-U Certification Regarding Debarment

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

II-V Illegal Influence

The Grantee 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 Grantee, 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 Grantee will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The Grantee will require that the language of this certification be included in the award documents for all grants or subcontracts and that all subrecipients will 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 Agreement imposed by 31 USC § 1352. Any person who fails to file the required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Grantee 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 Grantee, 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-W Governing Law

The Grant Agreement is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of the Grant Agreement are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from the Grant Agreement must be resolved in Michigan Court of Claims. Selected applicant(s) consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or forum non conveniens. Selected applicant(s) must appoint agents in Michigan to receive service of process.

II-X Compliance with Laws

Grantee must comply with all federal, state and local laws, rules and regulations.

II-Y Disclosure of Litigation, or Other Proceeding

Grantee must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "Proceeding") involving Grantee, a subgrantee, or an officer or director of Grantee or subgrantee, that arises during the term of the Grant, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Grantee's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Grantee is required to possess in order to perform under this Grant.

II-Z Assignment

Grantee may not assign this Grant to any other party without the prior approval of the State. Upon notice to Grantee, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Grant to any other party. If the State determines that a novation of the Grant to a third party is necessary, Grantee will agree to the novation, provide all necessary documentation and signatures, and continue to perform, with the third party, its obligations under the Grant.

II-AA Entire Grant and Modification

This Grant is the entire agreement and replaces all previous agreements between the parties for the Grant Activities. This Grant may not be amended except by signed agreement between the parties.

II-BB Grantee Relationship

Grantee assumes all rights, obligations and liabilities set forth in this Grant. Grantee, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Grant. Grantee, and not the State, is responsible for the payment of wages, benefits and taxes of Grantee's employees and any subgrantees. Prior performance does not modify Grantee's status as an independent Grantee.

II-CC Dispute Resolution

The parties will endeavor to resolve any Grant dispute in accordance with this provision. The dispute will be referred to the parties' respective Grant Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Grant.

II-DD Severability

If any part of this Grant is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Grant and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Grant will continue in full force and effect.

II-EE Waiver

Failure to enforce any provision of this Grant will not constitute a waiver.

II-FF Confidentiality

State Data

- (a) Ownership. The State's data ("State Data," which will be treated by selected applicant(s) as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the grant activities; (b) personally identifiable information ("PII") collected, used, processed, stored, or generated as the result of the grant activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("PHI") collected, used, processed, stored, or generated as the result of the grant activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This section survives the termination of the Grant Agreement.
- (b) Selected Applicant(s) Use of State Data. Selected applicant(s) is provided a limited license to State Data for the sole and exclusive purpose of providing the grant activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary

in the provision of the grant activities. Selected applicant(s) must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in the Grant Agreement and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the grant activities, such use and disclosure being in accordance with the Grant Agreement, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for selected applicant(s)'s own purposes or for the benefit of anyone other than the State without the State's prior written consent. This section survives the termination of the Grant Agreement.

- (c) Extraction of State Data. Selected applicant(s) must, within one (1) business day of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to selected applicant(s)), an extract of the State Data in the format specified by the State.
- (d) Backup and Recovery of State Data. Selected applicant(s) is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Selected applicant(s) must maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.
- (e) Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by selected applicant(s) that relate to the protection of the security, confidentiality, or integrity of State Data, selected applicant(s) must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within 5 calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting selected applicant(s)'s obligations of indemnification as further described in the Grant Agreement, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and, (h) provide to the State a detailed plan within 10 calendar days of the occurrence describing the measures selected applicant(s) will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of selected applicant(s)'s representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps selected applicant(s) has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by selected applicant(s). This section survives the termination of the Grant Agreement.

Non-Disclosure of Confidential Information

The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this section survive the termination of the Grant Agreement.

- (a) **Meaning of Confidential Information.** For the purposes of the Grant Agreement, the term “Confidential Information” means all information and documentation of a party that: (a) has been marked “confidential” or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked “confidential” or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked “confidential” or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term “Confidential Information” does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of the Grant Agreement, in all cases and for all matters, State Data is deemed to be Confidential Information.
- (b) **Obligation of Confidentiality.** The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with the Grant Agreement or to use such Confidential Information for any purposes whatsoever other than the performance of the Grant Agreement. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under the Grant Agreement; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) selected applicant(s) obligates the subcontractor in a written contract to maintain the State’s Confidential Information in confidence. At the State’s request, any employee of selected applicant(s) or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this section.
- (c) **Cooperation to Prevent Disclosure of Confidential Information.** Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of the Grant Agreement and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- (d) **Remedies for Breach of Obligation of Confidentiality.** Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of the Grant Agreement or any Statement of Work corresponding to the breach or threatened breach.
- (e) **Surrender of Confidential Information upon Termination.** Upon termination of the Grant Agreement or a Statement of Work, in whole or in part, each party must, within 5 calendar days

from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that selected applicant(s) must return State Data to the State following the timeframe and procedure described further in the Grant Agreement. Should selected applicant(s) or the State determine that the return of any non-State Data Confidential Information is not feasible, such party must destroy the non-State Data Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party.

Data Privacy and Information Security

- (a) Undertaking by Selected Applicant(s). Without limiting selected applicant(s)'s obligation of confidentiality as further described, selected applicant(s) is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of selected applicant(s), if any, comply with all of the foregoing. In no case will the safeguards of selected applicant(s)'s data privacy and information security program be less stringent than the safeguards used by the State, and selected applicant(s) must at all times comply with all applicable State IT policies and standards, which are available to selected applicant(s) upon request.
- (b) Audit by Selected Applicant(s). No less than annually, selected applicant(s) must conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.
- (c) Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review selected applicant(s)'s data privacy and information security program prior to the commencement of grant activities and from time to time during the term of the Grant Agreement. During the providing of the grant activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of selected applicant(s)'s data privacy and information security program. In lieu of an on-site audit, upon request by the State, selected applicant(s) agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding selected applicant(s)'s data privacy and information security program.
- (d) Audit Findings. Selected applicant(s) must implement any required safeguards as identified by the State or by any audit of selected applicant(s)'s data privacy and information security program.
- (e) State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate the Grant Agreement or a Statement of Work without limitation and without liability if the State determines that selected applicant(s) fails or has failed to meet its obligations under this section.

II-GG Background Checks

Upon request, the selected applicant must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Selected applicant is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.

II-HH Subcontracting

Selected applicant may not delegate any of its obligations under the Grant Agreement without the prior written approval of the State. Selected applicant must notify the State at least 90 calendar days before

the proposed delegation and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, the selected applicant must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all grant activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in the Grant Agreement in any subcontract with a subcontractor. Selected applicant remains responsible for the completion of the grant activities, compliance with the terms of the Grant Agreement, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.

II-II No State Employees or Legislators

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

II-JJ E-Verify Certification

Section 291 of the fiscal year 2013 Omnibus Budget, PA 200 of 2012, requires verification that all new employees of the selected applicant and all new employees of any approved subcontractor, working under the Grant Agreement, are legally present to work in the United States. The selected applicant must perform this verification using the E-verify system (<http://www.uscis.gov/portal/site/uscis>). The selected applicant's signature on the Grant Agreement is the selected applicant's certification that verification has and will be performed. The selected applicant's signature also certifies that the selected applicant is not an Iran linked business as defined in MCL 129.312.

II-KK Survival

The provisions of the Grant Agreement that impose continuing obligations, including warranties and representations, termination, transition, indemnification, and confidentiality, will survive the expiration or termination of the Grant Agreement.

II-LL Independent Contractor

Selected applicant is an independent contractor and assumes all rights, obligations and liabilities set forth in the Grant Agreement. Selected applicant, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of the Grant Agreement.

Selected applicant, and not the State, is responsible for the payment of wages, benefits and taxes of selected applicant's employees and any subcontractors. Prior performance does not modify selected applicant's status as an independent contractor.

II-MM 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 Proposals (RFP) is to obtain the services of a contractor/grantee to review and update the physical and cybersecurity elements of the MESP and identify security-related actions the MPSC should conduct to develop staff capacity and improve the plan. The project will increase MPSC staff understanding of security best practices and technologies. It will also assist MPSC staff in evaluating the security posture of regulated electric and natural gas utilities in Michigan. The project will cover both the physical and cybersecurity domains with a primary focus on the latter.

The eligibility requirements of this RFP are outlined below. Applicants will use the Bidder Response boxes to indicate how they comply with each requirement.

- 1. Bidder must have experience with electric and natural gas utility information technology and operational technology systems.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe their professional experience and how it demonstrates compliance with the above requirement(s):	

- 2. Bidder must be familiar with energy sector-related physical and cybersecurity practices and guidance, including NERC-CIP, ES-C2M2, API Standard 1164, NIST CSF, and TSA Security Directives.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe their familiarity with energy sector-related security practices and guidance and how it demonstrates compliance with the above requirement(s):	

- 3. Bidder must be familiar with the prevailing regulatory environment for the security of electric and natural gas utilities including the roles performed by entities such as state public utility commissions, NERC, and TSA.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe their familiarity with the prevailing regulatory environment for utility security and how it demonstrates compliance with the above requirement(s):	

4. Bidder must have exposure to state energy security (energy assurance) planning and guidance, including the U.S. DOE’s State Energy Security Plan Guidance and NASEO’s State Energy Assurance Guidelines.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe their experience with energy security planning and how it demonstrates compliance with the above requirement(s):	

III-B Problem Statement

The safe and reliable delivery of electric and natural gas is vital to the state’s economy and the health and safety of its residents. This process risks disruption from an evolving array of security threats. The MPSC provides regulatory oversight of electric and natural gas utilities that perform this function and endeavors to help mitigate the risks posed by these security threats. Effectively addressing this challenge requires a periodic evaluation of the MPSC’s energy security plans and regulatory approaches, which provides the impetus for this RFP.

III-C Objectives/Tasks

The objectives and tasks of this RFP are outlined below. Applicants will use the Bidder Response boxes to indicate how they will comply with each task.

- 1) MESP Evaluation - Review the existing MESP and deliver written feedback on how to enhance the security components of the plan consistent with federal energy assurance/security plan guidance, NARUC cybersecurity guidance for state utility commissions, the State of Michigan cybersecurity strategy, and other relevant literature.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe how they plan to comply with the above task(s):	

- 2) Technical Standards Evaluation - Review existing MPSC security rules, specifically proposed Rule 506 and existing Rule 205 of the Technical Standards for Electric Service and Rules 24 and 45 of the Technical Standards for Gas Service and deliver written feedback on how to improve the MPSC’s security requirements for regulated electric and natural gas utilities.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe how they plan to comply with the above task(s):	

- 3) Utility Meeting Participation and Evaluation - Join MPSC staff in meeting individually with regulated electric and/or natural gas utilities to discuss their security practices. Contractor/grantee shall participate in up to six (6) meetings at an estimated schedule of two (2) meetings per month. Each meeting shall be no more than (2) hours in duration and will be conducted virtually. For each meeting, the contractor will perform the following:
- a. Observe MPSC staff interaction with utility personnel.
 - b. Ask questions of the utility to identify potential security gaps.
 - c. Verbally share security knowledge and expertise with meeting participants.
 - d. No more than ten (10) days following the meeting, provide MPSC staff with a written follow-up memorandum, based on the activities performed in Tasks 3(a-c), identifying utility strengths and weaknesses, recommending actions to improve that utility's security posture, and providing feedback on staff interaction with said utility.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe how they plan to comply with the above task(s):	

- 4) Staff Training - Provide three (3) virtual security training sessions of no more than sixty (60) minutes in duration to MPSC Staff within the scope of the contractor's expertise. MPSC Staff and the contractor will work together to determine the timing of the training sessions. Training session topics will be determined by MPSC Staff in collaboration with the contractor. Training topics will be germane to the project and are likely to draw on areas such as information technology security, operational technology security, utility security regulation, security standards, security technologies, and related areas.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe how they plan to comply with the above task(s):	

- 5) Status Update Meetings - Lead approximately ten (10) bi-weekly status update meetings with MPSC staff. Bi-weekly meetings shall be no more than sixty (60) minutes in duration and will be conducted via Microsoft Teams. The contractor will coordinate with MPSC Staff on meeting agendas. Post-meeting notes will be provided by the Contractor to MPSC Staff and post-meeting actions will be discussed and approved by MPSC Staff. Status update meetings may be added or canceled as needed at the discretion of MPSC Staff. Please confirm you will be able to meet these expectations and provide an organizational chart identifying personnel who will be present at the bi-weekly status update meetings.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe how they plan to comply with the above task(s) and provide the organizational chart as an attachment to the proposal:	

- 6) Commission Presentation - Lead one (1) meeting presenting a summary of project activities and findings to MPSC leadership. The meeting shall be no more than two (2) hours in duration and will be conducted via Microsoft Teams. The meeting agenda will be developed by the contractor with MPSC input and subject to MPSC Staff approval. Please confirm you will be able to meet these expectations and provide an organizational chart identifying personnel who will be present at the presentation meeting.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe how they plan to comply with the above task(s) and provide the organizational chart as an attachment to the proposal:	

- 7) Identification of Personnel - Identify all personnel assigned to the project, including name, title, and description of duties. Resumes should be attached to the proposal.

<input type="checkbox"/>	I have reviewed the above requirement and agree with no exception.
<input type="checkbox"/>	I have reviewed the above requirement and have noted all exception(s) below.
List all exception(s):	
Bidder must describe how they plan to comply with the above task(s):	

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 Grant Administrator will have final authority over the Grant Agreement.

Along with continuous liaison with the selected applicant, 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 in solving problems that arise.

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

Changes to the Grant Agreement, including the budget, can only be made during the term of the grant.

IV-B Monitoring and Reporting Program Performance

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

Monthly Financial Status Reports. The selected applicant will submit signed and dated monthly financial status reports (FSR) to the Grant Administrator indicating the amount of funds expended in each line item category of the budget. Monthly FSRs must include source documentation that supports all reported expenditures including, but not limited to, general ledgers, time sheets, payroll registers, invoices, check copies and bank statements, or cancelled checks. Expenses will be verified based on actual expenditures incurred within the grant period that are supported by source documentation, not budgeted amounts. Grantee will provide a monthly summary on the following:

- **Project Milestones** – Percent (%) completion of the project objectives.
- **Project Progress** – Brief outline of the work accomplished during the reporting period and the work to be completed during the subsequent reporting period(s).
- **Noteworthy Accomplishments** – Identify and describe any milestones reached or noteworthy accomplishments completed during the period.
- **Delays** – Brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.
- **Attachments and Other Materials** – Provide project materials developed and implemented during the reporting period (e.g. newspaper articles, newspaper advertisements, forms, brochures, announcements, studies, reports, analyses, audits, etc.).

Final Project Report. The selected applicant must submit a final project report. The final project report will include the following information at a minimum:

- **Project Identification** – Name of selected applicant, grant number, and dates of current reporting period.
- **Project Milestones** – Percent (%) completion of the project objectives and description of the same.
- **Project Implementation** – Outline of the work accomplished during the grant term.
- **Program Metrics** – Evaluate the success of the program based on grantee-defined success metrics.
- **Noteworthy Accomplishments** – Accomplishments and problems experienced while carrying out project activities.
- **Coordinated Efforts** – Coordinated efforts with other organizations to complete the project.

- **Project Impacts** – Impacts, anticipated and unanticipated, experienced as a result of project implementation.
- **Financial Summary** – Summary of financial expenditures of grant funds; include the basis or reason for any discrepancies.
- **Evaluation** – Evaluate the success of the program. The program should be evaluated against the selected applicant's work plan and objectives. Selected applicant should provide an honest and objective assessment of the successes and failures of the project. The evaluation should have both quantitative and qualitative components.

PART V: INFORMATION REQUIRED FROM APPLICANT(S)

Applicant(s) must submit one proposal. Electronically submitted proposals must have a scanned signature or e-signature and cannot exceed 15 MB.

Applicant(s) must provide responses to each section below. Be as descriptive as possible and answer each question in its entirety; some questions have multiple components. In your responses, provide a straight-forward, concise description of the applicant(s)'s ability to meet the requirements of the RFP. Questions that do not apply should be answered "N/A."

V-A Identification of Organization

State the full name and address of the organization, the organization's federal identification number, the organization's telephone and fax numbers, and what percentage of the organization is located in Michigan.

V-B Authorized Negotiator

State the name of one (1) contact person and their telephone number, 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)'s proposed method for addressing the problem presented in Section III-B, Problem Statement. Describe any significant obstacles the applicant(s) has had coordinating and managing clinical trial research.

V-D Management Summary

- 1) Describe management procedures that will be used by the organization to complete the proposed project.
- 2) Describe the organization's quality control measures, including measures for ensuring compliance as well as eligibility determination. In your description, include information regarding separation of duties.
- 3) Selected applicant must provide fiscal control and financial accounting procedures that will assure that grant funds will be accounted for and properly dispersed in a way that will allow the Issuing Office to clearly review and verify all grant related expenditures. Describe the organization's internal control policy:
 - Identify the type of accounting system/software the organization will use to account for grant funds.
 - Identify how duties will be separated.
 - Describe how the organization will account for grant funds, i.e., will grant funds be placed in a separate bank account, will the grant funds be assigned a unique code(s) within the organization's overall accounting system. Ensure funds are maintained in a non-interest-bearing account.
 - Indicate whether internal and external audits of the organization's operations are performed on an annual basis. Selected applicant(s) may be asked to provide a copy of the organization's most recent audited financial statement as well as a copy of the organization's most recent single audit as required by OMB Circular 200.36.
- 4) Describe your agency's data security plan.

V-E Work Plan

Provide a clear and concise work plan based on the requirements outlined in Part III Work Statement.

V-F Current and Prior Experience

Current and prior experience is important to the selection process.

Proposals submitted by applicant(s) should include:

- 1) A description of the organization's experience in conducting the type of work proposed. Include current activities and activities for the previous ten years. Include project results.
- 2) If applicant(s) received a similar grant award from the State of Michigan in prior years for the type of project proposed, provide a summary of project accomplishments. Include a plan for addressing and resolving past problems.
- 3) Current funding source(s) and the level of funding for the current year and the previous ten years.

V-G Personnel

Selected applicant must be able to staff a project team that clearly possesses skill and experience relative to this project. In the narrative, identify the authorized contact person and key personnel to be involved with this project by name and title and provide a brief summary of their experience, qualifications, and the work to be performed.

If other organizations will be playing a role in the proposed project, provide sufficient background information that will give the MPSC a reasonable understanding of each organization's qualifications.

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

Attach a copy of your confidentiality agreement and provide a list of personnel and the date that the confidentiality agreement was signed.

V-H Budget

To enable the MPSC to evaluate all project costs, applicant(s) will submit a proposed budget and corresponding budget narrative. Please see attachment A for the required budget format. The budget and narrative must include only Energy Security Technical Assistance Project grant funds in the budget; do not include matching, leveraged, cost share or any other type of supplemental funds. The budget narrative must identify the budget line item and number, provide a detailed description for each line, and include individual unit prices.

Selected applicant will be required to provide supporting documentation for all grant expenditures incurred during the term of the grant. Accounting records attached to monthly invoices would include time sheets for staff assigned to this project and clearly identify the project task(s) performed. Expenses will be verified based on actual expenditures incurred within the grant period that are supported by source documentation, not budgeted amounts.

- 1) **Budget Changes** – Any changes to the budget must be pre-approved by the Grant Administrator. Changes in the budget of less than 5% of the total line item amount do not require a formal amendment; however, a revised budget should be submitted to the Grant Administrator for approval. The allowable transfer should be calculated as less than 5% of the total line item that the funds are being transferred from.

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

2) **Budget Requirements** – The proposed budget will display five (5) headings identified as the: Description, Quantity, Unit, Unit Cost, Total Cost. 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 using whole numbers. Please refrain from using decimals or formulas. Refer to the budget example provided in Attachment A.

- **MESP Evaluation:** Review the existing MESP and deliver written feedback on how to enhance the security components of the plan consistent with federal energy assurance/security plan guidance, NARUC cybersecurity guidance for state utility commissions, the State of Michigan cybersecurity strategy, and other relevant literature.
- **Technical Standards Evaluation:** Review existing MPSC security rules, specifically proposed Rule 506 and existing Rule 205 of the Technical Standards for Electric Service and Rules 24 and 45 of the Technical Standards for Gas Service and deliver written feedback on how to improve the MPSC’s security requirements for regulated electric and natural gas utilities.
- **Utility Meeting Participation and Evaluation:** Join MPSC staff in meeting individually with regulated electric and/or natural gas utilities to discuss their security practices. Contractor/grantee shall participate in up to six (6) meetings at an estimated schedule of two (2) meetings per month. Each meeting shall be no more than (2) hours in duration and will be conducted virtually. For each meeting, the contractor will perform the following:
 - Observe MPSC staff interaction with utility personnel.
 - Ask questions of the utility to identify potential security gaps.
 - Verbally share security knowledge and expertise with meeting participants.
 - No more than ten (10) days following the meeting, provide MPSC staff with a written follow-up memorandum, based on the activities performed in Tasks 3(a-c), identifying utility strengths and weaknesses, recommending actions to improve that utility’s security posture, and providing feedback on staff interaction with said utility.
- **Staff Training:** Provide three (3) virtual security training sessions of no more than sixty (60) minutes in duration to MPSC Staff within the scope of the contractor’s expertise. MPSC Staff and the contractor will work together to determine the timing of the training sessions. Training session topics will be determined by MPSC Staff in collaboration with the contractor. Training topics will be germane to the project and are likely to draw on areas such as information technology security, operational technology security, utility security regulation, security standards, security technologies, and related areas.
- **Status Update Meetings:** Lead approximately ten (10) bi-weekly status update meetings with MPSC staff. Bi-weekly meetings shall be no more than sixty (60) minutes in duration and will be conducted via Microsoft Teams. The contractor will coordinate with MPSC Staff on meeting agendas. Post meeting notes will be provided by the Contractor to MPSC Staff and post-meeting actions will be discussed and approved by MPSC Staff. Status update meetings may be added or canceled as needed at the discretion of MPSC Staff. Please confirm you will be able to meet these expectations and provide an organizational chart identifying personnel who will be present at the bi-weekly status update meetings.
- **Commission Presentation:** Lead one (1) meeting presenting a summary of project activities and findings to MPSC leadership. The meeting shall be no more than two (2) hours in duration and will be conducted via Microsoft Teams. The meeting agenda will be developed by the contractor with MPSC input and subject to MPSC Staff approval. Please confirm you will be able to meet these expectations and provide an

PART VI: EVALUATION AND SELECTION CRITERIA

VI-A Criteria and Scoring

All proposals received will be subject to an evaluation by the Joint Evaluation Committee appointed by the MPSC. The evaluation will be conducted to select the 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 based on the following factors:

- Knowledge of energy security (energy assurance) planning and guidance (15 points)
- Experience with electric and natural gas utility technology systems (15 points)
- Experience with utility security regulations and standards (15 points)
- Work Plan (20 points)
- Management Summary (20 points)
- Budget and Budget Narrative (15 points)

The total maximum number of points that an application can receive equals 100 points. Only those applications receiving a score of 80 points or more will be considered for award.

ATTACHMENT A
Energy Security Technical Assistance Grant Project
Sample Budget
Submission Date: _____

Below is a sample budget in the required format for this RFP and the resulting grant agreement(s). All numbers are fictitious and must be removed and replaced with actual proposed budget amounts prior to submission of the proposal.

Task	Description	Quantity	Unit	Unit Cost	Total Cost
1	MESP Evaluation	1		\$10,000	\$10,000
2	Technical Standards Evaluation	1		\$8,000	\$8,000
3	Utility Meeting Participation and Evaluation	6	Meeting	\$2,000	\$12,000
4	Staff Training	3	Training	\$3,000	\$9,000
5	Status Update Meetings	10	Meeting	\$1,000	\$10,000
6	Commission Presentation	1		\$2,000	\$2,000
				TOTAL	\$51,000