



**REQUEST FOR PROPOSALS**

for Solarize Philly solar equipment vendors for

PHILADELPHIA ENERGY AUTHORITY

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**Response Deadline:** March 15, 2018, 5:00pm local time

Issued by:

THE PHILADELPHIA ENERGY AUTHORITY ("PEA")

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## 1. Purpose

The purpose of this Request for Proposals (“RFP”) is to solicit pricing proposals from solar PV manufacturers and distributors for solar modules and inverters for use by solar installers participating in Phase 2 of the Solarize Philly campaign. The Philadelphia Energy Authority (“PEA”) is interested in creating a special pricing agreement for these items to yield meaningful price reductions in the cost to Solarize Philly participants.

This is the second RFP for this program, the first which was awarded and executed in 2017, with pricing agreement that was in place through the end of that calendar year. The federal tariff on imported solar cells and modules has resulted in market volatility. This RFP aims to create a new pricing agreement that would be in place for Phase 2 of Solarize Philly.

The selected vendor(s), if any, will serve as the primary equipment manufacturer or distributor for the Solarize Philly program, and will be recommended for any additional commercial or industrial solar projects supported by the Philadelphia Energy Authority.

The Philadelphia solar energy market is experiencing dramatic growth due to a number of factors: 1) a new, streamlined solar permitting process, 2) a newly-refined interconnection process with PECO, 3) strong public sector support for solar deployment, and 4) significant pent-up consumer demand. In 2014, Philadelphia City Council encouraged the City to generate enough solar on municipal buildings to power 20,000 homes by 2025, demonstrating municipal support for solar.

In 2017, PEA launched its first citywide Solarize Philly campaign. The first phase of the program achieved outcomes that exceeded expectations:

- \$3 million invested in 885 kW of rooftop solar
- 2,200 sign-ups, 186 signed contracts in Phase 1
- 14 new solar jobs created, half went to minorities or women
- 18 students trained in solar installation

PEA is also currently supporting development of more than 2 MW of commercial solar. Selected vendors may elect to participate in various public relations, community engagement and solar training activities related to Solarize Philly.

## 2. Background

### 2.1. What is Solarize Philly?

Solarize Philly is a citywide program, led by the PEA to make solar power accessible for all Philadelphia residents by:

- reducing customer acquisition costs through education and marketing;
- increasing consumer confidence through installer vetting, standardized contract terms and pricing, and product and installation standards;
- reducing system costs by negotiating bulk discounts on solar modules, inverters, and balance-of-system components;
- simplifying solar permitting and utility interconnection;
- developing solar training in partnership with the School District of Philadelphia, and,

- providing further cost reductions for low- and moderate-income (LMI) households to increase access and empower residents.

The Philadelphia Energy Authority team will leverage municipal communications and outreach to inform consumers of the program, generate interest and reduce participating installers' customer acquisition costs. We will partner with community organizations and nonprofits to increase awareness and drive interest. PEA will support installers by helping to identify potential customers; verifying solar feasibility; and helping to minimize interconnection and permitting barriers in partnership with PECO, the Philadelphia Department of Licenses and Inspections, and the City of Philadelphia's Office of Sustainability.

Participants in Solarize Philly will procure solar either through direct ownership or via a Power Purchase Agreement (PPA). Landlords may participate in the program if interested.

The design of Solarize Philly will ensure that consumers are offered lower pricing than what they could find on the open market, while supporting social equity, community engagement and solar training in schools.

Learn more at [www.solarizephilly.org](http://www.solarizephilly.org).

## **2.2. About the Philadelphia Energy Authority**

PEA was established by City Council and the Mayor of Philadelphia in 2010. PEA seeks systemic solutions to our city's energy challenges, supporting the work of a robust community of energy experts, advocates, and champions citywide. In 2016, PEA launched the [Philadelphia Energy Campaign](#) with the leadership of City Council President Darrell Clarke. The Energy Campaign is a \$1 billion, 10-year investment in clean energy and energy efficiency projects for city buildings, schools, LMI housing and small businesses. PEA is uniquely positioned to leverage our existing Energy Campaign programs, dollars and relationships to launch a citywide Solarize Philly. The PEA website is <http://www.philaenergy.org/>.

## **2.3. Solarize Philly Goals**

Solarize Philly is deploying 2.5 MW<sub>DC</sub> of PV in 18 months, of which roughly 20 percent will be for LMI households. We expect the average residential solar installation will be 5 kW<sub>DC</sub>, so this represents approximately 500 installations. The initial focus of Solarize Philly will be residential installations, though commercial businesses, industrial customers, nonprofit organizations and institutional facilities can participate. We expect Solarize Philly to continue beyond the initial 18-month period and our goal is to install 25 MW<sub>DC</sub> of solar on 5,000 rooftops by 2020. This program will also spur solar development in other sectors, leveraging another 10 MW<sub>DC</sub> in government, schools, nonprofits and private companies by 2020.

The first phase of Solarize Philly generated impressive demand. In phase 1 alone, Solarize Philly stood out as one of the largest solarize campaigns in the country, with 2,200 sign-ups and 186 contracts signed, amounting to over 800kW<sub>DC</sub> of installed. PEA anticipates that the response in Phase 2 will match or exceed Phase 1 participation.

### 3. Equipment Specifications & Pricing

#### 3.1. Solar PV Modules

The following details are requested for at least one standard efficiency and one high efficiency solar PV module. PEA is seeking module warranties that cover the cost of labor to replace defective products

- Module Manufacturer
- Module Model #
- Module Rated Wattage (STC)
- Module Dimensions
- Module Efficiency
- Module Output Degradation (%/year)
- Module Warranty (years,coverage)
- Country of Origin
- Pricing per module and per watt
- Start date and end date of pricing availability
- Year Module was First Available for Sale
- Total Number of Modules Sold
- Module environmental certification(s)
- Product specification sheets

#### 3.2. Inverters & Optimizers

The following details are requested for a range of inverters and module-level optimization options sized for residential PV systems ranging from 3kW<sub>DC</sub> to 10kW<sub>DC</sub>. PEA is seeking inverter and optimizer warranties that cover the cost of labor to replace defective products

- Inverter Manufacturer
- Inverter Model #
- Inverter Wattage
- Inverter Voltage
- Power Factor Adjustable
- AC Voltage Limit Adjustable
- Number of Maximum Power Point Tracking (MPPT) Inputs
- Inverter California Energy Commission (CEC) Efficiency
- Inverter Warranty (years/coverage)
- Module-level optimization options and pricing if applicable
- System performance monitoring capabilities
- Country of Origin
- Pricing per inverter & optimizers
- Year Inverter was First Available for Sale
- Total Number of Inverters Sold
- Product specification sheets

### 3.3. Capacity, Requirements and Additional Information

PEA also seeks relevant information on production capacity, availability, and delivery of the above-cited products. Include the following details:

1. What are licensing and training requirements, if any, for Installers to use your products?
2. Describe payment/credit terms available to Installers.
3. What are the delivery options you would make available to Installers?
4. What is the ordering and delivery lead time for these products?
5. Provide any relevant information on production capacity and/or availability.
6. Any other conditions for the sale, installation and use of your products that Solarize Philly should know?
7. Any other additional information about products or value that applicants deem relevant.

## 4. Questions, Proposal Format and Submission

Applicants are asked to register their intention to submit a proposal by March 2, 2018. Letters of intent to apply should be submitted via email to [solarize@philaenergy.org](mailto:solarize@philaenergy.org).

### 4.1. Anticipated project timeline

Step	Date
RFP released	February 16, 2018
Deadline to submit questions	February 28, 2018
Letter of Intent requested	March 2, 2018
Responses to questions released	March 2, 2018
Proposals submitted	March 15, 2018
Vendor interviews	Week of March 19, 2018
Vendor selections announced	Week of March 26, 2018
Selected vendor MOUs executed	March 30, 2018
Phase 2 Enrollment Period (estimated)	April 1 - August 31, 2018
All Second Phase contracts signed (estimated)	August 31, 2018
All Second Phase equipment ordered (estimated)	December 31, 2018
All First Signup Period installations completed (estimated)	March 31, 2019

## 4.2. Questions

All questions regarding this RFP are to be sent by email to [solarize@philaenergy.org](mailto:solarize@philaenergy.org). Responses to questions received by 5:00 p.m. on February 28, 2018 will be posted publicly. All effort will be made to respond to questions received after February 28, 2018 deadline, but responses are not guaranteed.

The answers to all questions were posted on the PEA website ([www.philaenergy.org](http://www.philaenergy.org)) and emailed to those who indicate intent to apply. Respondents are urged to check the website for the responses to the questions.

## 4.3. Proposal Deadline

Responses to this RFP must be delivered electronically to the Philadelphia Energy Authority no later than **5:00 p.m. on March 15, 2018**. The electronic version of the proposal and all attachments are to be emailed by the deadline to the Philadelphia Energy Authority at [solarize@philaenergy.org](mailto:solarize@philaenergy.org). Responses received after the deadline will not be considered.

## 5. Proposal Guidelines

### Part I: Applicant's Point of Contact and Business Information

Supply contact information for Applicant's business, including legal business name and headquarters address. Provide business FEIN, total number of employees and number employed in Pennsylvania, total number of employees and number employed in Philadelphia (if any).

### Part II: Bid for Proposed Equipment for Solarize Philly Customers

Provide equipment specifications and pricing as described in Section 3.1 and 3.2 above for PV module, inverter, and optimizers that Bidders are offering to Solarize Philly.

### Part III: Applicant's Requirements and Capacity

Provide information about installer licensing, payment and credit terms, delivery capacity and delivery terms as described in Section 3.3 above.

### Part IV: References, Examples & Case Studies

Include three (3) references for completed projects using your equipment. Provide at least 3 examples and case studies of projects using your equipment. Include project size and equipment used.

### Part V: Equal Opportunity Plan

This RFP is issued under the Anti-Discrimination Policy described in the City of Philadelphia Mayor's Executive Order 03-12. While there are no ranges for the participation of Minority (MBE), Woman (WBE) or Disabled (DSBE) Owned Business Enterprises (collectively, M/W/DSBEs) projected for this proposal, applicants are prohibited from discriminating in their selection of subcontractors and are encouraged to use their Best and Good Faith Efforts to solicit quotes from M/W/DSBEs on an equitable basis with other firms. See the Office of Economic Opportunity (OEO) Instructions and Form which is part of this Invitation and Proposal and Contract in Attachment 2.

## Part VI: Signature

Include a signature page certifying that the applicant has read this RFP and all addenda thoroughly and that the enclosed information is true and accurate.

## Part VII: Exhibits Required

Two exhibits - financial statements and equipment specification sheets - must accompany the proposal. Supply audited company financial statements for the three most recent fiscal years. If audited statements are not available, include the business federal tax returns for the three most recent years. Supply cut sheets for each product that is included in the proposal.

These exhibits are to be saved as PDFs and submitted electronically. These exhibits will be used by PEA solely for evaluating your proposal and will be kept confidential.

## 6. Evaluation Criteria

Proposals in response to this RFP will be evaluated by the Solarize Philly selection committee. Selection criteria will include:

- **Overall Quality:** overall quality of the specified equipment, warranties and other terms;
- **Value and Price:** the value offered by the pricing of proposed equipment, timeframe of the pricing proposal, and contract terms and conditions, as well as the cost of equipment.
- **Delivery Capacity:** ability to provide timely delivery of the offered products to residential installation sites.
- **Adequate Financial Capacity and Experience:** Solarize is intended to result in a significant number of installations and the selected Manufacturer/Distributor must be able to demonstrate sufficient financial strength and production capacity to successfully meet the demands of this program.
- **Local Staffing and Offices:** PEA places an emphasis on supporting the local economy, and local presence will be considered.
- **Equal Opportunity Employment Practices:** PEA is deeply committed to providing equal opportunities to women, minorities, and people with disabilities. Applicants must include programs and practices for including diversity in their workforce and supply chain.



Pricing is not the exclusive basis for selection—we may decide to select a Manufacturer/Distributor whose pricing is not the lowest if we find the proposal compelling for reasons of value and quality. Proposals will be ranked based on the following scoring system:

<b>Criteria</b>	<b>Maximum Possible Points</b>
Overall quality	<b>20</b>
Value and price	<b>30</b>
Delivery capacity	<b>10</b>
Adequate financial capacity and experience	<b>10</b>
Local staffing and offices	<b>15</b>
Equal Opportunity Employment Practices	<b>15</b>
<b>Total</b>	<b>100</b>

After evaluation of proposals and interviews, Solarize Philly will select the preferred Manufacturer/Distributor and will notify everyone who submitted a proposal of the results.

PEA will then negotiate and execute a Memorandum of Understanding with the selected Manufacturer/Distributor. Attached as Attachment 1 are the standard terms and conditions that will be included in the MOU.

## **7. Termination**

PEA reserves the right to terminate this Agreement at any time at its sole discretion by giving Installer thirty (30) days' notice. See additional details in Attachment 1.

**Attachment 1****PHILADELPHIA ENERGY AUTHORITY****STANDARD TERMS AND CONDITIONS**

Independent Contractor. Manufacturer/Distributor acknowledges that Manufacturer/Distributor is an independent contractor and that Manufacturer/Distributor is not an employee of the Philadelphia Energy Authority ("PEA"). Manufacturer/Distributor also acknowledges that Manufacturer/Distributor is not entitled to participate in any employee benefit plan or receive any benefits of the PEA normally accorded to employees, shall not receive coverage under any Workman's Compensation Statute, and shall be solely responsible for securing and maintaining any necessary insurance or licenses.

Non-Exclusivity. Manufacturer/Distributor is under no obligation to work exclusively for the PEA, and may accept engagements, work, and assignments from parties other than the PEA on a regular basis. The PEA and the Manufacturer/Distributor agree and acknowledge that the Manufacturer/Distributor's services are separate and distinct from the services and business operations of the PEA, and that the business operations of the Manufacturer/Distributor shall not, at any time, be integrated into the business operations of the PEA.

No Agency. Manufacturer/Distributor is authorized to represent himself or herself as an independent contractor of the PEA, but shall have no authority to and shall not represent that he or she has authority to bind the PEA in any manner.

Standard of Performance. Manufacturer/Distributor shall enter upon the performance of this Agreement with all due diligence and dispatch: shall press to its complete performance in a manner consistent with a degree of professional skill and competence pursuant its professional standards. All of the services requires hereunder of Manufacturer/Distributor shall be performed to the satisfaction and approval of the PEA.

Confidentiality. Manufacturer/Distributor agrees to keep confidential for the benefit of the PEA any and all of their trade secrets or confidential or proprietary information, knowledge or data disclosed to him/her or obtained by him/her during the term of this Agreement and will not thereafter disclose any such trade secrets, information, knowledge or data to any other person, firm or corporation.

Assignment/Successors. This Agreement is personal to Manufacturer/Distributor and is not assignable by him/her. It may, however, be assignable by the PEA. The PEA's rights hereunder shall be enjoyed by any successor in interest to the PEA. In the event of Manufacturer/Distributor's breach of this Agreement, the PEA shall have no further obligations hereunder other than to pay him/her or his/her estate any fees or expenses that are payable hereunder which are accrued and unpaid to the date of either his/her death, disability or termination.

Compliance with Laws. All services rendered and documents prepared by Manufacturer/Distributor shall strictly conform to all applicable laws, statutes and ordinances (including, but not limited to, the Fair Practices Ordinance, Philadelphia Code Chapter 9-1100), and the applicable rules, regulations, methods and procedures of all governmental boards, bureaus, offices, commissions, quasi-government agencies, the PEA and its board, and other agencies.

Work Product. Work product prepared by Manufacturer/Distributor in the performance of this Agreement shall

be the absolute property of the PEA.

Subcontracting. Manufacturer/Distributor shall not subcontract any work hereunder without prior written approval by the PEA.

Change Orders. Any material additions, revisions or adjustments to the Services, including cost, period for provision of the Services or delivery dates, will be effected only pursuant to a written order signed by an authorized representative of both parties. If the PEA initiates a change order request, Manufacturer/Distributor will promptly respond to such request in writing. If Manufacturer/Distributor initiates a change order request, the PEA failure to affirmatively accept the request within a reasonable period of time shall be deemed a rejection.

Conflicts with Manufacturer/Distributor's Proposal. In the event of conflict of variance between this Agreement and the proposal of Manufacturer/Distributor, this Agreement shall govern.

Indemnification. Manufacturer/Distributor agrees to unconditionally indemnify and hold harmless the PEA, its affiliates, and its respective agents, employees, offices, directors, and owners, from and against all liabilities, costs, expenses, claims, disputes, damages, lawsuits, losses, or assessments (including attorney's fees) suffered or incurred in connection with any claim asserted by any party (regardless of the form of or forum in which such claim may be asserted) whether based upon the Manufacturer/Distributor's negligent or willful act or omission, or that of anyone employed, retained, or utilized by the Manufacturer/Distributor, or whether based upon events or activities of the Manufacturer/Distributor during the rendering or performance of, or attempts to render or perform, the services of the Manufacturer/Distributor for the PEA in accordance with this Agreement.

Termination. The PEA reserves the right to terminate this Agreement at any time at its sole discretion by giving Manufacturer/Distributor thirty (30) days notice, however, Manufacturer/Distributor shall be entitled to reimbursement for any services rendered prior to the date of termination.

Force Majeure. Notwithstanding any provision of this Agreement, neither party shall have any responsibility or liability for any failure, error, malfunction, or delay resulting from events due to any cause beyond its reasonable control, including, but not limited to sabotage, fire, flood, explosion, acts of God, civil commotion, strikes, stoppages or labor or industrial action of any kind, riots, insurrections, war or acts of government power or equipment failure (including that of any common carrier, or transmission line), emergency condition or cause. The PEA shall not be liable for any failure to perform any of its obligations under this Agreement if such performance would result in it being in breach of any law, regulation, requirement or provision of any government or government agency in accordance with which it is required to act, as it shall determine.

Where a force majeure event has occurred that prevents to any extent a party in the performance of its obligations under this Agreement or under any Schedule, the performing party that is unable to perform shall be excused from further performance or observance of the obligations(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance as soon as possible and to whatever extent possible without delay.

Nondiscrimination. This Agreement is entered into in concert with the terms of the Philadelphia Home Rule Charter and in its performance. Manufacturer/Distributor shall not discriminate nor permit discrimination against any person because of race, color, religion, gender identity or expression, national origin or sex. In the

event of such discrimination, the PEA may terminate this Agreement forthwith.

Limitation of Liability. To the fullest extent permitted by applicable law or regulations, Manufacturer/Distributor's liability to the PEA for any claim or cause of action arising out of or related to this Agreement, including breach of warranty, breach of contract, negligence, and other torts arising out of or relating to this Agreement and the Schedules, shall not exceed the amounts paid or payable by Manufacturer/Distributor for such project.

Chapter 17-400 of the Philadelphia Code. In accordance with Chapter 17-400 of the Philadelphia Code, Manufacturer/Distributor agrees that its payment or reimbursement of membership fees or other expenses associated with participation by its employees in an exclusionary private organization, insofar as such participation confers an employment advantage or constitutes or results in discrimination with regard to hiring tenure of employment, promotion, terms privileges or condition of employment, on the basis of race, color, sex, sexual orientation, religion, national origin or ancestry, constitutes a substantial breach of this Agreement entitling the PEA to all rights and remedies provided in this Agreement or otherwise available in Law or equity.

Manufacturer/Distributor agrees to include the immediately preceding paragraph; with appropriate adjustments for the identity of the parties, in all subcontracts which are entered into for work to be performed pursuant to this Agreement.

Manufacturer/Distributor further agrees to cooperate with the Commission on Human Relations of the City of Philadelphia in any manner which the said Commission deems reasonable and necessary for the Commission to carry out its responsibilities under Chapter 17-400 of The Philadelphia Code. Failure to so cooperate shall constitute a substantial breach of this Agreement entitling the PEA to all rights and remedies provided herein or otherwise available in Law or equity.

General. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and will be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania. No modifications, amendments or waiver of any provision thereof shall be effective unless made in writing and signed by the parties. In case any provision of this Agreement shall be held ineffective or unenforceable, the remaining provisions shall remain unaffected.

**Attachment 2****CITY OF PHILADELPHIA OFFICE OF ECONOMIC OPPORTUNITY ANTIDISCRIMINATION POLICY-MINORITY, WOMAN AND DISABLED OWNED BUSINESS ENTERPRISES INSTRUCTIONS AND FORM (SEALED PROPOSAL CONTRACTS)**

Under the authority of Executive Order No. 03-12, the City of Philadelphia has established an antidiscrimination policy (“Policy”) relating to the participation of Minority (MBE), Woman (WBE) and Disabled (DSBE) Owned Business Enterprises in City contracts. Executive Order 03-12 is administered by the City’s Office of Economic Opportunity (“OEO”).

The purpose of this Policy is to provide equal opportunity for all businesses and to assure that City funds are not used, directly or indirectly, to promote, reinforce or perpetuate discriminatory practices. The City is committed to fostering an environment in which all businesses are free to participate in business opportunities without the impediments of discrimination and participate in all City contracts on an equitable basis. In accordance with the contracting requirements of the City, the City’s Policy is applicable to this Invitation and Proposal (hereinafter, “Proposal”).

For this Proposal, the City has not established ranges for the participation of MBEs, WBEs and/or DSBEs (collectively, “M/W/DSBEs”), but applicant is encouraged to exercise Best and Good Faith Efforts to include M/W/DSBEs in this proposal and in applicant’s supply chain. “Best and Good Faith Efforts” are those efforts, the scope, intensity and appropriateness of which are designed and performed to achieve meaningful and commercially useful participation by M/W/DSBEs. An OEO Certification Registry of M/W/DSBEs is maintained by the OEO and is available online at [www.phila.gov/OEO/directory](http://www.phila.gov/OEO/directory). Firms owned and controlled by minority persons, women or disabled persons, which are certified as MBE, WBE, DSBE or DBE by an approved certifying agency, including the Pennsylvania Unified Certification Program, may apply to the OEO for listing in its OEO Certification Registry.

Applicant is also encouraged to identify below, any M/W/DSBEs that will be used by applicant if successful:

<b>Company Name</b>	<b>Address</b>	<b>Certification Status (MBE, WBE, or DSBE)</b>	<b>Type of Work/Supply Effort</b>