

**PHILADELPHIA ENERGY AUTHORITY,
AND CITY OF PHILADELPHIA**

**REQUEST FOR QUALIFICATIONS
for**

LED Streetlighting, Controls and Networking

Issued by:

Philadelphia Energy Authority and City of Philadelphia

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SECTION 1- OVERVIEW

1.1 Project Overview

The Philadelphia Energy Authority (“PEA”), and the City of Philadelphia (the “City,” together referred to as the “Administrator”) intends to commence an energy efficiency project (“Project”) for the conversion of streetlighting from High Pressure Sodium (“HPS”) fixtures to Light Emitting Diode (“LED”) fixtures throughout Philadelphia’s city boundaries that is controllable through remote monitoring on a secure network. The Administrator is open to different solutions for the Project, including allowing pre-qualified Energy Service Companies (“ESCOs”) to perform under an energy performance contract under the Pennsylvania Guaranteed Energy Savings Act (“GESA”) or a public-private partnership through a Public Private Partnership Agreement.

The Administrator will be requesting proposals for the Project that will comprehensively reduce energy costs and meet the goals outlined in this document. The ESCO must implement an Economic Opportunity Plan (“EOP”) in its selection and use of subcontractors and hiring of workers that ensure the employment of an appropriately diverse workforce.

This Request for Qualifications (“RFQ”) is the first step in the Administrator’s process of obtaining proposals from best qualified Respondents. Through this RFQ, the Administrator will identify the best qualified Respondents, who will be invited to participate in a subsequent Request for Proposals process. The Administrator will only consider proposals from Respondents that are selected pursuant to this RFQ.

1.2 Philadelphia’s Streetlighting Network and the Philadelphia Streets Department

The Philadelphia Streets Department (the “Streets Department”) is responsible for the Philadelphia’s vast networks of streets and road ways. The Streets Department’s mission is to provide clean, green, and safe streets in a cost-effective and efficient manner. The Streets Department delivers a number of City services that are critical to maintaining the public health and safety in our communities. These essential services include, but are not limited to, curbside trash and recycling collection, maintaining all traffic control devices and street lighting, the construction and maintenance of 320 bridges and 2,525 miles of streets and highways, and snow and ice removal.

The Street Lighting Unit is responsible for the design, installation, operation and maintenance of the City’s streetlighting system including approximately 105,000 street lights and approximately 18,000 alley lights which serve to illuminate Philadelphia’s roadways and alleyways at night. Their responsibility includes managing the night-time repair of defective lights; coordination with PECO for repairs to the electrical distribution system; and self-performing daily repairs to knocked down poles, defective luminaries and alleyway lighting systems.

1.3 Philadelphia Energy Authority - Energy Campaign

The Philadelphia Energy Authority is an independent municipal authority focused on issues of energy affordability and sustainability for the City’s government and its citizens. Established in 2010, the PEA seeks systemic solutions to the Philadelphia’s energy challenges, supporting the work of a robust community of energy experts, advocates, and champions citywide. PEA holds long-term energy contracts on behalf of

the City and works closely with the Office of Sustainability and Energy Office to achieve shared goals.

In February 2016, PEA and Council President Clarke launched the Philadelphia Energy Campaign, a 10-year initiative to leverage \$1 billion in investment in energy efficiency and clean energy projects across four key sectors: City buildings, the School District of Philadelphia, low-income residential housing and small businesses. Among the Energy Campaign's goals are the specific goals to create 10,000 jobs, reach 25,000 households, and support 2,500 small businesses. The Energy Campaign is neighborhood-driven, and strives to strengthen communities, cut energy bills, reduce Philadelphia's carbon footprint and build our local economy equitably.

1.4 City of Philadelphia- Office of Innovation and Technology (OIT)- SmartCityPHL

The Office of Innovation & Technology (OIT) is the central information technology (IT) agency for the City. OIT is responsible for managing enterprise technology systems and infrastructure, data and spatial analytics, innovation consulting, smart city governance, and digital literacy programs.

A copy of the SmartCityPHL Road can be found at <https://www.phila.gov/documents/smartcityphl-roadmap/>

1.5 City of Philadelphia- Office of Sustainability- Energy Office and *Greenworks*

The City of Philadelphia's Office of Sustainability is responsible for implementing *Greenworks: A Vision for a Sustainable Philadelphia*, the City's comprehensive sustainability plan. *Greenworks* contains visions for a Philadelphia with clean energy and energy efficient buildings, and climate prepared and carbon neutral communities, and healthy air inside and outside. In support of these visions, the Office of Sustainability provides municipal energy management through its Energy Office. The Office of Sustainability and Energy Office completed a municipal energy master plan for government operations which aims to reduce City government emissions, improve overall efficiency and reduce utility costs. A copy of the Municipal Energy Master Plan and the 2020 update can be found at www.phila.gov/green

This RFQ is being supported by the Energy Office as part of the Office of Sustainability, with support from various City agencies as appropriate. The Energy Office frequently works on projects focused on large-scale investments at City property. The overall mission of the Energy Office is to:

- Strategically procure cost effective, reliable, safe, clean energy and conventional energy systems for City government
- Promote energy conservation and efficiency within City facilities by providing education, technical expertise, and analysis of energy use.
- Develop and implement projects and programs that promote the efficient use of energy and reduce the City's environmental impact.

1.6 Defined Terms

The following capitalized terms used in this RFQ have the following meanings:

“Administrator” means the PEA and the City either collectively or individually. Any activities or responsibilities identified in this RFQ may be acted upon by the PEA or the City.

“City” means The City of Philadelphia.

“Contract” means the agreement to be entered into between the Administrator and the successful Proposer or an affiliate thereof, which agreement may be in the form of an energy savings performance contract or a public private partnership agreement.

“Project Contacts” means the people designated in Section 3.1.

“EOP” means the Office of Economic Opportunity: Economic Opportunity Plan.

“ESCO” means Energy Service Companies

“Evaluation Committee” means the committee established by the Administrator to evaluate the Responses submitted in response to this RFQ.

“GESA” means Pennsylvania’s Guaranteed Energy Savings Act.

“OEO” means the Office of Economic Opportunity.

“OIT” means the Office of Innovation and Technology

“PEA” means the Philadelphia Energy Authority.

“Project Development Agreement” means a contract between a selected Proposer and the City or PEA where the selected Proposer will work to build a full investment grade audit with all Project details and cost information.

“Proposer” means a party that submits a proposal in response to the Request for Proposals issued by the City in the second phase of the selection process.

“Response” means a statement of qualifications submitted in a timely manner in response to this RFQ.

“Respondent” means a party that submits the Response.

“RFP” or “Request for Proposals” means the request for proposals intended to be issued by the Administrator for the Project to the best qualified Respondents.

“RFQ” means this Request for Qualifications issued by the Administrator, including any addenda.

“Team Member” means each firm included in the Response (including firms that are partners, members of the Respondent, or shareholders in the Respondent).

(End Section 1)

SECTION 2- PROJECT DESCRIPTION

2.1 Networked LED Streetlighting

The Administrator will be requesting proposals for the Project that will comprehensively reduce energy costs and meet the goals outlined in this document. The proposals will guarantee savings that can be used to cover operating budget expenses and finance improvements. The successful Proposer will also be required to implement an Economic Opportunity Plan in its selection and use of subcontractors that qualify as Minority (MBE), Woman (WBE) and Disabled (DSBE) Owned Business Enterprises and in its employment of an appropriately diverse workforce.

The Administrator is interested in replacing all or most City-owned and operated streetlights and reviewing options to build or utilize an advanced network platform that could enhance the delivery of City services through connected technology. The Administrator plans to utilize PECO's SL-C Tariff which outlines a minimally viable product that could be used for controlling and metering new LED luminaires. The Administrator is interested in understanding a full set of networking options that could allow the City to implement Smart City technology throughout the City.

Through the Project, the Administrator may be interested in expanded scope options associated with the City's lighting infrastructure including the installation of new pedestrian scale lighting in certain commercial corridors, the retrofitting or replacement of decorative lighting fixtures to LEDs and/or the retrofit of alley lighting, as well as other advantages to the City that may present by way of this procurement (to include proposals made in connection with Respondents' responses). The Administrator may also be interested in expanding the scope to include such advantages or other additional functionality that provide new or enhanced smart city solutions in Philadelphia.

The Proposer will be selected by a team represented by the PEA and the City. In the RFP, the Administrator will provide a deeper set of available and relevant facility and energy use data and scoping information for evaluation. Preliminary technical information outlining Street Lighting infrastructure can be found in "Attachment A – Streetlighting Infrastructure Profile".

2.2 Project Objectives

The Mayor of Philadelphia, James Kenney, has established a framework for the City's work, structuring efforts around five key areas:

- Improve educational opportunities and outcomes for all Philadelphia's children
- Improve economic opportunities for all Philadelphians
- Improve public safety for all Philadelphia while treating residents with respect and dignity
- Operate government efficiently and effectively
- Develop a diverse workforce that looks like Philadelphia and treat that workforce with respect

In the procurement of the Project, the Administrator is committed to supporting investments today that will yield significant energy and cost savings in future years. The objectives for the Project include the following:

- Improve public lighting across the City through the adoption of LED Streetlighting and associated controls;
- Reduce carbon pollution through energy efficiency,
- Lower overall costs of Streetlighting infrastructure through reduced costs from utilities and enhanced operations and maintenance through technology;
- Improve public safety as a result of improved lighting and other advantages to the City made available through improved lighting infrastructure; enhancing public safety via better color identification; and enhanced public perception;
- Enable the City’s technology infrastructure to advance on the interoperability of information systems and drive standards for system and device integration across the enterprise;
- Provide a robust opportunity to maximize employment of Philadelphia-based businesses, Philadelphians with an emphasis on M/W/D Business enterprises and a diverse workforce; and
- Enhance the public perception of the PEA’s and the City’s efforts to pursue sustainable and progressive technologies.

2.3 Scope of Services

All responses should provide a description of the Respondent’s experience implementing LED Streetlighting projects of similar size, complexity and technology in comparable municipalities. The scope of work includes, but is not limited to:

- The design, acquisition, installation, modification, maintenance and training in the operation of new LED Streetlighting associated controls and networking equipment that will reduce energy consumption and maintenance.
- The acquisition of a smart street lighting platform that supports the following:
 - Minimum requirements as defined in PECO’s SL-C tariff found at <https://www.peco.com/MyAccount/MyBillUsage/Pages/CurrentElectric.aspx>
 - Improved maintenance operations by providing a lighting control system capable of accurate metering, dimming and real-time control, outage notification and asset management through a secure network.
 - Enhanced performance lighting system with features that can be used by first responders in emergency situations.
- The implementation of a pilot project or project(s) in Philadelphia (with the support of the Streets Department) and the facilitation of a community outreach and feedback process and campaign with the goal of helping inform decisions made on the Project and educating Philadelphians on streetlighting.
- Measurement and Verification of the Project for up to [20] years
- The scope of work may also include the financing of the Project.

[If an GESA structure is ultimately decided, any such ESCO approach to the Project must result in a guaranteed minimum energy and maintenance savings with ESCO payments linked to actual documented energy and cost reductions or revenues. The savings achieved by the Project in any year must be guaranteed to provide not less than the project financing payment plus the service fees during that year for the duration of the

contract. ESCOs will be required to guarantee energy and cost savings on an annual basis.

No credit for the achievement of savings above and beyond the annual guarantee will be credited to satisfy performance guarantees in future years of the contract. Annual reconciliation of the achieved savings will be required. Consistent with the provisions of Acts 57/77, no contract may exceed twenty (20) years in duration.

The City has contracted for two guaranteed energy savings projects. The first at its four large center city buildings called the Quadplex Guaranteed Energy Savings Project, completed in 2015, and the second at the Philadelphia Museum of Art, which is currently under construction. Funding for both projects came from bond issuances by City related authorities.

Regardless of if the Project is a GESA structure or a public private partnership agreement, financing options for this Project will be determined by the City and PEA later in the Project timeline. Financing of the project may be included in the scope of work for the Respondent.

2.4 Office of Economic Opportunity “OEO”

The Project resulting from this RFQ will require an Economic Opportunity Plan which will provide significant opportunities for the participation of minority-owned, woman-owned and disabled person-owned businesses. The selected respondent will be responsible for compliance with the EOP, and the City’s Office of Economic Opportunity will review and must approve the Economic Opportunity Plan. A template EOP has been included as Attachment D to this document.

(End Section 2)

SECTION 3- PROCUREMENT PROCESS

3.1 Project Contact and Related Agency

The only people who may be contacted regarding this RFQ or other aspects of this procurement process (“Project Contacts”) are:

Adam Agalloco, City Energy Manager
adam.agalloco@phila.gov

All communication to the Project Contact must be in writing and be sent to both contacts. The participation of PEA in the Project is authorized by the City’s Home Rule Charter. Authorities have assisted the City for more than 30 years in arranging for long-term contracts for equipment and services.

3.1.1 Questions Relating to this RFQ

All questions concerning this RFQ must be submitted in writing via email to the Project Contacts at LEDstreetlighting@phila.gov no later than February 24, 2020. The Administrator will provide written responses to the submitted questions no later than March 4, 2020. These responses will be posted on the PEA website in the same location as the original RFQ details notice. It is the responsibility of the Respondents to regularly check the PEA’s website for responses and updates to the RFQ. Oral responses by any PEA, or City employee or agent of the PEA, or City are not binding and shall not in any way be considered as a commitment by the PEA, or City. When preparing questions, bear in mind that a larger set of requirements, details and data on the Project will be provided during the RFP phase.

3.2 Procurement Phases

3.2.1 RFQ Phase

This first phase of the procurement process started with the Administrator’s issuance of this RFQ and will conclude with the Administrator’s designation of the best qualified firms that will be invited to submit proposals in the next phase. Following submission of qualifications, the Administrator may ask Respondents to present their firm’s capabilities and answer questions in person or over the phone as part of an interview. It is the Administrator’s intent to qualify no more than five Respondents.

3.2.2 RFP and Initial Audit Phase

The second phase of the procurement process will begin with the Administrator’s issuance of an RFP to the firms designated as best qualified in the RFQ phase. As part of a response to the RFP, the Proposer will conduct a preliminary technical audit of the Project which would provide a basis of the Project scope, cost and guaranteed savings available from the Project. Proposers will additionally be asked to review the Administrator’s preferred terms for the Project Development Agreement and the Contract and provide feedback and specific information on proposed subcontractors and methods for meeting an EOP. Following review of proposals, the Administrator may request an oral interview.

3.2.3 Investment Grade Audit, Pilot Project and Project Development Phase

Upon completion of the RFP phase, a successful Proposer will be selected to enter into a Project Development Agreement whereby the successful Proposer, in coordination with the City, PEA and project stakeholders, may:

- Conduct a detailed Investment Grade Audit (IGA), collecting all necessary field data and data required by the City. Finalize designs and costs for project implementation,
- Develop a process for documentation of work including an update of all GIS data, installation dates, fixture types, and inventory systems including a barcoding or similar system.
- Develop a full communication and outreach strategy including a community outreach strategy.
- Work with the Streets Department to deploy a pilot project or projects in select neighborhoods to gain public feedback.

3.2.4 Investment Grade Audit Review and Approvals

Upon receipt of an IGA, the Administrator may accept the Investment Grade Audit and related documents and work with the successful Proposer to complete the Contract. Any Contract or funding for the Project, will need approval by the City of Philadelphia, the City Council of Philadelphia and PEA's Board of Directors.

3.2.5 Implementation and Measurement and Verification Phases

Upon approval of the Contract and close of financing, the successful Proposer will implement the Project and provide measurement and verification services ("Measurement and Verification") consistent with the Contract. In the Implementation phase of the project and beyond, the PEA and City will consider contracting separately for construction administration support in the form of an owner's rep/engineer.

3.3 Demonstration of Qualifications

Each Respondent must demonstrate that it is willing and able to enter into the Contract; has the experience and financial capability to develop, install, measure and verify savings of the Project. The Respondent should clarify whether their related experiences were part of a partnership with another firm. An outline of response information can be found in Attachment B including:

- Company Information
- Demonstration of Technical Qualifications and Experience
- Organization Chart and Project Team Members
- Financial and Business Experience Summary
- Initial Cost Estimates, Schedule and Additional Information

3.4 Evaluation Committee

Responses will be evaluated in accordance with the criteria set forth in Attachment B, and well as any other factors considered relevant to each Respondent's ability to deliver the Project. A committee of PEA, and City representatives, including representatives of the PEA or the City's consultants (the "Evaluation Committee"), will evaluate Responses to enable the Administrator to determine which Respondents are best qualified and, therefore, eligible to continue to participate in the selection process.

3.5 Available Information

As part of the RFP phase of this procurement, the Administrator will make a more complete set of information about the Project available to best qualified Respondents. The Administrator also intends to provide access to interview City personnel to enable Proposers the full opportunity to assess existing conditions and needs. For the RFQ, initial background on the City's Streetlighting infrastructure can be found in Attachment A.

3.6 Communications and Prohibited Contacts

All communications with the Project Contacts regarding the RFQ or any other aspect of the procurement process shall be in writing. All communication shall be exclusively directed to the Project Contacts, unless otherwise directed in writing by the Project Contacts. Other than with the written consent of the Project Contacts, any person that is employed by or is otherwise associated or affiliated with a Respondent, or any of their affiliated companies, is prohibited from contacting any employee or official of the Administrator or any attorney or consultant of the Administrator, on any matter having to do with this procurement.

No oral communication or statement by the Project Contacts or other representative of the Administrator may in any way modify this RFQ or any other aspect of the procurement process. This includes communications and statements that may be made over the telephone or during pre-submittal conferences, interviews, or other meetings attended by the PEA or City. This RFQ or other aspect of the procurement process may be modified only through the issuance by the Administrator of a written addendum.

All communications and questions regarding this RFQ may be shared by the Administrator with all firms receiving this RFQ.

3.6.1 Miscellaneous

Additional conditions that apply to this RFQ as well as to the balance of the procurement process include the following:

3.6.2 Public Disclosure and Confidential Information

All Responses and other information submitted in response to this RFQ are subject to the public disclosure requirements of applicable law, including the Pennsylvania Right to Know Act. To the extent permitted by applicable law, the Administrator will use its best efforts to keep from public access the specific information that is identified by the Respondent as confidential. If a Respondent claims an exception to public disclosure requirements and desires that the Administrator keep certain information from public disclosure, then the Response must include a notice as the front page in each volume as follows:

“Confidential Information Notice

The information on pages _____ of this Response, identified by a bold vertical line along the right hand margin, contains information that is excluded from public disclosure under applicable law. Respondent requests that such marked information be utilized by the Administrator only for evaluation of this Response, but Respondent understands that the Administrator, including the City is bound by applicable law and that such information may be disclosed in accordance with such law.

The legal basis for the claim for protection of the marked information from public disclosure is set forth as follows: [Respondent to provide basis]”

Notwithstanding any such notice, however, the Administrator may disclose such marked information to individuals participating in the review or evaluation of Responses, including members of the Evaluation Committee, other PEA, or City employees, and advisors, attorneys, and consultants.

3.6.3 Costs

Any and all costs incurred by any Respondent, or other party in connection with this RFQ or other aspect of the procurement process shall be at such party’s expense and risk. Neither the PEA, nor the City accepts any liability and will not be responsible under any circumstance for any cost or expense incurred to respond to this RFQ or otherwise participate in the procurement process.

3.6.4 Administrator Rights

The Administrator reserves the right to modify this selection process, which may be exercised in its sole discretion at any time during the procurement process:

- a) to cancel this RFQ or the procurement process, with or without the substitution of another pre-qualification or procurement process;
- b) to waive any informality, defect, non-responsiveness, or deviation in a Response, a proposal, or other submission, that is not material;
- c) to require one or more Respondents to supplement or clarify its Response or to provide additional information after the submission of Responses;
- d) to take any action affecting the RFQ, RFP or the procurement process that would be in the best interests of the Administrator;
- e) to conduct investigations and make inquiries concerning any aspect of any Response;
- f) to reject any or all Responses;
- g) to reject a Respondent or firm that has been delinquent or unfaithful in the performance of any contract with or obligation to the Administrator, is financially or technically incapable, or is otherwise not responsible;
- h) to supplement or amend this RFQ; and/or
- i) to make judgments about the contents of any Response with respect to the requirements and criteria set forth in this RFQ.

(End Section 3)

SECTION 4- SUBMITTAL REQUIREMENTS

4.1 General Instructions

An electronic copy of the complete Response must be submitted no later than the date and time set forth in Section 4.2 (“Submission Deadline”). Any Response received after the Submission Deadline will not be considered.

4.2 Submission Deadline

Responses must be received no later than **4:00 P.M. on March 12th 2020**. Responses should be delivered electronically, emailed to LEDstreetlighting@phila.gov and be no larger than **10MB** to ensure delivery.

4.3 Required Content of Responses

Responses shall comply with the format and the requirements set forth in Attachment B. Respondents are encouraged to be concise and to respond as directly as possible to the requirements set forth in this RFQ.

To be invited to participate in the second phase of this procurement, the Respondent is required to demonstrate that it has experience and capabilities sufficient to meet the qualifications. The requirements set forth in Attachment B represent the minimum content required for each section and, unless expressly stated otherwise, are not intended to limit substantive content. It is the Respondent’s responsibility to include information in the Response that meets the minimum content requirements and any additional information that further demonstrates relevant experience and capabilities.

(End Section 4)
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