

Evaluation of Proposals: Suggested Guidelines

This document explains a proposed review process and provides guidelines for evaluating proposals submitted in response to a Solar PV Requests for Proposals. This process can serve as the basis for screening and scoring proposals, and informing facility owners of the relative merits of competing proposals. It is recommended to include a diverse and well qualified team to conduct independent reviews (and proposal scoring) that are then aggregated, evaluated, and discussed by the principle Project Proponent team and presented to the Buyers.

An evaluation process can have three phases:

1. Qualification: Screening of proposals to assure basic requirements of the RFP are met.
2. Quantitative Analysis and Data Normalization: A limited number of key quantitative variables are gleaned from proposals and prepared for the Team Assessment.
3. Team Assessment: Review and coordinate analysis of full proposals, quantitative results, potential cross-bid analysis, and other data.

The role of the team in the bid evaluation process is primarily to provide analytic and technical support to companies considering solar for their facilities. It is suggested that the RFP review team does not select winners or make specific recommendations about proposal selection or contract awards. Site owners should be solely responsible for determining which, if any, proposal and bidder they choose for further consideration and awards of contracts.

Part 1. Qualification

A subset of the RFP review team examines proposals provided by bidders to determine if the basic requirements called for via the RFP have been met. The broader review team can check this analysis as they complete parts 2 and 3 of the process. For example, to qualify, the bidders must provide:

- Verification of Bidder's Contractor License;
- A signed Bid Submission Letter;
- Proposals with appropriate pricing and design information (complete proposal); preference given to proposals that include all sites or most sites with reasonable explanation for exclusions;
- Minimum [10] Year Full System Warranty All Parts and Labor; and
- Reference projects with customer's contact information (optional).

Proposals that have all the required information are considered "Qualified" and will be scored 100% and move on to the Secondary Evaluation phase. Proposals that do not provide the required documentation may be disqualified, with a note indicating shortcomings.

Disqualification: Companies that do not provide the following may be disqualified and not given further consideration:

- 1) Contractor/electrical license information that can be verified;
- 2) A signed bid submission letter;
- 3) A complete proposal; or
- 4) A [10]-year or longer full-system warranty offer.

Shorter-term warranty offers that include additional costs to reach the 10-year threshold will be considered with the cost noted in information provided to Team Reviewers. In case an insufficient number of proposals (less than 3) are received that meet the basic qualification criteria, the review team may choose to contact disqualified firms and request the required information and proceed with further evaluation.

Pricing: Additionally, the review team will assess bidders' pricing to determine their 'appropriateness' in terms of market conditions. Bids that appear to be significantly out of step with current market conditions and other bids (e.g. they are relatively much higher or lower), may be disqualified from further evaluation unless the review team determines otherwise.

System Design: The review team will also analyze the proposed system designs and production estimates to determine if they are technically feasible and appropriate given site conditions and facility energy use within the constraints of the relevant country's or jurisdiction's policy framework, which could include incentives like net metering or net billing. Where concerns are identified, proposals may be disqualified from further evaluation unless the review team determines otherwise.

Part 2. Quantitative Analysis and Data Normalization

Data on key economic factors may be gleaned from qualifying proposals and presented in a spreadsheet for reviewers' consideration. This could include information on:

- 1) Turnkey cash purchase price per kWp installed for all sites;
- 2) Average PPA Prices Per kWh;
- 3) Lease Cost; and
- 4) Additional costs.

The Turnkey Cash Purchase Price Per kWp installed is all costs to design, procure, build, commission, and maintain a proposed solar energy system for [10] years at full performance (at the proposed system performance degradation rate)), under full (all parts and labor) warranty, divided by the total KW of PV proposed for all sites.

The Average PPA Price Per kWh may be calculated as the sum off all costs (down payment, per unit costs, escalator impact on price over time, and additive O&M costs proposed) divided by number of years of the proposed PPA agreement.

The Lease Cost Per kWh is the sum off all costs (down payment and total lease payments over time) divided by the total estimated production over the term of the lease agreement. The production estimate used for this analysis may be the figures used by the proposer or the average kWh (AC) of energy produced per installed kW (DC) at each respective site as specified across all qualified proposals.

Additional costs proposed to achieve the [10]-year warranty threshold or pay for other project related activities not included in the Turnkey Purchase price will be enumerated under this category.

Part 3. Team Assessment

A group of selected reviewers with expert experience in the field are provided with each bidder's full proposal documents, the "RFP Proposal Form," and a summary of relevant data from the qualification and quantification phases above. After reviewing this material, reviewers evaluate and score each proposal

using the RFP Score Sheet template, evaluating relative merits using the total possible points for each section listed in the spreadsheet.

Scores are summed for each bid and the relative ranking is provided in the spreadsheet, with the final tally representing an organizational score for each bid. Reviewers can include comments and insights for each main category of evaluation that may be used to help evaluate bidders and their proposals. After all proposals have been scored, each reviewer will submit their initial scoresheets to a designated notetaker and a meeting time will be established for all reviewers to discuss the proposals. Prior to the call, scoresheet results will be compiled to highlight the overall top-ranking bids.

In a virtual teleconference, reviewers will share their organizational scores for each bid with the entire review team. The review team will summarize key strengths and weaknesses of each proposal and come to a consensus on the top two bids for each purchasing model. A designated notetaker will document major takeaways, strengths, and weaknesses of each bid. Reviewers will have an opportunity to adjust their scores based on the discussion. Final scores will be averaged to produce a single score for each bid that will be presented to site owners.

Main Categories for Evaluation:

Qualifications & Experience (25%)

- Strength of qualifications and experience of proposing firms and key personnel
- Strength of project references, completion of projects equivalent to those included in this RFP, and success in maintaining project budgets and schedules
- Financial stability and proof of funding for these projects with proven track record

Technical Proposal (25%)

- Preliminary system design is appropriate for site needs, accounts for site conditions, and is optimized to take advantage of the conditions conferred by net-metering policy
- Projected energy production is realistic and appropriate for each facility
- Module, inverter, racking, and monitoring components are high quality, available, and have strong track record and warranty coverage

Project Costs (40%)

- Direct purchase cost
- PPA/lease cost of energy over specified term
- Operations & Maintenance costs for first 10 years of system life
- Financial analysis of total system costs and benefits

Proposal Attributes (10%)

- Proposal is complete and addresses requirements and preferences stated in the RFP, addresses local workforce preferences, and demonstrates experience working with commercial projects.