

Town of Darien Electricity Affinity Program

Request for Proposals

1. BACKGROUND

The Town of Darien, Connecticut (the “Buying Group”) is seeking proposals for the supply of retail electricity to residential and commercial accounts wishing to participate in its Opt-In Endorsement program. The Town will administer the process. The electric distribution company (the “EDC”) operating in Darien is the Connecticut Light and Power Company (CL&P). The EDC distributes power to approximately 7,481 customers. The Town’s population is approximately 20,209. The Town does not have an active program at this time.

2. REQUEST FOR PROPOSAL PROCEDURE

- a) Rate Class Data. The estimated distribution of customers in the Buying Group across applicable utility rate classes is provided in Attachment 3. This information is based on the best available estimate from the Town. The Buying Group shall consist of all residences and businesses, whether for-profit or not-for-profit, located within the Town and that are receiving generation service through the EDC’s standard service or last resort service at the time of the mailing of the opt-in enrollment notice.
- b) Form of Proposal. Proposers should submit an original proposal and two (2) copies to:

Town of Darien
Attn: Karl Kilduff, Town Administrator
2 Renshaw Road
Darien, CT 06820

Proposals will be opened and recorded at this time. No proposals submitted after this time will be accepted. Proposals should be labeled “Proposal for Electricity Affinity Program.” Faxed or electronically mailed (e-mailed) proposals will be deemed non-responsive and will not be accepted.

The Town of Darien will be the sole and exclusive judge of quality and compliance with proposal specifications in any of the matters pertaining to this RFP. All responses provided should be as detailed as possible to provide the proposal evaluators with enough information to make a fair assessment of the proposer’s qualifications and

approach. The Town will not be liable for any costs associated with the preparation or submittal of this RFP or subsequent product demonstrations.

- c) Questions. All questions should be directed to: Karl Kilduff, Town Administrator at (203) 656-7378 or via e-mail at: kkilduff@darienct.gov.
- d) Due Date. Proposals must be received by 3:00 p.m. on Monday, June 21, 2010. Proposals received after that date and time will be rejected.
- e) Return of Proposal. Responses will become property of the Town of Darien once received.
- f) Confidentiality. If a Proposer believes that any information in its proposal should be treated as confidential that material shall be clearly marked. The Town shall endeavor or protect confidential material from disclosure to non-Town employees to the extent possible by State or Federal law.
- g) Discretion of the Town. This is a request for proposals (RFP) and not a purchase order, contract, or offer. The Town will consider various factors in making its decision including price, terms and conditions, customer service, value-added services, the value of any administrative fee or other remuneration to the Town, etc. The Town is under no obligation as a result of this request for proposals. The Town reserves the right to reject any or all proposals, to negotiate with any or all companies submitting proposals, and to enter into an agreement with any company for any services mentioned in this RFP.

3. SUPPLIER OBLIGATIONS

- a) The selected Proposer will be responsible for obtaining a list of names and current addresses of potential members of the Buying Group from the Town. The selected Proposer may also, at its sole expense, purchase or otherwise obtain a customer list from the EDC or any other resource they deem useful in the creation of an accurate list
- b) The Town may, at its discretion, provide the selected Proposer with the opportunity to include an opt-in enrollment notice in a mailing by the Town to all eligible residents, at no additional cost to the selected Proposer. In the event the Town elects not to provide this opportunity, the selected Proposer will be responsible for all costs associated with the design, duplication and mailing of the opt-in enrollment notices. The selected Proposer shall also be responsible for administering the enrollment process for members of the Buying Group who wish to switch from the EDC's standard service to electric generation service provided by the selected Proposer. The selected Proposer shall submit a draft opt-in enrollment notice to the Town for its review.

- c) If the EDC charges a switching fee for a customer choosing a new electric supplier, the selected Proposer is required to pay this fee.
- d) The Proposer's arrangements must comply with all applicable laws and regulations governing the provision of electric generation service in the State of Connecticut. The selected Proposer will supply and manage deliveries to meet 100 percent of the buyer's electric generation requirements.
- e) Proposers must be licensed by the Connecticut Department of Public Utility Control and registered with the EDC in order to submit a proposal under this RFP.
- f) All Proposers are responsible for the cost of submitting their response, including all activities up to and including any oral presentations and contract execution.
- g) Proposers are encouraged to submit a draft Endorsement Agreement that would establish the relationship between the Town and the selected Proposer. All Proposers are required to execute and return the Notarized Statement provided in Attachment 2.

4. TECHNICAL QUALIFICATIONS

- a) At a minimum, members of the Buying Group will be able to enroll by calling the selected Proposer on a toll-free recorded or operator-staffed phone line. Members will be able to contact the Proposer's customer service department with questions or complaints.
- b) Members of the Buying Group will receive a consolidated bill from the EDC that includes the selected Proposer's charge.

5. TERM OF AGREEMENT

- a) Term of Endorsement Agreement
 - i. The initial term of the Endorsement Agreement shall be 12 months commencing on the execution date and dependent upon section 5(b)(ii), below.
- b) Term of Supply Agreements with Members of the Buying Group
 - i. Delivery of generation service shall commence for each member of the Buying Group shall commence on the later of (1) September 1, 2010 and (2) the date on which the EDC completes the member's switch from EDC generation service to service from the selected Proposer.
 - ii. The Buying Group will consider 12 and 24 month terms for the supply agreement.

- c) The Buying Group seeks to avoid automatic renewals (evergreen clauses) of its Endorsement Agreement with the Town, but will allow such provisions in the supply agreements with those who participate, provided such terms are clearly articulated to said participants.

6. PRICING

- a) The Buying Group will accept proposals with and without early termination fees.
- b) Proposers should use the EDC rate schedules and/or customer class.
- c) Due to the length of time associated with the proposal review and negotiation process, it is expected that suppliers will provide indicative pricing. Indicative pricing will be one factor considered by the Town in determining whether to enter into negotiations with one or more suppliers.
- d) For Buying Group accounts all prices must be converted to and expressed in dollars per kilowatt hour (\$/kWh).
- e) Multiple price options will be considered but Proposers are encouraged to submit, at a minimum, a fixed price offer. Proposers are encouraged to use the Pricing form shown on Attachment 1. Other pages may be submitted which must, at a minimum, provide the information sought on Attachment 1.
- f) Fixed price proposals should include all components of electric generation service. Proposals that include pass-through items or fees separate and in addition to the \$/kWh proposal price will be rejected.
- g) Proposer shall provide full requirements, load following electric generation service to the EDC's system in compliance with the EDC's service requirements. The agreed upon price shall be for all electricity used by the Buying Group.
- h) Proposer shall provide for the delivery of full requirements electric generation service up to the Delivery Point designated in the EDC's Service Agreement with competitive generation service providers. Proposer shall bear the risk for all transmission and congestion charges and any other costs or charges imposed on or associated with the delivery of electricity up to the Delivery Point. Customer shall continue to pay the EDC's distribution, transmission, competitive transition and monthly customer charges, as well as all other charges and surcharges applicable to all EDC customers, and all applicable taxes.

- i) Proposals shall also include the Proposer's proposed customer acquisition payment ("payment") and/or other remuneration that will be paid to the Town in consideration of the services provides to the selected Proposer as described in this RFP and the Endorsement Agreement. The Town will consider multiple pricing options for such payment including, but not limited to:
 - i. A fixed, one-time payment per enrollment;
 - ii. A monthly payment per enrollment over the initial term of the member's agreement;
 - iii. A monthly payment expressed in \$/kWh of electricity used by the Buying Group over the initial term of the members' agreements;
 - iv. A combination of the above; or
 - v. Other options as proposed by the supplier.

In addition, Proposers may, but are not required to, propose other forms of consideration, including in-king contributions, to the Town.

7. LIST OF ATTACHMENTS

Attachment 1 – Price Offer Sheet

Attachment 2 – Proposal Form Notarized Statement

Attachment 3 – Rate Class Data

ATTACHMENT 1 – PRICE OFFER OPTIONS

Type of Service	Firm	Firm
Term	12 months	24 months
Start Date	September 2010 bill cycle	September 2010 bill cycle
EDC	CL&P	CL&P
Rate Classes	To be determined	To be determined
Quantity	Full requirements	Full requirements
Fixed Price (\$/kWh)		
Other Pricing 1		
Other Pricing 2		
Early Termination Fee (if any)		
Customer Acquisition Fee Paid to Town		
Other Considerations to Town (if any)		
Special Conditions (if any)		

ATTACHMENT 2 – PROPOSAL FORM

NOTARIZED STATEMENT

_____ being duly sworn and deposes says that he/she is the
(Officer Name)

_____ of _____, agrees
(Title) (Organization)

that all answers to questions and all statements contained in this proposal are true and correct to the best of my knowledge. Furthermore, I agree that this indicative price bid, subject to re-pricing based on changes in market conditions, shall remain in effect for a minimum of 30 days to accommodate the Town’s review and approval process.

(Signature)

Sworn and subscribed before me this _____ day of _____, 2010

Signature of Official Administering Oath

Printed Name

My commission expires on _____

Place Notary Stamp Here

ATTACHMENT 3 – RATE CLASS DATA

6,439 Residential Parcels

288 Commercial Parcels