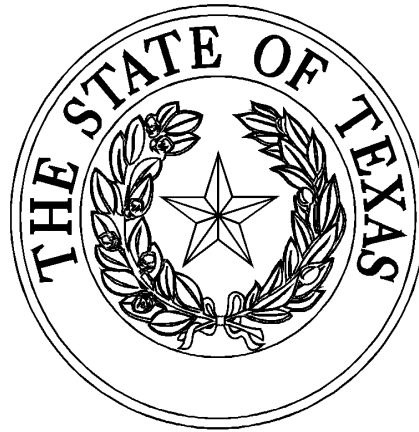


PUBLIC UTILITY COMMISSION OF TEXAS

REQUEST FOR PROPOSALS FOR A CONSULTANT TO MANAGE THE EVALUATION, MEASUREMENT, AND VERIFICATION STYLE (EM&V) PROGRAM



**Public Utility Commission of Texas
William B. Travis Building
1701 North Congress Avenue
Austin, Texas 78711**

**Closing Time and Date:
October 17, 2024
10:00 a.m., Central Time**

**RFP Number: 473-24-00003
Project Number: 56788
NIGP Class Item: 918-32, 918-41**

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SECTION 1 – INTRODUCTION

The Public Utility Commission of Texas (PUCT) is issuing a Request for Proposals (RFP) for an independent evaluation, measurement, and verification contractor (Contractor) to determine the effectiveness of utility programs in meeting the goals set forth in Public Utility Regulatory Act (PURA) § 39.905(b)(6) and energy efficiency goals adopted by the PUCT. The evaluation, measurement, and verification (EM&V) program targets all eight investor-owned electric utility/utilities currently operating energy efficiency programs in Texas. The Contractor will assist the PUCT with:

- EM&V of energy efficiency programs offered by the utilities by documenting the gross energy, net energy, and demand impacts of the utilities’ individual energy efficiency and load management portfolios;
- determining cost-effectiveness of energy efficiency programs adopted by the utilities;
- preparing and maintaining a statewide Technical Reference Manual (TRM);
- providing feedback for the PUCT, utilities, and other stakeholders on program portfolio performance; and
- providing input into the utilities’ planning activities.

Proposers are encouraged to review the EM&V framework set forth in 16 Texas Administrative Code (TAC) §§ 25.181, 25.182 and 25.183, relating to energy efficiency goals.

The Contractor must evaluate savings based on due-diligence reviews, audits, verifications, and independent analyses. The Contractor operates under the PUCT’s supervision and oversight. The Contractor must offer independent analysis to the PUCT in order to assist the PUCT in making decisions in the public interest.

SECTION 2 – DEFINITIONS

As used in this RFP, the following terms have the meanings specified:

- 1) “**Business day**” means a day other than: (i) a Saturday or Sunday; (ii) a national holiday under Texas Government Code § 662.003(a); or (iii) a state holiday under Texas Government Code § 662.003(b).
- 2) “**Commission**” means the governing body of the PUCT.
- 3) “**Contractor**” means the person, organization, business entity, or other entity that is selected for the contract contemplated by this RFP.
- 4) “**May**” means “is authorized to.”
- 5) “**Parties**” means PUCT and Contractor. “**Party**” means PUCT or Contractor.
- 6) “**Proposer**” means a person, organization, business entity, or other entity that submits a proposal for this RFP.
- 7) “**PUCT**” means the Public Utility Commission of Texas, an agency of the state of Texas.

- 8) **“Services”** means any and all services performed and any and all goods and products delivered by Contractor as specified in the Statement of Work (“SOW”).
- 9) **“Statement of Work”** or **“SOW”** means the description of goods and services to be provided as specified in Section 3 of this RFP.
- 10) **“Vendor”** means a person, organization, business entity, or other entity that has been selected for or entered into a contract with a Texas state agency.
- 11) **“Vendor Performance Tracking System”** means the system the Texas Comptroller of Public Accounts is required to provide under Section 2262.055, Texas Government Code, for evaluating vendor performance. The Vendor Performance Tracking System is located at: <http://txsmartbuy.com/vpts>.

SECTION 3 – STATEMENT OF WORK

I. Overview

A. Subject to the PUCT’s supervision and oversight, the Contractor must serve as the EM&V Contractor for the PUCT. This contract requires working closely with PUCT staff and representatives of utilities that are required to administer energy efficiency incentive programs under PURA § 39.905(b)(6) and 16 TAC §§ 25.181, 25.182, and 25.183 and any new energy efficiency goals adopted by PUCT. The amount of work required fluctuates, and Contractor will be required to complete many tasks on an as-needed basis, as described in more detail in this Statement of Work. Estimates provided in this Statement of Work are provided for Proposers’ convenience only and are not intended to limit the Services Contractor will be expected to provide in any way.

B. Unless otherwise specified in this contract, all terms used have the meanings defined in 16 TAC §§ 25.181, 25.182 and 25.183.

C. The tasks, duties, and responsibilities of the Contractor will include the following:

1. Documenting the gross energy, net energy, and demand impacts of utilities’ individual energy efficiency and load management portfolios;
2. Determining cost-effectiveness of energy efficiency programs and portfolios;
3. Preparing and maintaining a TRM;
4. Providing feedback to the PUCT, utilities, and other stakeholders on program portfolio performance; and
5. Analyzing and providing input into the utilities’ planning activities.

D. The Contractor must evaluate the utilities’ claimed savings based on due-diligence reviews, audits, verifications, independent analyses, or some combination of those methods. The Contractor must operate under the PUCT’s supervision and oversight and must offer independent analysis to the PUCT in order to assist the agency in making decisions in the public interest.

- II. Contractor Objectives – The Contractor must:
 - A. Document the energy efficiency programs and potential savings of the utilities’ individual energy efficiency and load management portfolios for program years 2025 through 2028;
 - B. Compare utility program year performance with established goals, and determine cost-effectiveness;
 - C. Provide feedback to the utilities, PUCT, and stakeholders on program years 2025 through 2028 program portfolio performance; and
 - D. Analyze and provide input into the utilities’ planning activities.

- III. Guiding Principles – the Contractor must:
 - A. Follow all ethical guidelines documented in the American Evaluation Association’s Guiding Principles for Evaluators, which call for: systematic inquiry, competence, integrity and honesty, respect for people, and responsibility for general and public welfare.
 - B. Use transparent methods to estimate savings, and upon request, provide the PUCT contract administrator all relevant documentation.
 - C. Be prepared for impact evaluations to be reviewed in public stakeholder forums to increase quality and reliability.
 - D. Review all assumptions used by program planners and administrators.
 - E. Document all evaluation assumptions and calculations prepared, identify the reliability of results, and assess any threats to certainty in evaluation reports.
 - F. Focus the majority of evaluation expenditures and efforts in areas of greatest importance with respect to future efficiency portfolios or uncertainty associated with program savings.
 - G. Aggregate data in such a way as to protect customer proprietary information in any non-confidential reports or filings prepared.
 - H. Utilize data provided or received under PUCT authority only for purposes authorized by this Statement of Work or 16 TAC §§ 25.181, 25.182 and 25.183.
 - I. Maintain confidentiality of any information it receives related to the work performed unless directed to release the information by the PUCT.

IV. Impact Evaluations

A. The Contractor must prepare annual impact evaluations for each of the 2025-2028 program years to determine the following metrics for each utility's evaluated programs, both individually and at the portfolio level:

1. Gross energy and demand savings documented to have been achieved in the year the programs are implemented and gross lifetime energy and demand savings.
2. Net energy and demand savings documented to have been achieved in the year the programs are implemented and net lifetime energy and demand savings.
3. Cost-effectiveness, as currently determined by 16 TAC §§ 25.18(d) and the Program Administrator Cost (PAC) Test. The PAC Test measures the net costs of an energy efficiency program based on the costs incurred by the program administrator including incentive costs.
4. Other metrics related to program performance, as approved or directed by the PUCT contract administrator, and coordinated with the Contractor. PUCT will not require additional metrics that significantly increase the Contractor's costs without renegotiating contract price and amending the contract in accordance with Article 7 of the contract.

B. The Contractor may use one or more of the following approaches to determine program specific energy and demand savings:

1. Deemed savings;
2. Deemed savings calculations;
3. Measurement and verification (M&V); or
4. Large-scale data analysis with or without the use of control or comparison groups.

C. The Contractor must stay informed about programs used successfully in other states and use the knowledge gained from those programs to develop or improve methods to evaluate demand and energy savings in Texas, as appropriate. The Contractor must seek written approval from the PUCT contract administrator for revisions to the TRM, using the process described in 16 TAC § 25.181(o)(6)(B)&(C).

D. The Contractor must conduct evaluation activities for each of the 2025-2028 program years that consist of verification activities on a census or statistically valid sample of projects implemented by the utilities or may include additional activities at the Contractor's discretion. Evaluations should, to the maximum extent possible, also rely on due-diligence of utility-provided documentation of savings and cost-effectiveness when such utility-provided documentation is shown to be adequately reliable, as judged by the Contractor.

E. The Contractor must calculate net savings. When net savings are calculated independently from gross savings, net savings may be calculated with one or more of the following approaches:

1. Surveys in which information is self-reported by participants, non-participants, and upstream market actors (including contractors, retailers, and manufacturers) without external verification or review;
2. Enhanced surveys in which self-reported data are combined with interviews, documentation review and analysis;
3. Statistical models that compare participants' and non-participants' energy and demand patterns;
4. Customer adoption models applied to specific markets; and
5. Net-to-gross ratios (ratios that are multiplied by the gross savings to obtain an estimate of net savings) that are based on historic studies of similar programs.

V. Evaluation Schedule

A. The evaluation schedule must support impact evaluation objectives and align with the portfolio implementation schedules of the utilities and the requirements for regulatory decisions, including those associated with the energy efficiency cost recovery factors (EECRFs). According to a schedule approved by the PUCT contract administrator, the Contractor must prepare the following documents:

1. Annual program year portfolio EM&V plans;
2. Annual program year planning documents, including evaluation activity-specific detailed research plans, and site-specific M&V detailed research plans;
3. Annual TRM update;
4. Annual program year interim impact evaluation reports;
5. Statewide annual portfolio reports that include utility-specific annual portfolio reports;
6. Biweekly status reports made publicly available indicating the status of Contractor activities and any interim results and recommendations; and
7. Other documents as requested by the PUCT contract administrator.

B. The Contractor must propose the schedule for status plans and reports for the annual program year. The PUCT contract administrator may approve the proposed schedule or require changes to the schedule. For Proposers' reference, a sample schedule based on the schedule under the PUCT's current EM&V contract is attached as Exhibit 1 to this Statement of Work.

1. The Contractor must comply with the agreed-upon schedule. However, if after the program year schedule is approved, the Contractor determines it will need more time to complete a task or document, the Contractor may request approval of a deadline extension in writing from the PUCT contract administrator, such approval not to be unreasonably withheld. If the PUCT administrator agrees in writing to a deadline extension, that becomes the new agreed-upon deadline.

2. Written work product created by the Contractor must be clearly written with the intended audience or audiences in mind, and use appropriate and consistent grammar, spelling, and punctuation. The PUCT may provide feedback on draft documents regarding the quality of the writing, and the Contractor must make appropriate changes in response to that feedback. The PUCT will not require substantive changes to reports but may require the Contractor to address substantive questions. The proposed program year schedule should allow for time to make changes required by the PUCT.
- C. The Contractor must complete the statewide annual portfolio report for each preceding program year and present it at an Energy Efficiency Implementation Project (EEIP) meeting which will be scheduled during Fall of each year.
1. The Contractor must submit drafts of the statewide annual portfolio report to PUCT staff for review at least two months prior to the Fall EEIP meeting.
 2. The Contractor must give utilities an opportunity to provide input on a draft report within the timeframe approved by the PUCT contract administrator. The Contractor and the PUCT contract administrator will determine whether input received by utilities merits changes to the report.
 3. The Contractor must allow EEIP participants two weeks to review the report. The Contractor must present an updated draft of the report to the PUCT contract administrator within two weeks after the EEIP review period ends.

VI. Deliverables

Deliverables are defined at a high level of generalization. The Contractor must prepare a final work plan and tasks prepared.

A. Deliverable 1: Planning Documents

1. Deliverable 1A - Evaluation prioritization memorandum (EPM)
 - a) Upon initiation of the contract, the Contractor must review and evaluate the quality of:
 - (1) Relevant PUCT orders.
 - (2) Utility program plans and reports for prior program years, including projected energy savings and, to the degree available, claimed savings.
 - (3) Energy efficiency plans filed for the upcoming year.
 - (4) Other relevant documents.

- b) The Contractor must assess the applicability and usability of the EM&V activities and databases the utilities are using for each program to construct their annual claimed savings reports.
- c) The Contractor must develop a memorandum prioritizing the programs evaluated and recommend approaches to independently determine the program year portfolio savings and cost-effectiveness. In determining the prioritization, the Contractor must consider criteria such as evaluation costs, magnitude of savings expected to be achieved by a program, relative uncertainty associated with program savings, length of time since a program was last evaluated, and the relative importance of a program with respect to future energy efficiency portfolios, as well as other criteria recommended and approved by the PUCT contract administrator.
- d) When the Contractor uses sampling in the evaluations, the Contractor must use a 90/10 confidence and precision criteria to determine sample sizes, unless otherwise approved by the PUCT contract administrator. While this confidence and precision level can be defined based on portfolio-level savings, key programs may also merit this confidence and precision of sampling; and the Contractor should discuss which key programs it recommends using a 90/10 confidence and precision criteria to determine sample sizes.
- e) The Contractor must review the EPM with PUCT and utility staff and must modify the memorandum if requested to do so by the PUCT contract administrator.

2. Deliverable 1B – Portfolio EM&V plan

- a) A detailed portfolio EM&V plan must be prepared by the Contractor concurrent with the preparation of the EPM for the program year. However, the EPM must be finalized and approved by the PUCT contract administrator before the portfolio EM&V plan can be completed.
- b) The portfolio EM&V plan must indicate the major evaluation activities to be conducted during the evaluation cycle to determine gross and net savings and cost-effectiveness. The portfolio EM&V plan must indicate which programs will be evaluated in each specific program year and the verification or evaluation approaches that will be used for each evaluated program, as well as the basis for why specific programs and approaches were selected.

- c) The portfolio EM&V plan must include, but is not limited to:
- (1) Identification of and plan for deployment of Contractor's staff resources, including the management of sub-contractors.
 - (2) Project schedule and presentation of tasks, sub-tasks, and milestones.
 - (3) Project budget by task, identifying resources (including personnel resources) associated with the task.
 - (4) Specification of any utility reporting requirements, including data required, format of data to be provided by utility tracking systems, reporting schedule, and data confidentiality protection protocols that are required by the Contractor.
 - (5) Plans for data collection and analysis including, but not limited to, the following:
 - (a) Document and database review;
 - (b) Telephone, mail, or in-person data collection;
 - (c) Field inspections;
 - (d) Metering and monitoring; and
 - (e) Statistical and economic analysis using appropriately trained and certified personnel.
 - (6) Description of the methodologies, procedures, and data tracking systems to be used by the Contractor, including data gathering, sampling and sampling plans, and analysis methods employed to conduct its work for each program.
 - (7) Identification of how proper use of deemed savings values, deemed calculated approaches, and protocols by utilities will be confirmed.
 - (8) Plan for determining net energy and demand savings, including what factors will be considered and how they will be determined.
 - (9) Plan for determining lifetime energy and demand savings.
 - (10) Plan for reviewing and determining the cost-effectiveness of program years 2025-2028 portfolios.
 - (11) Drawing from the EPM, a description of approach for integrating the results of a utility's existing internal evaluations of the independent third-party assessment. The description must include which evaluation reports the Contractor will use, how the Contractor will include the information, and plans for resolving any discrepancies in the savings estimates.

- (12) Description of how the Contractor will combine program impact results to report portfolio impacts, addressing the need for adjustments such as accounting for overlap with other programs (i.e., attribution) or other factors. The description must include the procedures for developing final estimates of portfolio savings in situations where programs receive different levels of evaluation.
 - (13) Description of content and formats for all deliverables and interim deliverables, including data collection instruments, reports, memoranda, project management documents, electronic files, and all other work products or interim products. Reporting tables are of particular interest – the Contractor must provide samples with data for review by PUCT staff. Include description of quality assurance and quality control (QA/QC) procedures to be utilized by the Contractor.
 - (14) Description of metrics or criteria that the Contractor will use as the basis for any recommendations provided with respect to program designs or implementation.
 - (15) Description of how the Contractor will use best-practice approaches for the evaluation of each program, including a description of the tradeoffs in allocating limited budget dollars to specific tasks and programs, and why those approaches were selected.
 - (16) Description of other activities the Contractor plans to conduct in support of evaluation-related activities. This may include assessing non-energy benefits, preparation of market assessments, or saturation and baseline studies as required to prepare impact evaluations.
- d) Review of the 2025-2028 portfolio EM&V plans with PUCT and utility staff: Drafts of the portfolio EM&V plans must be submitted to PUCT for review between October and November of the program year to be evaluated, unless a deadline extension is approved in writing by the PUCT contract administrator. Drafts must be submitted in time for PUCT staff to review and Contractor to make any requested modifications. The Contractor must modify plans if requested by the PUCT contract administrator.
3. Deliverable 1C - Annual planning documents
- Annual planning documents may be required. The Contractor must determine if annual planning documents are needed and make a recommendation to the PUCT contract administrator. Annual planning documents may include:

- a) Evaluation activity-specific detailed research plans - Research plans are created for the major EM&V activities or studies planned in a given cycle prior to the time each effort is launched. The Evaluation activity-specific detailed research plans must define baselines to be used in the program evaluation.
- b) Site-specific M&V plans - Site-specific plans may be required for custom project sites that are analyzed and inspected. The site-specific M&V plans must define baselines to be used in the project analysis.

VII. Deliverable 2: Update TRM

A. The Contractor must maintain and update the existing TRM building on a foundation of the existing Texas, or other states', deemed savings manuals, protocols, and the work papers used to develop the values in the manuals.

B. The TRM must include:

- 1. Gross annual and lifecycle energy and demand savings values or deemed savings calculations;
- 2. Net savings values where appropriate;
- 3. For each deemed savings value or deemed savings calculation:
 - a) applicability requirements such as measure definition;
 - b) end-use applications;
 - c) whether the measure is for new construction, early replacement, or replacement upon failure;
 - d) program delivery mechanism, such as direct install, point of sale rebate, or contractor incentive; and
 - e) standardized EM&V protocols for determining or verifying energy and demand savings for particular measures or programs.

C. The Contractor must prepare an updated TRM annually, based on a schedule determined by the PUCT contract administrator. For Proposers' convenience, a sample schedule, based on the schedule under the current PUCT EM&V contract is provided in Exhibit 1 to this Statement of Work.

VIII. Deliverable 3: Implement impact evaluation and verification efforts in accordance with the approved evaluation plans.

Under this deliverable, the Contractor must perform the evaluation activities specified in the evaluation planning documents and approved by the PUCT contract administrator.

A. Impact evaluation efforts include:

- 1. Evaluating, documenting, and reporting total portfolio energy savings (gross and net) relative to the targets and baselines established at the time of program approval by the PUCT. At a minimum, the evaluations must include the following information:
 - a) Annual and lifecycle Megawatt-hour and Megawatt savings

evaluated with statistical sampling that achieves 90/10 confidence and precision for the portfolio.

b) Cost-effectiveness.

B. The Contractor must provide reasonable assurance based on appropriate evidence that the claimed measures are properly installed and utilized.

C. The Contractor must implement impact evaluation efforts using industry-accepted practices, as that term is used in 16 TAC § 25.181(n).

D. Impact evaluation activities must include:

1. Acquiring and verifying data from utilities and other sources.
2. Conducting field inspections using trained personnel and installing short-term, and long-term metering equipment on participant property, or spot measurement equipment as required by the evaluation plans.
3. Reviewing and providing due diligence of utility claimed savings estimates and baselines.
4. Developing survey instruments (using sampling with 90/10 confidence/precision criteria, or other criteria as specified in the planning documents) and collecting and analyzing data.
5. Calculating net and gross program and portfolio energy savings.
6. Calculating cost-effectiveness results, including review of the methodology, inputs, and calculation, consistent with PUCT orders.
7. Commenting on the accuracy of evaluated savings values. Comments should include discussion of the threats to validity and sources of bias, the approaches used to reduce threats, reduce bias, and increase the reliability of the findings, and a discussion of the precision levels of the findings.
8. Providing input and recommendations to the PUCT and stakeholders on the implications of the results the Contractor may have with respect to future evaluations, or the programs or portfolios themselves.
9. Interfacing and coordinating reporting with utilities, PUCT staff, and stakeholders.

IX. Deliverable 4: Additional Activities -

A. The Contractor may propose additional activities for PUCT contract administrator approval. Additionally, the PUCT contract administrator may require additional activities. Additional activities will be charged at the hourly rates specified in Article II, Compensation. The Contractor must get approval from the PUCT contract administrator prior to beginning additional activities. Additional activities may include:

1. Preparing an assessment of program operations' effectiveness and recommendations for each evaluated program with respect to possible improvements that could improve portfolio, program, or measure implementation with respect to savings achieved, cost-effectiveness, or other factors. Recommendations may also include suggestions for other program designs, or for improving the ability to conduct effective evaluation activities.
2. Developing evaluation plans to address persistence of savings, measure retention, market effects indicative of market transformation, and other research topics that may require investigation.
3. Preparing related market assessment, saturation, and baseline studies as required to prepare impact evaluations.
4. Providing experts for hearings; reviewing petitions to amend or develop deemed savings.
5. Participating in workshops and other meetings, including EEIP meetings.
6. Preparing technical information for possible inclusion in meetings and reports.
7. Informing the PUCT of opportunities for implementing EM&V best practices.
8. Drafting guidance memos to supplement the TRM to provide clear direction on calculating or claiming savings. Guidance memos must address areas where additional direction in implementation is needed for consistency and transparency across utilities' claimed savings from the programs. Guidance memos issued during the program year must be included in the next TRM.
9. Reviewing utilities' M&V plans for custom projects to ensure that M&V plans comply with the International Measurement and Verification Protocol and correctly calculate peak demand.

B. Additional activities will be paid at the proposed hourly rates specified in Article II, Compensation. However, Proposers should provide an estimated amount of time needed for the additional activities during the course of the contract.

X. Deliverable 5: Project Management and Reporting – The Contractor must conduct required project management and reporting activities, including, but not limited to, holding a project initiation meeting, annual meetings, and a final presentation with PUCT staff, utilities, and stakeholders; development of a research prioritization memorandum and complete evaluation plans (see Task 1 in section IX. Deliverable 4: Additional Activities); and preparation and delivery of 2025-2028 program years evaluation final report. The PUCT contract administrator may also require interim memoranda and presentations per a schedule approved in the evaluation plans.

A. The Contractor must prepare the following reports:

1. Site-specific M&V reports - Site-specific M&V reports are required for projects for which site-specific M&V plans were developed. These reports document the impacts determined for a specific site as well as the methods used to determine the impacts. The Contractor must give utilities opportunities to provide input on a draft report within the timeframe approved by the PUCT contract administrator. The Contractor and the PUCT contract administrator will determine whether input received by utilities merits changes to the report.
2. Impact evaluation reports - The results of carrying out the evaluation activities described in each impact evaluation plan are documented in an impact evaluation report. The report documents the impact and cost-effectiveness of a program or bundle of programs as well as the methods used to determine the impact. The Contractor must provide utilities and other stakeholders opportunities to provide input on these reports within the timeframe approved by the PUCT contract administrator. The Contractor must evaluate the feedback provided by the stakeholders. The PUCT contract administrator will make the final reports publicly available.
3. Statewide annual portfolio evaluation reports – The Contractor must document the results of carrying out the evaluation activities described in the EM&V portfolio plans in a portfolio evaluation report. The report must document the impact metrics (e.g., gross and net energy and demand savings, both first year and lifecycle) and cost-effectiveness associated with the portfolio of programs as well as the methods used to determine the impacts. The Contractor must provide utilities and other stakeholders opportunities to provide feedback on these reports within the timeframe approved by the PUCT contract administrator. The PUCT contract administrator will make the final reports publicly available.
4. Other reports directed by the PUCT contract administrator.

B. The Contractor must deliver draft and final site-specific M&V reports, impact evaluation reports, and statewide annual portfolio evaluation reports that include the following elements:

1. Executive summary;

2. A synthesis summary of the evaluation process, results, the implications of the results, and recommendations (the PUCT contract administrator may require that this also be a stand-alone document);
 3. Introduction and project overview;
 4. Methods and scope of evaluation;
 5. Measurement and analysis;
 6. Results and findings;
 7. Conclusions and recommendations;
 8. Appendices; and
 9. Electronic databases with clear documentation.
- C. Other required reports include:
1. Bimonthly – Project status reports submitted to the PUCT contract administrator describing issues with each evaluation activity (for example, descriptions of difficulties in completing a deliverable) with recommended solutions.
 2. Ad-hoc – Reports as requested by the PUCT contract administrator to document problems, resolutions, and urgent issues. The PUCT contract administrator may also request these reports to document changes in work efforts.

XI. Liquidated Damages

The Parties acknowledge that it would be difficult or impossible to calculate the amount of actual damages incurred by the PUCT if the Contractor fails to provide drafts of the statewide annual report and TRM by the agreed-upon deadlines. Therefore, the Parties agree that the following is a fair and reasonable estimate of compensation for losses. The Parties further agree that the following requirements are not intended to be a penalty or punitive but instead are solely intended to compensate the PUCT for its incurred actual damages.

- A. Statewide annual report
1. If the Contractor fails to provide a draft of the statewide annual report to the PUCT contract administrator by the agreed-upon deadline, the Contractor will owe \$10,000 per week past the deadline.
- B. TRM
1. If the Contractor fails to provide a draft of the TRM to the PUCT contract administrator by the agreed-upon deadline, the Contractor will owe \$10,000 per week past the deadline.

Exhibit 1 – Estimated Due Dates

Deliverable	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Evaluation Prioritization and Plans	D			F											
Program Year Q1-Q3 Data Request															
Detailed Research Plans															
Supplemental Q1-Q3 Data Request															
Complete Prior Program Year Data Request				D			F								
EM&V Database Updates															
Detailed Research Plans															
Tracking Data Review															
Supplemental Q4 Data Request															
Interim Impact Evaluation Reports									D*	D**		F			
Annual Statewide Portfolio Evaluation Report										D		F			
TRM												D	F		
EEIP Meeting															
Status Reporting and Meetings (biweekly)															

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SECTION 4 – ELIGIBILITY AND EVALUATION CRITERIA

4.A. EEO and HUB Statement

The PUCT is an equal employment opportunity employer and does not discriminate on the basis of race, color, religion, sex, national origin, sexual orientation, veteran status, age, or disability in employment or in the provision of services. This commitment extends to Proposers, vendors, and their employees as well.

The PUCT encourages Historically Underutilized Businesses (HUBs) to compete for this award.

4.B. Minimum Eligibility Requirements

4.B.1. To pass the initial screening criteria, proposals must demonstrate that the Proposer has a minimum of ten years' experience related to the tasks described in Section 3, Statement of Work, including evaluation and measurement of energy efficiency performance, analysis of cost effectiveness, and screening and preparation of technical reference materials.

An entity or company with fewer than ten years' experience as an entity is eligible to submit a proposal if each key member of the proposal team, including subcontractors, has at least ten years' related experience.

Additionally, proposals must:

- meet all deadlines set out in this RFP;
- follow the appropriate process for submitting proposals (see Section 6 of this RFP, Required Components and Format);
- include all required components described in this RFP (see Section 6); and
- meet all format requirements set out in this RFP (see Section 6).

Proposers who do not meet these requirements are not eligible for award and will be disqualified.

4.B.2. Under Texas law, vendors may be barred from participating in state contracts that are subject to Texas Government Code Chapter 2155, Subchapter B (General Purchasing Requirements, Procedures, and Programs). TEX. GOV'T. CODE § 2155.077. If a Proposer is barred from participating in state contracts, its proposal will be disqualified and will receive no further consideration.

4.B.3. The PUCT is required to purchase goods and services that provide the best value to the state. TEX. GOV'T. CODE § 2155.074. To that end, the PUCT will review information in the statewide Vendor Performance Tracking System regarding Proposer's past performance. Any of the following conditions may result in a Proposer being disqualified from consideration for this RFP:

- having a score of less than a C in the Vendor Performance Tracking System;
- currently being under a corrective action plan through the Texas Comptroller of Public Accounts;
- having repeated negative Vendor Performance Reports for the same or similar reason; or
- having purchase orders that have been cancelled in the previous 12 months for non-performance (for example, late delivery or failing to meet quality standards).

4.C. Evaluation Criteria

The PUCT will make the selection and award on the basis of the proposal substance and the Proposer's demonstrated knowledge, competence, and qualifications to provide the services described in Section 3, Statement of Work. A description of the categories under which each proposal will be judged and the percentage of weight given to each category are as follows:

- **Proposal Substance – 40%**
 - Proposal demonstrates a clear understanding of the objectives, as described in Section 3, Statement of Work.
 - Proposed approach is both thorough and practical.
 - Proposed approach for meeting objectives is desirable.
 - Conditions included in the proposal are acceptable.
- **Competence and Knowledge – 40%**
 - Competence and experience are demonstrated by the qualifications described in the proposal.
 - Management structure is well-suited to the objectives described in Section 3, Statement of Work.
 - Assigned staffing for prime and subcontractors is desirable to meet the objectives described in Section 3, Statement of Work.
 - The Proposer has the capacity and financial resources to perform the contract and meet deadlines without delay or interference.
 - The proposal demonstrates the team's qualifications and experience, drawing on lessons learned and best practices.
- **Proposed Compensation – 20%**

4.D. Texas Vendor Preference

All other factors being equal, preference will be given to a Proposer who meets one or more of the following criteria:

- Proposer is incorporated in Texas;
- Proposer's principal place of business is in Texas; or
- Proposer has an established physical presence in Texas.

Proposers who may qualify for the Texas Vendor Preference should provide information establishing the applicable criteria as part of the proposal package.

4.E. References

The PUCT may check references as part of the evaluation process. Information gained through reference checks can be used as grounds for disqualification of a proposal if the information casts doubt upon the ability of the Proposer to successfully meet the objectives of the RFP. However, any information obtained through a reference check that is discriminatory on the basis of race, color, religion, sex, national origin, sexual orientation, veteran status, age, or disability will not be considered.

SECTION 5 – SCHEDULE AND PROCESS

5.A. Anticipated Schedule

Disclaimer: Dates are subject to change at the PUCT’s discretion. Changes to Proposer deadlines will be posted on the Electronic State Business Daily (ESBD) website and the PUCT’s Procurement webpage, along with any other RFP modifications and addenda. It is the Proposer’s responsibility to periodically check the websites prior to submitting a proposal. A Proposer’s failure to review additional information posted on the ESBD and PUCT websites will not release the Proposer from requirements described in those postings and could result in disqualification of a proposal or additional costs to meet the requirements of the contract should the Proposer be selected for the contract.

PUCT Procurement Webpage: <http://www.puc.texas.gov/agency/about/procurement/Default.aspx>

ESBD Website: <https://www.txsmartbuy.com/esbd>

Event

RFP Release

Last day to submit written questions regarding the RFP

Deadline for submission of proposals

Post-proposal interviews or presentations, if required

Staff recommendation for selection

Selection approved

Contract negotiations

Contract period begins

Anticipated Date

September 16, 2024

September 18, 2024, 12 pm CT

October 17, 2024, 10 am CT

October 28-30, 2024

October 31, 2024

November 5, 2024

November 2024

January 1, 2025

5.B. PUCT Point of Contact

Jay Stone, CTCD, CTCM, is the only permitted PUCT point of contact regarding this RFP. Contact or attempted contact with other PUCT employees, including commissioners and their staffs, may result in a Proposer’s immediate disqualification. Proposers will be notified if circumstances require a designated substitute contact for this RFP.

5.C. Process for Asking Questions

The PUCT will only accept written questions and requests for clarification. Requests must be sent by email to RFPCorrespondence@puc.texas.gov, attention: Jay Stone, CTCD, CTCM. Inquiries and comments must reference RFP No. 473-24-00003.

The PUCT aims to answer all questions within two business days after receipt. Answers to all questions will be provided through an addendum posted on the ESBD and agency procurement websites.

5.D. Process for Submitting Proposals

5.D.1. Proposers must submit their proposals by email to RFPCorrespondence@puc.texas.gov before the stated closing date and time. Proposals will not be considered if not received in the

RFPCorrespondence@puc.texas.gov email inbox by 10:00 am, central time, on October 17, 2024. All required information must be provided at that time. The PUCT will only accept the time and date stamp of the email received in the RFPCorrespondence@puc.texas.gov inbox as evidence of timely submission. The PUCT is the sole arbiter of timeliness and technical problems will not be considered good cause for late submission. Supplements will only be allowed if information is requested by the PUCT after the closing date of the RFP.

Jay Stone, CTCD, CTCM, or his designated substitute will file the sealed proposals confidentially in Project Number 56788 with the PUCT's Central Records Division.

5.D.2. Confidential filing is required because this RFP is conducted using a sealed bid process. Confidential filing does not guarantee confidentiality after the RFP has ended and a contract has been executed. Any portion of the proposal considered to be confidential after the RFP has been cancelled or a contract has been awarded (for example, trade secrets) must be marked with the word “**CONFIDENTIAL**” in all-caps and bold on each page considered to contain confidential information.

5.D.3. Proposers are advised to seek legal counsel regarding the best way to protect any trade secrets or other proprietary information.

5.D.4. For more information about how the PUCT will respond to PIA requests relating to this RFP, please see Section 7.C. of this RFP, Public Information Act Notice.

5.E. PUCT's Standard Process for Selecting Vendors

5.E.1. The PUCT will assemble an evaluation team that will begin proposal evaluation as soon as practicable after the submission deadline. Evaluation team members will score each proposal individually based on the factors of Proposal Substance and Competence and Knowledge described under Section 4.C. of this RFP, Evaluation Criteria. Maximum point values will be assigned to each scoring factor according to the percentage of weight given to that factor, and evaluators will assign a point value up to the maximum allowed for each factor. The purchaser will calculate scoring for compensation. The compensation score will be calculated using the following formula: Compensation Score = (Lowest Price / Price of Response Being Evaluated) multiplied by the Maximum Number of Available Points for Compensation. Evaluation team members will not have access to compensation information while they are reviewing and scoring the proposals.

5.E.2. After individual scoring for factors other than compensation, the evaluation team will email their scoring sheets to the purchaser. The purchaser will review the individual scoring sheets and compile a summary scoring sheet combining all evaluation team scoring and including the compensation scoring to calculate overall scores.

5.E.3. After overall scores are calculated, the evaluation team, with guidance from the purchaser, will then take one of the following actions: recommend selection of a specific Proposer, gather more information before selecting a specific Proposer, or recommend that the RFP be withdrawn or reposted.

5.E.4. If the evaluation team needs more information to make a decision, the PUCT may request any of the following from one or more Proposers: additional information or clarification, an

interview, an oral presentation, or a best and final offer. Additional information, clarification, interviews, oral presentations, or best and final offers will be used to re-score proposals, based on the same criteria used to score the initial proposals, unless different criteria is specified by the purchaser when the additional information is requested.

5.E.5. The PUCT may require selected Proposers to participate in conference calls, attend meetings in Austin, Texas, give presentations, or participate in all of these activities to provide additional information about their proposals. Any cost associated with any such call, meeting, or presentation will be borne solely by the Proposer.

5.E.6. If clarification, presentations, or best and final offers are requested, the evaluation team may request the clarification, presentations, or best and final offers from the top-ranked Proposer or Proposers only or from all of the Proposers, at the discretion of the evaluation team.

5.E.7. Final recommendations will be presented to the Executive Director of the PUCT. The Executive Director may do one of the following: approve the recommended selection in whole or in part; disapprove the recommendation; or defer action on the selection.

5.E.8. The PUCT will begin contract negotiations shortly after the Executive Director approves a recommendation to select a specific Proposer. The PUCT may negotiate all portions of any proposal, including, but not limited to: the proposed fee, a final schedule for performance to be incorporated into the contract, and any terms of the contract.

5.E.9. The PUCT will notify each Proposer of the final action taken upon execution of the contract with the selected Proposer.

5.E.10. No questions about the status of the proposals will be answered while proposals are under evaluation.

5.E.11. The PUCT may reject any and all proposals, amend this RFP, or cancel this RFP at any time. After the proposal due date, the PUCT will only notify Proposers who submitted a proposal prior to the proposal submission deadline of amendments to the RFP.

SECTION 6 – REQUIRED COMPONENTS AND FORMAT

6.A. Components

Proposals must include all required attachments and certifications. The PUCT will not accept attachments or certifications submitted after the proposal deadline. Proposals that do not include all required information will be considered non-responsive and will be disqualified.

Proposals must include the contents described in 6.A.1 through 6.A.10 with each section clearly defined on a table of contents page.

6.A.1. Statement of the Requirements

In this section, each Proposer must succinctly state its understanding of the RFP's requirements and describe how it would perform the tasks described in Section 3, Statement of Work.

6.A.2. Competence and Knowledge

Each Proposer must provide a detailed work plan to demonstrate how it intends to fulfil the requirements identified in Section 3, Statement of Work. The proposal must include an organizational chart identifying functions and reporting relationships of the personnel who will be assigned to this work. The Proposer should also describe any prior experience Proposer's organization has in providing similar services.

6.A.3. Qualifications

For each person a Proposer identifies to perform the work described in this RFP, the Proposer must provide a detailed resume that describes the services they would perform, their qualifications, and their experience.

6.A.4. Compensation

Each Proposer must propose pricing to provide the services identified in Section 3, Statement of Work.

Compensation for the services identified in Section 3, Statement of Work must be proposed as a firm fixed price. The proposal must include detailed information that establishes the basis for the price proposal.

Unless otherwise approved in writing by the PUCT, payments will be made based upon the invoicing and payment terms of the resulting contract. The PUCT will not reimburse any out-of-pocket expenses or expenses not contemplated at the time of contract execution.

Proposer must demonstrate how elements of the price correspond to elements of the proposed work plan.

6.A.5. References

Each Proposer must provide at least three references. Proposers must include a phone number and email address for each reference.

The PUCT prefers references from clients for whom the Proposer has performed similar work, including other state commissions or boards.

Proposers must not use the PUCT or any individuals employed by the PUCT as a reference.

6.A.6. Conflicts Statement

Proposers must be neutral and impartial, must not be an entity that has a specific interest in the PUCT's regulation, and must not have a direct financial interest in the provision of electric, telephone, water, or sewer service in the state of Texas.

Proposers having a conflict of interest, as determined by the PUCT, will not be eligible for contract award. Proposers may also be disqualified if there are facts that would create an appearance of impropriety, even if no actual conflict exists.

The PUCT will determine whether a conflict of interest or an appearance of impropriety exists from the perspective of a reasonable person uninvolved in the matters covered by the resulting contract. The PUCT is the sole arbiter of whether a conflict or an appearance of impropriety exists.

The requirements for the conflicts statement are as follows:

- It must be **signed and notarized** by the highest-ranking officer of Proposer's entity having responsibility for vetting corporate conflicts of interest.
- It must identify any personal or business relationships of Proposers, including all employees and subcontractors of Proposers, with any electric, telecommunications, water, or sewer utility, or any utility affiliate operating in Texas; any entity having a pending application at the PUCT to enter the Texas retail electric market, telecommunications market, water utility market, or sewer utility market; and any entity likely to have a direct interest or be a participant in the anticipated change-in-control proceedings that are the subject of this RFP. It must identify the extent, nature, and time aspects of those relationships.
- If a Proposer does not have any known or potential conflict of interest or appearance of impropriety, the conflicts statement must include a statement that there is no known or potential conflict of interest or appearance of impropriety. Failure to provide either a statement describing potential conflicts of interest or appearances of impropriety or a statement that no potential conflict or appearance of impropriety exists will automatically disqualify the Proposer.
- The conflicts statement must address how the Proposer intends to address any known conflicts of interest or appearance of impropriety.
- The conflicts statement must address how the Proposer intends to ensure that no interest may arise as a result of its activities or those of its parent, affiliate, or other related entity that will conflict with the Proposer's duty should it be selected to provide the services described in Section 3, Statement of Work.
- The conflicts statement must identify a Proposer's lobbyists who are registered or required to register with the Texas Ethics Commission and their compensation. The conflicts statement must also describe any involvement the Proposer's lobbyists will have in connection with this engagement or electric utility, telecommunication utility, water utility, or sewer utility legislation or policy.

- The conflicts statement must identify any owner, executive, board member, employee, or subcontractor of Proposer who has been employed by the PUCT or another state agency in Texas fewer than four years ago. If any individual is identified under this provision, the conflicts statement must disclose: 1) the former PUCT or state agency employee's name and current position with Proposer; 2) the name of the state agency; 3) the nature of the previous employment with the state agency; and 4) the dates the employment ended with the state agency and began with Proposer. The PUCT is restricted in its ability to enter into contracts with individuals and entities that employ these individuals under some circumstances. *See* Texas Government Code § 669.003.
- The conflicts statement must certify either that the Proposer does not employ an individual who has been employed by the PUCT or another agency of the State of Texas at any time during the two years preceding the submission of the proposal or that it has disclosed in its proposal the following: (i) the nature of the previous employment with the PUCT or the other agency; (ii) the date the employment was terminated; and (iii) the annual rate of compensation for the employment at the time of its termination. The PUCT is restricted in its ability to enter into contracts with individuals and entities that employ certain individuals under some circumstances. *See* Texas Government Code §§ 2254.033 and 2252.901.
- If the circumstances described by a Proposer change or additional information is obtained subsequent to the submission of proposals, the Proposer must supplement its conflicts statement as soon as reasonably possible upon learning of any change to their statement. If a supplement to the conflicts statement is required after the deadline for submission of proposals, the supplement is exempt from the requirement that all proposal documents must be submitted before the deadline in order for the proposal to be considered.
- The PUCT encourages Proposers to provide complete disclosure of any matters that might be considered a conflict of interest or appearance of impropriety. The PUCT may consider completeness of disclosure in evaluating whether a conflict of interest or an appearance of impropriety exists.

6.A.7. Historically Underutilized Business (HUB) Certification and HUB Subcontracting Plan (HSP)

Any Proposer that is HUB certified by the Statewide Procurement Division (SPD) of the Comptroller of Public Accounts (CPA) or one of its predecessors must submit a copy of its HUB certificate.

Additionally, the PUCT has determined that subcontracting opportunities may be available under this contract. Therefore, all Proposers, including State of Texas certified HUBs, must complete and submit a State of Texas HSP with their proposal if the total dollar amount of the proposal response is \$100,000 or more.

Proposers can find HSP forms and instructions on the Texas CPA website at: <https://comptroller.texas.gov/purchasing/vendor/hub/forms.php>

Responses that do not include a completed HSP will be rejected, as required by Texas Government Code § 2161.252(b).

6.A.8. Certifications

Each proposal must contain a signed statement with the following certifications:

- The Proposer has made a good faith effort to ensure all statements and information Proposer submitted in response to this RFP are current, complete, and accurate. The Proposer represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a proposal with a false statement or making material misrepresentations during the performance of a contract is a material breach of contract and may void the submitted response and any resulting contract.
- The Proposer has not given nor offered to give and does not intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this proposal.
- The Proposer is not currently delinquent in the payment of any franchise tax owed to the State of Texas.
- The Proposer, the firm, corporation, partnership, institution, or other legal entity represented by the Proposer, and anyone acting for such a firm, corporation, partnership, institution, or other legal entity, have not, in connection with this RFP:
 - Violated the antitrust laws of this state or federal antitrust laws;
 - Communicated directly or indirectly the bid made to any competitor or other person engaged in such line of business; or
 - Otherwise violated 15 U.S.C. § 1, *et. seq.*, or Texas Business and Commerce Code § 15.01, *et.seq.*
- Under Texas Government Code § 2155.004, the Proposer certifies that the individual or business entity named in this proposal is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

[A Proposer is ineligible to receive a contract award if the Proposer is a person who received compensation from the agency to participate in preparing the specifications or request for proposals on which the bid or contract is based. *See* Texas Government Code § 2155.004(a)].

- The Proposer is in compliance with Texas Government Code § 669.003, relating to contracting with the current or former executive head of a state agency.
- Under Texas Government Code §§ 2155.006 and 2261.053, the Proposer certifies that the individual or business entity named in this proposal is not ineligible to receive the specified contract and acknowledges that any contract may be terminated, and payment withheld if this certification is inaccurate.

(A Proposer is ineligible to receive a contract award if the Proposer has violated certain laws or been subject to certain penalties in connection with hurricane relief, recovery, or reconstruction efforts. *See* Texas Government Code §§ 2155.006 and 2261.053.)

- Under Texas Family Code § 231.006, the Proposer certifies that the individual or business entity named in this proposal is not ineligible to receive payment under the proposed contract and acknowledges that any contract resulting from this proposal may be terminated and payment may be withheld if this certification is inaccurate.

[A child support obligor who is more than 30 days delinquent in paying child support, or a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent, is not eligible to receive payments from state funds under a contract to provide property, materials, or services. *See* Texas Family Code § 231.006(a)].

- If a Proposer includes a Texas address in its proposal, the Proposer must certify whether or not it qualifies as a Texas Resident Bidder, as defined in Texas Government Code § 2155.444(c)(2).
- Proposer represents and warrants that it is not aware of any court or government agency actions, proceedings or investigations pending or threatened against Proposer or any of the individuals or entities included in the response within the five calendar years immediately preceding the submission of the proposal that would or could impair Proposer's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to the PUCT's consideration of the proposal. If Proposer is unable to make the preceding representation and warranty, then Proposer instead represents and warrants that it has included as a detailed attachment in its proposal a complete disclosure of any such court or governmental agency actions, proceedings or investigations. In addition, Proposer represents and warrants that it will notify the PUCT in writing within five business days of any changes to the representations or warranties in this clause and understands that failure to timely update the PUCT may result in the Proposer's disqualification at the PUCT's sole discretion, or if during the performance of the contract, will constitute a breach of contract and may result in immediate termination of the contract for cause at the PUCT's sole discretion.
- **Pursuant to Texas Government Code § 2275.0102, Proposer certifies that neither it nor its parent company, nor any affiliate of Proposer or its parent company, is: (i) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Texas Government Code § 2275.0103; or (ii) headquartered in any of those countries.**

6.A.9. Evidence of Financial Capability

Proposer must provide evidence of financial capability. The preferred evidence of financial capability is an audited financial statement, if Proposer has a current audited financial statement available or if it is practicable to obtain one for the proposal. If no audited

financial statement is available, Proposer must demonstrate its financial capability in whatever manner it deems appropriate. Evidence of financial capability will be considered in evaluating the competence of the Proposer.

6.A.10. Other Required Items

- Any Proposer incorporated in Texas must include a copy of its current franchise tax Certificate of Good Standing, issued by the Texas State Comptroller's Office, and the corporation's charter number, issued by the Texas Secretary of State's Office.
- Each Proposer must provide its 9-digit Federal Employer's Identification Number (EIN) or its 5-digit State of Texas Vendor's Identification Number (VIN).
- Each Proposer must provide the name and social security number of each of the following, as applicable: an individual or sole proprietor; or each partner, shareholder, or owner with an ownership interest of at least 25 percent of the business entity submitting the proposal. Proposers may decline to provide social security numbers at the time of submission but will be required to provide the information before the contract is executed.

FEDERAL PRIVACY ACT NOTICE: This notice is given pursuant to the Federal Privacy Act. Disclosure of each applicable SSN is required under Texas Family Code §§ 231.006(c) and 231.302(c)(2). The SSN will be used to identify persons that may owe child support. The SSN will be kept confidential to the fullest extent allowed under Texas Family Code § 231.302(e).

6.B. Format Requirements

6.B.1. Information Sheet – The first page of the proposal submission must be an information sheet that clearly states: the name of the Proposer; the name, address, telephone number, and email address of the Proposer's point of contact; the project number; and the RFP title and number. The information sheet will be the only portion of the proposal that is not filed under seal. Information sheets must be filed publicly in Project No. 56788. If a Proposer is selected, the Proposer will be expected to maintain current contact information with the PUCT during the term of the contract.

6.B.2 Copies and Price Information. Proposers must submit four versions of their proposals: one PDF and one Word version with the compensation component, and one PDF and one Word version without the compensation component. The PDF copy with the compensation component must be clearly marked "Original" and include all required signatures and notarized statements.

Price information must be excluded from one PDF and one Word version. This requirement is to allow the evaluation team to review proposals for the evaluation factors of Proposal Substance and Competence and Knowledge only. Each proposal will separately be given a score for pricing and that score will be applied to the scoring matrix to ensure that price does not inadvertently influence the evaluation of the other factors.

The copies of the proposal must be identical to the original except for the omission or redaction of the price information and the Word rather than PDF file format.

6.B.3. Proposers are prohibited from using the Texas State Seal or the PUCT Seal in or on the proposal.

6.B.4. Proposals must not contain any extrinsic items, such as promotional items or other things not contemplated in this RFP.

6.B.5. Page Limit. Proposals must be limited to 75 pages, including all attachments and certifications, but excluding financial capability submittal, page dividers, or writing sample(s). The PUCT may reject any proposals longer than 75 pages without review. In any case, evaluation team members will not be provided any pages past the 75th page.

SECTION 7 – CONDITIONS

7.A. Irrevocable Offer

Proposals may be withdrawn in writing before the deadline for receipt of proposals. After the deadline, a proposal becomes an irrevocable offer to provide the services described in Section 3, Statement of Work, with the terms and conditions specified in Attachment A, for the shorter of: a period of 90 days from the RFP closing date or until a contract resulting from this RFP is signed. The PUCT will not return withdrawn proposals.

7.B. Proposals are the Property of the PUCT

All proposals and copies of proposals, as well as any best and final offer, and any records provided to the PUCT by the Proposer associated with the evaluation of the proposal, will become the property of the PUCT after receipt and will be retained in accordance with the PUCT's records retention schedule.

7.C. Public Information Act Notice

Following the award of a contract, all proposals are public information and subject to release. If the PUCT receives a request for any information submitted to the PUCT in connection with this RFP, the PUCT will follow the requirements of the Texas Public Information Act (Texas Government Code Chapter 552). This includes notifying Proposers and the Office of the Attorney General if information that the PUCT knows Proposer considers to be confidential is requested under the Texas Public Information Act. The PUCT assumes no obligation to assert legal arguments on behalf of a Proposer. The PUCT may release portions of proposals and other information provided by a Proposer without notifying the Proposer if the information is not conspicuously marked "confidential" on each page.

A copy of the contract resulting from this RFP will be posted on the PUCT's public website. Information in PUCT contracts is public information unless it is made confidential by law. *See* Texas Government Code § 552.022(a)(3).

7.D. Publicity

Proposers are prohibited from making any public disclosures or news releases pertaining to this RFP, any resulting contract, or any results or findings based on information provided or obtained to fulfill the requirements of this RFP or resulting contract. This prohibition may only be waived by prior written approval of the PUCT for the specific disclosure or news release.

7.E. No Proposal Costs Reimbursed

Neither the PUCT nor the State of Texas will reimburse any Proposer for any costs related to: preparing a response to this RFP, preparing a best and final offer, providing additional information requested as part of the evaluation of proposals, or making any presentation requested as part of the evaluation of proposals.

7.F. Contract Terms and Conditions

Any contract resulting from this RFP will use the standard general terms and conditions found in Attachment A to this RFP unless changes are negotiated in advance of the execution of the contract. Many of the terms and conditions are required by law, and the PUCT will not negotiate when a term or condition is required by law. **Proposers must include any requested changes to the terms and conditions in their proposals.**

7.G. Vendor Performance Tracking System

At the end of any contract resulting from this RFP, the PUCT will input required information into the Vendor Performance Tracking System regarding the contractor's performance and whether the contractor satisfied the best value standard for this contract. This information is public, and other state agencies seeking goods or services are required, under most circumstances, to use the information in the Vendor Performance Tracking System to determine whether or not a particular vendor will meet the best value standard for the purchase of the goods or services.

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ATTACHMENT A – PUCT’s Standard General Terms and Conditions

Article 1. DEFINITIONS

When used in this contract, the following terms have the following meanings:

- 1) “**Business day**” means a day other than: (i) a Saturday or Sunday; (ii) a national holiday under Texas Government Code § 662.003(a); or (iii) a state holiday under Texas Government Code § 662.003(b).
- 2) “**Commission**” means the governing body of the PUCT.
- 3) “**Contractor**” means the person, organization, business entity, or other entity that is selected for the contract contemplated by this RFP.
- 4) “**May**” means “is authorized to.”
- 5) “**Parties**” means PUCT and Contractor. “**Party**” means PUCT or Contractor.
- 6) “**Proposer**” means a person, organization, business entity, or other entity that submits a proposal for this RFP.
- 7) “**PUCT**” means the Public Utility Commission of Texas, an agency of the state of Texas.
- 8) “**Services**” means any and all services performed and any and all goods and products delivered by Contractor as specified in the Statement of Work (“SOW”).
- 9) “**Statement of Work**” or “**SOW**” means the description of goods and services to be provided as specified in Section 3 of this RFP.
- 10) “**Vendor**” means a person, organization, business entity, or other entity that has been selected for or entered into a contract with a Texas state agency.
- 11) “**Vendor Performance Tracking System**” means the system the Texas Comptroller of Public Accounts is required to provide under Section 2262.055, Texas Government Code, for evaluating vendor performance. The Vendor Performance Tracking System is located at: <http://txsmartbuy.com/vpts>.

Article 2. COMPENSATION

2.1 Compensation. Contractor agrees to provide all Services (including labor, expenses, and any other services) described in the Statement of Work, as follows: [PUCT will insert summary of payment terms in final contract]. Contractor understands that the PUCT is not responsible for payment of any costs or expenses exceeding this amount.

If Contractor believes that changes in the scope of Services to be performed will require Contractor to increase its fee, it must request the PUCT’s written authorization to increase its fee. Contractor must document the changes in the scope of Services and why they will require additional effort. The PUCT must approve the increase in fee by written amendment to this contract before Contractor performs any Services or may invoice the increased fee.

2.2 Payment Process. Contractor must submit an invoice to the PUCT contract administrator no later than the final day of the month after the month that all the Services have been performed and completed. The invoice must contain the name of the person performing Services and a brief

description of work performed, including a description of any applicable deadlines for deliverables during the period invoiced and the date those deliverables were provided to the PUCT. No payment will be made for administrative overhead, overtime, or other charges not directly attributable to the performance of this contract.

On the statement or invoice, Contractor must include a statement that the invoice accurately describes the Services performed and the Services were performed in compliance with the contract. The statement or invoice must include the vendor identification number issued by the Texas Comptroller or Contractor's federal taxpayer identification number, a description of the Services provided, and the name and division of the PUCT contract administrator.

Contractor must submit the invoice to the PUCT as follows:

By email to: Payables@puc.texas.gov

Or by mail to: Accounts Payable
Public Utility Commission of Texas
P.O. Box 13326
Austin, TX 78711-3326

The PUCT Contract Administrator will review the invoice and any other relevant documentation to ensure the Services were performed in compliance with the contract. If the invoice does not contain required information or documentation, or if the PUCT disputes that the Services were performed in compliance with the contract, the PUCT will reject the invoice and give the Contractor its reasons and the opportunity to submit a corrected invoice.

2.3 Release of Claims. Contractor's acceptance of payment releases the PUCT of all claims for compensation owed in connection with this contract.

2.4 Refund. Contractor will promptly refund or credit within thirty calendar days any funds erroneously paid by the PUCT which are not expressly authorized under the contract.

2.5 Payments Made to Subcontractors. Contractor must pay its subcontractors, if any, the appropriate share of payments received not later than the 10th day after the date Contractor receives the payment. The subcontractor's payment is overdue on the 11th day after the date Contractor receives the payment. The PUCT must approve Contractor's use of any subcontractor before Contractor engages the subcontractor (see Section 5.1 of this contract).

2.6 Records Retention. Contractor shall maintain and retain all records relating to the performance of the contract, including supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements. These records will be maintained and retained by Contractor for a period of seven (7) years after the contract expiration date or until all audit, claim, and litigation matters are resolved, whichever is later. Contractor must make all records available to the PUCT, the PUCT's designee, or the State Auditor during normal business hours with reasonable notice, upon the request of the PUCT contract administrator.

2.7 Sole Compensation. Payments under this Article are Contractor's sole compensation under this contract. Contractor must not incur expenses not contemplated under the Statement of Work, with the expectation that the PUCT or the state of Texas will pay the expense.

Article 3. CONTRACT ADMINISTRATION

3.1 PUCT Contract Administration. The PUCT designates Ramya Ramaswamy to serve as its primary point of contact and contract administrator throughout the term of this contract. Contractor acknowledges that the PUCT contract administrator does not have any authority to amend this contract on behalf of the PUCT, except as expressly provided herein. Contractor further acknowledges that such authority is exclusively held by the Commission exercising its authority through a vote in an open meeting, or the Executive Director of the PUCT as the Commission's authorized designee.

3.2 Contractor Contract Administration. Contractor designates its contract administrator as follows: [Insert Designee(s) Here]

3.3 Reporting. Contractor must report directly to the PUCT contract administrator and must perform all activities in accordance with the reasonable instructions, directions, and requests conveyed to Contractor by the PUCT contract administrator.

3.4 Cooperation. The Parties' contract administrators must handle all communications between them in a timely and cooperative manner. The Parties must timely notify each other by email or other written communication of any change in designee or contact information.

3.5 Media Releases. Contractor shall not use the PUCT's name, logo, or other likeness in any press release, marketing material, or other announcement without the PUCT's prior written approval. The PUCT does not endorse any vendor, commodity, or service. Contractor is not authorized to make or participate in any media releases or public announcements pertaining to this procurement, the response, or the services to which they relate without the PUCT's prior written consent, and then only in accordance with explicit written instructions from the PUCT. Contractor will promptly refer all inquiries regarding this contract received from state legislators, other public officials, the media, or anyone else not a Party to this contract to the PUCT contract administrator.

Article 4. REPORTS AND RECORDS

4.1 Written Reports. Contractor will provide written reports to the PUCT in the form and with the frequency specified in the Statement of Work, or as otherwise agreed in writing between the Parties.

4.2 Distribution of Consultant Reports. Contractor agrees the PUCT has the right to distribute any consultant report associated with this contract, or to allow another Texas state agency or the Texas legislature to distribute it. The PUCT will also have the right to post any consultant report associated with this contract to the PUCT's website or to the website of a standing committee of the legislature. This provision does not waive any right to confidentiality that the PUCT may assert for the report or any portion thereof.

Article 5. SUBCONTRACTING PARTIES

5.1 Use of Subcontractors. The Parties acknowledge and agree that, at the time of execution of this contract, Contractor intends to perform the Services required under this Contract using its own employees [or intends to perform the Services required under this Contract using the following subcontractors:]. Contractor may not subcontract any or all of the work and/or obligations due under the contract without prior written approval of the PUCT. Subcontracts, if any, entered into by the Contract shall be in writing and be subject to the requirements of the contract. Should

Contractor subcontract any of the services required in the contract, Contractor expressly understands and acknowledges that in entering into such subcontract(s), the PUCT is in no manner liable to any subcontractor(s) of the Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the contract.

Contractor will notify the PUCT contract administrator of any proposed subcontract and will work with the PUCT HUB Coordinator to procure such subcontractor and to submit appropriate subcontractor selection documentation for approval prior to engaging any subcontractor, such approval not to be unreasonably withheld. Any subcontract not contemplated at the initiation of this contract and any subsequent substitution of a subcontractor must be approved by an amendment according to the terms of Article 7.

5.2 Sole Responsibility. Contractor is solely responsible for the quality and timeliness of the work produced by all subcontractors that Contractor may engage to provide Services hereunder and for the timely payment for all work produced by all subcontractors that the PUCT accepts and pays for in accordance with the terms of this contract.

5.3 Prime Vendor Contract. The Parties expressly agree that this Contract is intended to constitute a prime vendor contract, with Contractor serving as the prime vendor for delivery of the Services made the subject hereof. Contractor acknowledges and agrees that it is fully liable and responsible for timely, complete delivery of the Services described in this Contract, notwithstanding the engagement of any subcontractor to perform an obligation under this Contract.

Article 6. TERM AND TERMINATION

6.1 Term. The term of this Contract will begin on January 1, 2025, and will continue in effect until the finalization of the transaction, which is estimated to be on or before December 31, 2028, unless sooner terminated under Sections 6.2 or 6.3 of this Contract.

6.2 Termination for Cause by the PUCT. If Contractor fails to provide the goods or services contracted for according to the provisions of the contract or fails to comply with any terms or conditions of the Contract, the PUCT may serve upon Contractor written notice requiring Contractor to cure such default. Unless within thirty (30) days after receipt of said notice by Contractor, said default is corrected or arrangements satisfactory to the PUCT, as applicable, for correcting the default have been made by Contractor, the PUCT may terminate this contract for default and will have all rights and remedies provided by law and under this contract. If the PUCT terminates Contractor for a violation of Section 18.22, of this contract, the PUCT need not provide any notice or opportunity for curing the default, and the PUCT will not be liable for any damages or loss to Contractor as a result of said termination.

6.3 Termination for the Convenience of the PUCT. The PUCT reserves the right to terminate the contract at any time, in whole or in part, without cost or penalty, by providing thirty (30) calendar days' advance written notice, if the PUCT determines that such termination is in the best interest of the State. In the event of such a termination, Contractor must, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. The PUCT shall be liable for payments limited only to the portion of work the PUCT authorized in writing and which Contractor has completed, delivered to the PUCT and which has been accepted

by the PUCT. All such work shall have been completed, in accordance with contract requirements, prior to the effective date of termination. The PUCT shall have no other liability, including no liability for any costs associated with the termination.

6.4 Transfer of Duties. In the event of termination, Contractor will provide reasonable cooperation to transfer its duties under the contract to another entity without disruption to the provision of Services.

6.5 Remedies for Breach. All remedies available to the PUCT for breach or anticipatory breach of this contract by Contractor are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy will not be deemed an election of such remedy to the exclusion of other remedies. Actual damages, liquidated damages, cost projections, letter of credit proceeds, and injunctive relief may also be invoked either separately or combined with any other remedy in accordance with applicable law.

6.6 Survival. In the event that this Contract expires or is terminated pursuant to its terms, the rights and obligations of the Parties under it will end; provided that the provisions of Sections 2.3 through 2.6, 3.5, 4.2, 6.5, 6.6, 7.5, 9.2, 9.4 through 9.6, 17.2 and 19.1 through 19.4, and Articles 1, 10, 11, 12, 14 through 16., 20, 21, 23, 27, and 29 will survive in their entirety.

Article 7. ASSIGNMENT, AMENDMENTS, AND MODIFICATIONS

7.1 Material Change Requests. The PUCT may propose changes to the Statement of Work. Upon receipt of a written request from the PUCT for a change to the Statement of Work, Contractor must, within the deadline specified in the request, or if no deadline is specified, within a reasonable time thereafter, submit to the PUCT a detailed written estimate of any proposed price and schedule adjustment(s) to this contract. No changes to the Statement of Work, will occur without the Parties' written consent as provided in accordance with the terms stated in this contract.

7.2 Change in Law and Compliance with Laws. Contractor shall comply with all laws, regulations, requirements and guidelines applicable to a Contractor providing services and products required by the contract to the State of Texas, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the contract. The PUCT reserves the right, in its sole discretion, to unilaterally amend the contract prior to award and throughout the term of the contract to incorporate any modifications necessary for the PUCT's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

7.3 Assignment. Contractor shall not assign its rights under the contract or delegate the performance of its duties under the contract without prior written approval from the PUCT. Any attempted assignment in violation of this provision is void and without effect.

7.4 Amendments and Modifications. This contract may not be amended or modified in any manner except by written instrument executed by authorized representatives of the Parties in accordance with the terms of this contract.

7.5 Binding Effect. The contract shall be binding upon and shall inure to the benefit of the PUCT and Contractor and to their representatives, successors and assigns.

Article 8. REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 Warranty of Performance. Contractor represents, warrants, and covenants that it will perform the Services outlined in the Statement of Work, in a professional and workmanlike manner, consistent with professional standards of practice in the professional industry.

8.2 Warranty of Services. Contractor warrants that the Services will be rendered by the qualified personnel named in Section 19.8 of this contract. If Services provided under this contract require a professional license, then Contractor represents, warrants, and covenants that the activity will be performed only by duly licensed personnel.

Article 9. RISK OF LOSS AND PROPERTY RIGHTS

9.1 Risk of Loss. The risk of loss for all items to be furnished hereunder will remain with Contractor until the items are delivered to and accepted by the PUCT, at which time the risk of loss will pass to the PUCT.

9.2 Ownership. Except for materials where any intellectual property rights are vested in a third party, such as software or hardware, in which case such rights remain the property of the third party, all finished materials, deliverables, conceptions, or products created or prepared for on behalf of the PUCT and purchased by the PUCT, or on behalf of the PUCT, that the PUCT has accepted as part of the performance of Services hereunder, will be the PUCT's property exclusively and will be given to the PUCT either at the PUCT's request during the term of the Contract or upon termination or expiration of the contract. Notwithstanding the foregoing, materials created, prepared for, or purchased exclusively by the PUCT or on behalf of the PUCT are the PUCT's exclusive property regardless of whether delivery to the PUCT is effectuated during or upon termination or expiration of this contract.

9.4 Prior Works. Except as provided herein, all previously owned materials, conceptions, or products prior to execution of the contract will remain the property of Contractor and nothing contained in this contract will be construed to require Contractor to transfer ownership of such materials to the PUCT.

9.5 Trademark Ownership. Contractor hereby acknowledges and agrees that the trademarks remain the exclusive property of the PUCT, that all right, title and interest in and to the trademarks is exclusively held by the PUCT, and all goodwill associated with such trademarks inures solely to the PUCT.

9.6 Program Information. Program information, data, and details relating to Contractor's Services under this contract must be maintained separately from Contractor's other activities. Contractor must undertake all reasonable care and precaution in the handling and storing of this information.

9.7 Provision to be Inserted in Subcontracts. Contractor must insert a provision containing Sections 9.2 and 9.6 of this contract in all subcontracts hereunder except altered as necessary for proper identification of the contracting Parties and the PUCT under this contract.

Article 10. PUBLIC INFORMATION ACT

Contractor understands that the PUCT will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney

General of the State of Texas. Information, documentation, and other material in connection with the solicitation or any resulting contract may be subject to public disclosure pursuant to the Texas Public Information Act (PIA). In accordance with Section 2252.907 of the Texas Government Code, Contractor is required to make any information created or exchanged with the State pursuant to the contract, and not otherwise excepted from disclosure under the PIA, available in a format that is accessible by the public at no additional charge to the State. For the purpose of this paragraph, paper documents, Adobe Portable Document Format files (.pdf), Microsoft Excel spreadsheets (.xls), Microsoft Word documents (.docx), and Hypertext Markup Language (.html) files will be considered "accessible by the public," unless another format is specified by the PUCT, at the PUCT's sole discretion.

The Parties acknowledge that not all terms of this contract may be confidential under the PIA, regardless of whether those terms are marked "Proprietary," "Trade Secret," or "Confidential." The PUCT will notify Contractor of requests for Contractor's information as required under the PIA.

If information created or exchanged with the state pursuant to this contract is excepted from disclosure under the PIA, Contractor will not be required to make the information available to the public but may be required to facilitate the PUCT's provision of the information to the Texas Attorney General for a decision on the information's confidentiality. The PUCT has no duty or responsibility to argue a defense of confidentiality to Contractor's information or data; it will be Contractor's sole responsibility to do so. Additionally, the requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the Contractor agrees that the contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

Article 11. CONFLICTS OF INTEREST AND EMPLOYMENT RESTRICTION

11.1 No Conflicts of Interest. Contractor represents and warrants that the provision of goods and services or other performance under the contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.

11.2 Prohibition on Transactions with Parties Adverse to the PUCT. Contractor agrees that during the term of this contract and any extensions or renewals thereof, it will neither provide contractual services nor enter into any agreement, oral or written, to provide services to a person or organization that is regulated or funded by the PUCT or that has interests that are directly or indirectly adverse to those of the PUCT. The PUCT may waive this provision in writing if, in the PUCT's sole judgment, such activities of the Contractor will not be adverse to the interests of the PUCT.

11.3 Notice of Conflict. Contractor agrees to promptly notify the PUCT of any circumstance that may create a real or perceived conflict of interest, whether arising prior to or during the term of the contract. Contractor agrees to use its best efforts to resolve any real or perceived conflict of interest to the satisfaction of the PUCT. If Contractor fails to do so, it will be grounds for termination of this contract for cause, pursuant to Section 6.2 of this contract.

11.4 Prohibited Employment. Contractor agrees that it will not hire any person whose employment with Contractor would violate any of the employment restrictions in Texas Government Code Chapter 572 or Texas Utilities Code Chapter 12.

Article 12. INDEMNIFICATION

CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND THE PUCT, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY CONTRACTOR WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL. CONTRACT AND THE PUCT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

If all or any part of the deliverables of this contract is the subject of any claim, suit, or proceeding for infringement or misappropriation of any intellectual property right, Contractor may, and in the event of any adjudication that the deliverables or any part thereof infringes or misappropriates any patent, trademark, copyright, or trade secret, or if the licensing or use of any of the deliverables or any part thereof is enjoined, Contractor must, at its expense do one of the following things: (i) procure for the PUCT the right under such patent, trademark, copyright or trade secret to fully use the deliverables or the affected part thereof; or (ii) replace the deliverable or affected part thereof with another non-infringing deliverable; or (iii) suitably modify the deliverable or affected part thereof to make it non-infringing.

Article 13. INSURANCE

13.1 Contractor Responsibility. Contractor agrees to comply with all state and federal laws applicable to the liability and payment of Contractor and Contractor's employees, including laws regarding wages, taxes, insurances, and workers' compensation. Neither the PUCT nor the State of Texas will be liable to the Contractor, its employees, agents, or others for the provision of unemployment insurance or workers' compensation or any benefit available to a state employee.

13.2 Minimum Insurance. Contractor must, at its sole cost and expense, secure and maintain as a minimum, from the effective date of this contract and thereafter during the term of this contract and any renewals or extensions thereof, for its own protection and the protection of the PUCT and the State of Texas:

- a) commercial liability insurance, covering, at a minimum, the following categories of liability within the following limits: (i) bodily injury and property damage - \$1,000,000

limit per occurrence, \$2,000,000 aggregate, (ii) medical expense - \$5,000 limit per person, (iii) personal injury and advertising liability - \$1,000,000 limit, (iv) products or completed operations – \$2,000,000 aggregate, (v) damage to premises rented - \$50,000 limit;

- b) automobile liability coverage for vehicles driven by Contractor’s employees (\$500,000 per occurrence); and
- c) workers’ compensation insurance in accordance with the statutory limits, as follows: (i) employer’s liability - \$1,000,000 each incident, (ii) disease - \$1,000,000 each employee and \$1,000,000 policy limit.
- d) cyber incident coverage to include: privacy breach related legal expenses to review and determine responsibilities under privacy breach laws; expenses related to compliance with privacy law notification requirements; credit and identification monitoring for up to 12 months after a cyber incident; expenses related to forensic investigations to investigate a system intrusion into the Contractor’s computer system; and expenses to hire a public relations firm for public communications response.

The PUCT and the State of Texas must be named an additional insured on the commercial liability and automobile policies.

Insurance coverage must be from companies licensed by the State of Texas to provide insurance with an “A” rating from A.M. Best and authorized to provide the corresponding coverage.

13.3 Certificates of Insurance. Contractor must furnish to the PUCT certificates of insurance and any applicable endorsements, signed by authorized representatives of the surety or insurers, of all such bonds and insurance and confirming the amounts of such coverage within ten (10) days of the effective date of this contract, and upon request thereafter. Contractor must provide the PUCT contract administrator with timely renewal certificates as the coverage renews. Failure to maintain such insurance coverage specified herein, or to provide such certificates or endorsements promptly, will constitute a material breach of this Contract. Contractor must provide thirty (30) days written notice of any notice for renewal or cancellation of insurance.

Article 14. DISPUTE RESOLUTION

The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used to attempt to resolve any dispute arising under the contract.

Article 15. SOVEREIGN IMMUNITY

Nothing in the contract shall be construed as a waiver of the PUCT’s or the State’s sovereign immunity. This contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the PUCT or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the PUCT or the State of Texas under the contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. The PUCT does not waive any privileges, rights, defenses, or immunities available to the PUCT by entering into the contract or by its conduct prior to or subsequent to entering into the contract.

Article 16. GOVERNING LAW AND VENUE

The contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the PUCT.

Article 17. COMPLIANCE WITH LAW

17.1 General. Contractor must comply with all federal, state, and local laws, executive orders, regulations, and rules applicable at the time of performance. Contractor warrants that all Services sold hereunder will have been produced, sold, delivered, and furnished in strict compliance with all applicable laws and regulations to which they are subject. Contractor represents and warrants its compliance with all applicable duly enacted state and federal laws governing equal employment opportunities.

17.2 Taxes. Purchases made for State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. Agency will furnish Tax Exemption Certificates upon request. Contractor represents and warrants that it shall pay all taxes or similar amounts resulting from the contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Contractor or its employees. The PUCT shall not be liable for any taxes resulting from the contract.

17.3 Workers' Compensation. Contractor agrees that it will be in compliance with applicable state workers' compensation laws throughout the term of this contract and any renewals or extensions thereof.

17.4 Conflicts. Contractor agrees to abide by the requirements of and policy directions provided by the Texas statutes and the rules and regulations of the PUCT. Contractor agrees to inform and consult with the PUCT when further interpretations or directions are needed in order to fully implement the rules and regulations of the PUCT. In the event that Contractor becomes aware of inconsistencies between this Contract and a Texas statute or PUCT rule, Contractor will so advise the PUCT immediately and will cooperate fully to revise applicable provisions of this contract as necessary.

17.5 Unfair Business Practices. Contractor represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or court suit and that Contractor has not been found to be liable for such practices in such proceedings. Contractor certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

17.6 Americans with Disabilities Act. Contractor represents and warrants its compliance with the requirements of the Americans With Disabilities Act (ADA) and its implementing regulations, as each may be amended.

17.7 Lobbying Prohibition. Contractor represents and warrants that the PUCT's payments to Contractor and Contractor's receipt of appropriated or other funds under the contract are not prohibited by Sections 556.005 or 556.0055 of the Texas Government Code.

17.8 Disclosure of Interested Parties. Contractor represents and warrants that if selected for award of a contract as a result of the solicitation, it will submit to the PUCT a Certificate of Interested Parties prior to contract execution in accordance with Section 2252.908 of the Texas Government Code.

Article 18. CONTRACTOR'S CERTIFICATION

By accepting the terms of this Contract, Contractor certifies that, to the extent applicable, it is in compliance with the following requirements and prohibitions. Contractor understands and agrees that a false certification may lead to termination of this contract for cause.

18.1 Dealings with Public Servants Affirmation. Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this contract.

18.2 Debt and Delinquency Affirmation. Contractor agrees that any payments due under the contract shall be applied towards any debt or delinquency that is owed to the State of Texas.

18.3 Excluded Parties. Contractor certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism", published by the United States Department of the Treasury, Office of Foreign Assets Control.

Contractor further represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

18.4 Antitrust. Contractor represents and warrants that, in accordance with Section 2155.005 of the Texas Government Code, neither Contractor nor the firm, corporation, partnership, or institution represented by Contractor, or anyone acting for such a firm, corporation or institution has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15 of the Texas Business and Commerce Code, or the federal antitrust laws, or (2) communicated directly or indirectly the contents of the RFP, proposal, or this contract to any competitor or any other person engaged in the same line of business as Contractor.

18.6 Prohibited Compensation. Contractor has not received compensation from the PUCT, or any agent, employee, or person acting on the PUCT's behalf for participation in the preparation of this contract.

18.7 Financial Participation Prohibited Affirmation. Under Section 2155.004(b) of the Texas Government Code, Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that the contract may be terminated and payment withheld if this certification is inaccurate.

18.8 Child Support Obligation Affirmation. Under Section 231.006 of the Family Code, the Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified payments and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate in addition to other remedies set out in 231.006(f).

18.9 Executive Head of State Agency Affirmation. In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Contractor certifies that it is not (1) the executive head of the PUCT, (2) a person who at any time during the four years before the date of the contract was the executive head of the PUCT, or (3) a person who employs a current or former executive head of the PUCT.

18.10 Buy Texas Affirmation. In accordance with Section 2155.4441 of the Texas Government Code, Contractor agrees that during the performance of a contract for services it shall purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state.

18.11 Prior Disaster Relief Contract Violation. Under Sections 2155.006 and 2261.053 of the Texas Government Code, the Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

18.12 E-Verify Program. Contractor certifies that for contracts for services, it shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of the contract to determine the eligibility of:

1. all persons employed by Contractor to perform duties within Texas; and
2. all persons, including subcontractors, assigned by Contractor to perform work pursuant the contract within the United States of America.

18.13 Suspension and Debarment. Contractor certifies that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the contract by any state or federal agency.

18.14 COVID-19 Vaccine Passport Prohibition. Contractor certifies that Contractor is not ineligible to receive this contract under Texas Health and Safety Code § 161.0085.

18.15 Human Trafficking Prohibition. Under Section 2155.0061 of the Texas Government Code, the Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

18.16 Entities that Boycott Israel. Contractor represents and warrants that (1) it does not, and shall not for the duration of the contract, boycott Israel or (2) the verification required by Section 2271.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.17 Energy Company Boycott. Contractor represents and warrants that: (1) it does

not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2276.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.18 Firearm Entities and Trade Associations Discrimination. Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.19 Data Management and Security Controls. In accordance with Texas Government Code § 2054.138, Contractor certifies that it will comply with the security controls required under this contract and will maintain records and make them available to the PUCT as evidence of Contractor's compliance with the required controls.

18.20. Critical Infrastructure Affirmation. Pursuant to Texas Government Code § 2275.0102, Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor or its parent company, is: (i) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Texas Government Code § 2275.0103; or (ii) headquartered in any of those countries.

18.21 Disaster Recovery Plan. Upon request of the PUCT, Contractor shall provide the descriptions of its business continuity and disaster recovery plans.

18.22 False Statements. Contractor represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a contract with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void any resulting contract.

Article 19. GENERAL PROVISIONS

19.1 Independent Contractor. Contractor and Contractor's employees, representatives, agents, subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services under the contract. Neither Party is an agent of the other and neither may make any commitments on the other party's behalf. Should Contractor subcontract any of the services required in the contract, Contractor expressly understands and acknowledges that in entering into such subcontract(s), the PUCT is in no manner liable to any subcontractor(s) of Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the contract. Contractor shall have no claim against the PUCT for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. The contract shall not create any joint venture, partnership, agency, or employment relationship between the Parties.

19.2 Non-Exclusivity. Nothing in this contract is intended nor will be construed as creating any exclusive arrangement between Contractor and PUCT. This contract will not restrict PUCT from acquiring similar, equal, or like goods or services from other entities or sources.

19.3 Taxes and Statutory Withholdings. Contractor acknowledges that it is not a PUCT employee but is an independent contractor. Accordingly, it is Contractor's sole obligation to report as income all compensation received by Contractor under the terms of this contract. Contractor is solely responsible for all taxes (federal, state, or local), withholdings, social security, unemployment, Medicare, Workers' Compensation insurance, and other similar statutory obligations (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Contractor must defend, indemnify, and hold the PUCT harmless to the extent of any obligation imposed by law on the PUCT to pay any tax (federal, state, or local), withholding, social security, unemployment, Medicare, Workers' Compensation insurance, or other similar statutory obligation (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Further, Contractor understands that neither it nor any of its individual employees is eligible for any PUCT employee benefit, including but not limited to holiday, vacation, sick pay, withholding taxes (federal, state, local), social security, Medicare, unemployment or disability insurance, Workers' Compensation, health and welfare benefits, profit sharing, 401(k) or any employee stock option or stock purchase plans. Contractor hereby waives any and all rights to any such PUCT employment benefit.

19.4 Notice. Except as otherwise stated in this contract, all notices provided for in this contract must be (a) in writing, (b) addressed to a Party at the address set forth below (or as expressly designated by such Party in a subsequent effective written notice referring specifically to this contract), (c) sent by a national carrier with tracking capability (e.g. FedEx or Certified U.S. Mail), with proper postage affixed and (d) deemed effective upon the third business day after deposit of the notice with the carrier.

IF TO THE PUCT:

ATTENTION: Executive Director
1701 N. Congress Ave., 7th Floor
Austin, TX 78701

With copies to the PUCT contract administrator, and Jay Stone, CTCD, CTCM, at the same address.

IF TO CONTRACTOR:

ATTENTION:

ADDRESS

CITY, STATE, ZIP CODE

19.5 Headings. Titles and headings of articles and sections within this contract are provided merely for convenience and must not be used or relied upon in construing this contract or the Parties' intentions with respect thereto.

19.6 Export Laws. Contractor represents, warrants, agrees and certifies that it (a) will comply with the United States Foreign Corrupt Practices Act (regarding, among other things, payments to government officials) and all export laws and rules and regulations of the United States Department of Commerce or other United States or foreign agency or authority and (b) will not knowingly permit any non-Party to directly or indirectly, import, export, re-export, or transship any intellectual property or any third Party materials accessed by Contractor during the course of this contract in violation of any such laws, rules or regulations.

19.7 Preprinted Forms. The use of preprinted forms, such as purchase orders or acknowledgments, in connection with this contract is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. The terms of this contract cannot be amended, modified, or altered by any conflicting terms, provisions, or conditions contained in a proposal or a preprinted form, such as purchase orders or acknowledgments. If any conflict exists between this Contract and any terms and conditions on a proposal, purchase order, acknowledgment, or other preprinted form, the terms and conditions of this Contract will govern.

19.8 Specific Personnel. Contractor has identified the personnel for this assignment (“Team”), as follows: [list]

Contractor warrants that it will use its best efforts to avoid any changes to the Team during the course of this Contract. Should personnel changes occur during the term of this Contract or any extensions or renewals thereof, Contractor will recommend to the PUCT personnel with comparable experience and required qualifications and training. The PUCT must approve any change in personnel on this project in writing. Contractor must provide individuals qualified to perform the tasks assigned to such individual. At the PUCT's request, Contractor must remove from the project any individual whom the PUCT finds unacceptable for any reason in the PUCT's sole discretion. Contractor must replace such individual with another individual satisfactory to the PUCT as soon as practicable.

19.9 No Felony Criminal Convictions. Contractor represents and warrants that neither Contractor, nor any of its employees, agents, or representatives, including any subcontractors and employees, agents, or representatives of such subcontractors, has been convicted of a felony criminal offense or that if such a conviction has occurred Contractor has fully advised the PUCT of the facts and circumstances surrounding the conviction.

19.10 No Third-Party Beneficiaries. Nothing contained in the contract, either expressed or implied, is intended to confer on any person other than the Parties, or their respective permitted successors, assigns, transferees or delegates, any interests, rights, remedies, obligations or liabilities pursuant to, or by reason of, this contract.

19.11 Prompt Payment. All payments by PUCT to Contractor, any payments by Contractor to any subcontractor, and any payments by a subcontractor to any other person or entity that provides goods or services under this contract must be made in compliance with Chapter 2251 of the Texas Government Code and 34 Texas Administrative Code § 20.487.

Article 20. NO IMPLIED WAIVER

The failure of a Party to insist at any time upon the strict performance of any covenant or agreement or to exercise any option, right, power, or remedy contained in the contract shall not be construed as a waiver or a relinquishment thereof for the future.

Article 21. ORDER OF PRECEDENCE

In the event of conflicts or inconsistencies between the provisions of this contract and any attachment(s) and exhibit(s), the following are given preference in the order listed below:

- 1) The terms and conditions of this contract;
- 2) The Statement of Work, including any exhibits;
- 3) The RFP; and
- 4) The Contractor's proposal.

Article 22. FORCE MAJEURE

Neither Party shall be liable to the other for any delay in, or failure of performance, of any requirement included in the contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either Party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.

Article 23. SEVERABILITY

If any provision of the contract is construed to be illegal or invalid, such construction will not affect the legality or validity of any of its other provisions. The illegal or invalid provision will be deemed severable and stricken from the contract as if it had never been incorporated herein, but all other provisions will continue in full force and effect.

Article 24. EXCESS OBLIGATIONS PROHIBITED. The contract is subject to termination or cancellation, without penalty to the PUCT, either in whole or in part, subject to the availability of state funds. The PUCT is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If the PUCT becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either Party's delivery or performance under the contract impossible or unnecessary, the contract will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this Article, the PUCT will not be liable to Contractor for any damages that are caused or associated with such termination or cancellation, and the PUCT will not be required to give prior notice.

Article 25. DRUG FREE WORKPLACE POLICY

Contractor must comply with the applicable provisions of the Drug-Free Work Place Act of 1988, (41 U.S.C. § 8102, et seq., and 48 CFR § 52.223-6 Drug-Free Workplace) and maintain a drug-free work environment. The requirements of the Drug Free Workplace Act and the rules

interpreting it are incorporated by reference and Contractor must comply with the relevant provisions thereof, including any amendments that may hereafter be issued. Contractor must provide the PUCT a copy of its drug-free work environment policy upon request.

Article 26. SUBSTITUTIONS

Substitutions are not permitted without written approval of the PUCT.

Article 27. STATE AUDITOR'S TO AUDIT

The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under the contract or indirectly through a subcontract under the contract. The acceptance of funds directly under the contract or indirectly through a subcontract under the contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

Article 28. SIGNATURE AUTHORITY

The undersigned signatories represent and warrant that they have full authority to enter into this contract on behalf of the respective parties.

Article 29. ENTIRE AGREEMENT

This contract, including the Statement of Work and Exhibit 1, constitutes the entire agreement and understanding between the parties with regard to its subject matter and supersedes and merges all prior discussions, writings, negotiations, understandings, and agreements concerning the provision of these Services. Any terms and conditions attached to a solicitation will not be considered unless incorporated into this contract by specific reference.

In WITNESS WHEREOF both parties by their duly authorized representatives have executed this contract effective as of [DATE].

The Public Utility Commission of Texas

Contractor

By:

By:

Connie Corona
Executive Director

Name
Title

Date Signed: _____

Date Signed: _____