

Exhibit to Agenda Item #1

Board Finance & Audit Committee Meeting and Special SMUD Board of Directors Meeting

Tuesday, April 16, 2019 scheduled to begin at 5:30 p.m.

Customer Service Center, Rubicon Room

Requested Action

Authorize the Chief Executive Officer and General Manager to **award a contract to Efficiency First, California.**

- To provide administrative services and support for the Home Performance Program (Advanced Home Solutions)
- Contract Term **May 1, 2019 to April 31, 2022** with 2 additional one year options
- Total Contract Amount not-to-exceed aggregate of **\$7.8 Million**

Program Background

- SMUD's Home Performance Program, first started in 2012, provides rebates for customers to complete comprehensive home efficiency upgrades
- Approved contractors utilize a whole building science approach and Building Performance Institute standards to recommend optimum retrofit packages for customers

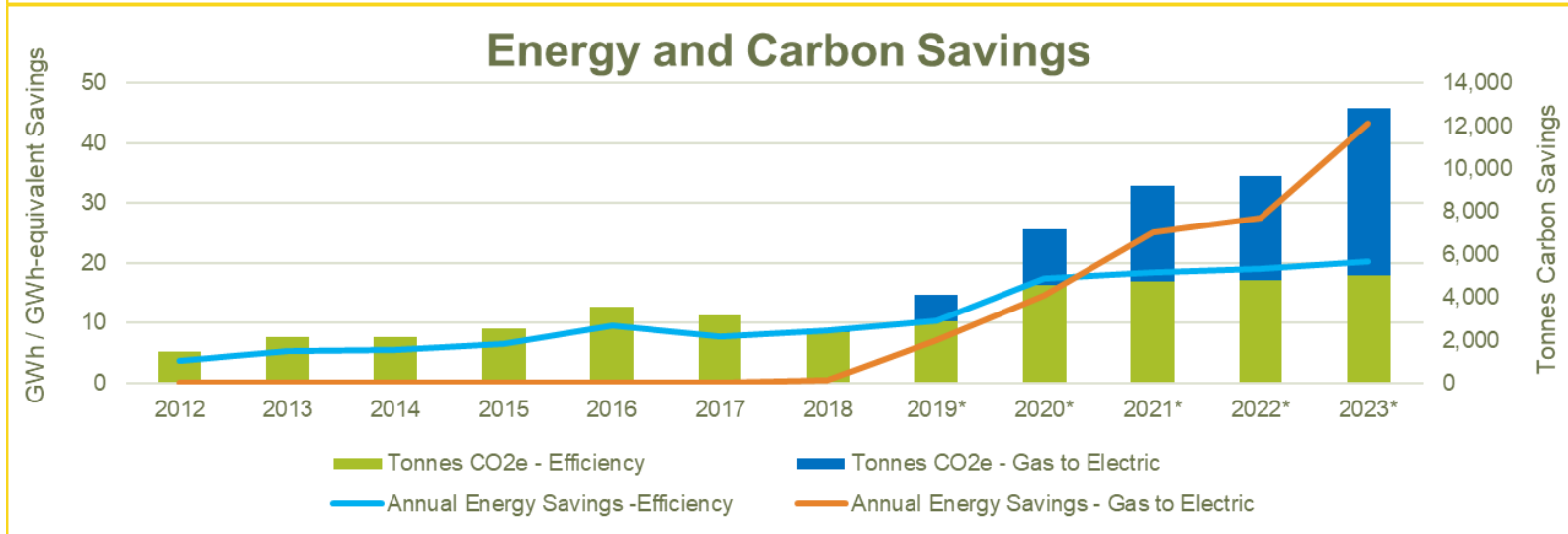
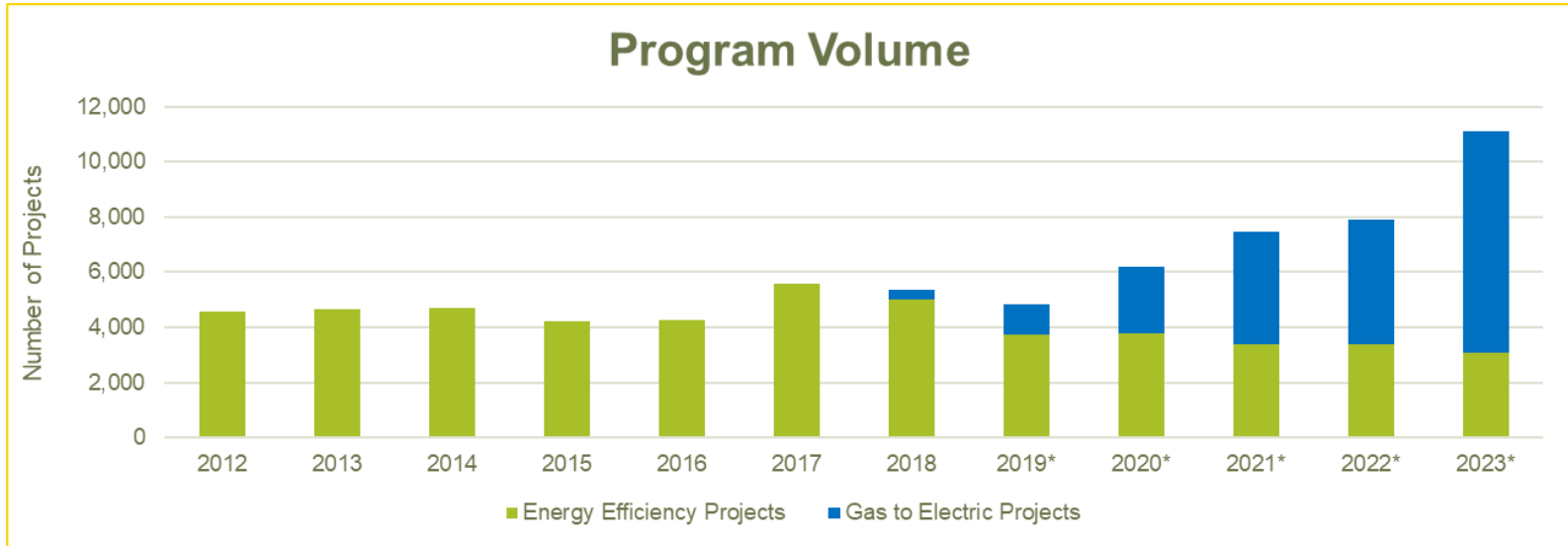
Contract Administrator Tasks

- Contractor training and support
- Project review and approval
- Project tracking and reporting
- Quality assurance
- Program enhancements to support customer experience improvements and IRP goals:
 - Increased focus on electrification
 - Customer and contractor portals
 - Automated workflows
 - A robust Trade-Pro Network
 - A turnkey heat pump water heater installation option
 - Integration with SMUD Energy Store

Customer Benefits

- Increased customer comfort & indoor air quality
- Customer bill savings 10%+
- Improved Customer Experience:
 - **Easy:**
 - Find a qualified Trade Pro
 - Simple process
 - Fast rebate
 - **Personal:** Customer portal to view real-time project information
 - **Responsive:**
 - Digital solution for customer self-service
 - In-house Advanced Home Solutions response team
 - **Collaborative:** Teaming up with manufacturers, local distributors, and Trade Pros to deliver the best products and level of service to customers.

Program History and Look-Ahead



Procurement Strategy & Outcome

- Request for Proposal (RFP) to ensure best value
- Procurement Process
 - Proposers notified by Procurement – 6
 - Proposers Downloaded – 117
 - Pre-proposal Attendance – 16
 - Proposals Received – 3

RFP Evaluation	100%
SEED	10%
Proposer's Experience and Qualifications	15%
Functional Performance	25%
Technical Performance	20%
Commercial Terms	30%

Responsive Proposals Received	P/F	10 Points SEED	60 Points Technical	30 Points Pricing	Total Score	Overall Rank	Proposal Amount	SEED Credit	Evaluated Proposal Amount	Proposed Award Amount
Efficiency First California	P	6	44.2	30	80.20	1	\$4,132,296	\$24,793.78	\$4,107,502.22	\$7,800,000
Build It Green	P	10	42.14	18.38	70.49	2	\$6,912,020	\$206,614.80	\$6,705,405.20	

Non-Responsive Proposals Received	Proposal Amount	Comments
Nexant, Inc.	\$2,906,163	Did not meet minimum score threshold

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