

Novel Business Models and Offerings

Program Opportunity Notice (PON) 3932
\$8,000,000 Available

NYSERDA reserves the right to extend and/or add funding to the Solicitation should other program funding sources become available.

Proposals Due:
Round 1 November 26, 2018 by 3:00 PM Eastern Time*
Round 2 May 13, 2019 by 3:00 PM Eastern Time*

Program Summary: NYSERDA seeks to promote novel business models, commercial service or product offerings, and tools that enable scaling of the deployment of clean energy technologies. This Program Opportunity Notice solicits proposals for activities that: (1) enable the proposing company to rapidly scale a novel business model that has demonstrated customer acceptance in any clean energy sector, or (2) validate a novel business model or tool in the area of existing one-to-four-family residential energy efficiency. A non-exhaustive list of such business models might include performance contracts, power purchase agreements, x-as-a-service, resource sharing, or shared savings agreements. Even if such models are common in some markets, their demonstrated application in a new market may be considered novel. Examples of tools are products that enable a novel business model, such as a software application used to develop and clearly present a novel business offering to a homeowner or novel tools for customer acquisition. Companies that directly provide or install clean energy technologies are eligible, along with those that provide related services to such companies, for example, financing or customer acquisition. Other demonstrably novel and effective business models, offerings, or tools will also be considered. Through this Program Opportunity Notice (PON 3932) NYSERDA seeks proposals from companies in two categories:

- **Category A:** Scaling a Novel Business Model or Offering
- **Category B:** Developing and Validating a Novel Business Model or Tool for Use in the One-to-Four Family Residential Sector

Up to \$8,000,000 of NYSERDA funding is available through this PON. NYSERDA anticipates making several awards under this solicitation. Awarded contract(s) will be for a term of up to one year with the possibility of extension for up to an additional year. All, some, or none, of the available funds may be awarded through PON 3932. NYSERDA reserves the right to add or reduce the term and/or funding to awarded contracts.

Proposal Submission: Online submission is preferable. Proposers may submit Word, Excel, or PDF files (file formats include: csv, doc, docx, gif, jpeg, jpg, pdf, png, ppt, pptx, pps, ppsx, tif, txt, xls, xlsx, and zip). Individual files should be 100MB or less in file size. Proposal PDFs should be searchable and should be created by direct conversion from MS Word, or other conversion utility. Files should not be scanned. For ease of identification, all electronic files must be named using the proposer's entity name in the title of the document. NYSERDA will also accept proposals by mail or hand-delivery if online submission is not possible. For detailed instructions on how to submit a proposal (online or paper submission), click the link "[Application Instructions and Portal Training Guide \[PDF\]](#)" located in the "Current Opportunities" section of NYSERDA's website (<https://www.nyserda.ny.gov/Funding-Opportunities/Current-Funding-Opportunities.aspx>).

No communication intended to influence this procurement is permitted except by contacting Michael Shimazu (Designated Contact) at (518) 862-1090, ext.3478 or by e-mail michael.shimazu@nyserda.ny.gov or, for Category B only, Bill Keating (Designated Contact) at (518) 862-1090, ext.3089 or by e-mail bill.keating@nyserda.ny.gov (for technical questions). If you have contractual questions concerning this solicitation, contact Venice Forbes (Designated Contact) at (518) 862-1090, ext. 3507 or venice.forbes@nyserda.ny.gov. Contacting anyone other than the Designated Contacts (either directly by the proposer or indirectly through a lobbyist or other person acting on the proposer's behalf) in an attempt to influence the procurement: (1) may result in a proposer being deemed a non-responsible offerer, and (2) may result in the proposer not being awarded a contract.

*** All proposals must be received by 3pm Eastern Time on the date noted above. Late, faxed, or emailed proposals will not be accepted.** Incomplete proposals may be subject to disqualification. It is the proposer's responsibility to ensure that all pages have been included in the proposal. Please note: for online submission, there are required questions that you will have to answer in addition to uploading attachments and you should allot at least 60 minutes to enter/submit proposals. The online proposal system closes promptly at 3pm Eastern Time, files in process or attempted edits or submission after 3pm Eastern Time on the date above, will not be accepted. If changes are made to this solicitation, notification will be posted on the "Current Opportunities" section of NYSERDA's website (<https://www.nyserda.ny.gov/Funding-Opportunities/Current-Funding-Opportunities.aspx>).

I. INTRODUCTION

In many clean energy markets, conventional product offerings have met with frequent customer resistance. For example, energy-saving equipment might not be purchased and implemented due to customer concerns with high first costs, uncertainty in recouping financial returns, lack of understanding of non-energy benefits of the equipment, or other barriers. Thus, many installations of established, commercially available clean energy products will not occur despite providing a positive return on investment over time. Economic and environmental value that could result from such investments and installations therefore remains to be realized.

Novel business models¹ or tools² that enable reallocation of costs, risks, ownership, returns, and other transacted items have produced offerings that have been more attractive to their customers even while deploying the same established, demonstrated technology. However, companies pursuing business models or tools that may be new to their particular marketplaces face high business development costs, while early volumes of customer demand are low.

NYSERDA seeks to promote novel business models, offerings and tools that can overcome barriers to the widespread deployment of clean energy technologies. Through this Program Opportunity Notice 3932 (PON 3932) NYSERDA seeks proposals from companies in two categories:

- **Category A:** Scaling a Novel Business Model or Offering
- **Category B:** Developing and Validating a Novel Business Model or Tool for Use in the One-to-four-Family Residential Sector

The subsequent sections of this PON are as follows:

- II. Program Requirements (page 2)
- III. Proposal Requirements (page 4)
- IV. Proposal Evaluation (page 9)
- V. General Conditions (page 11)
- VI. Attachments (page 12)

II. PROGRAM REQUIREMENTS

Private, for-profit companies that are bringing to market novel business models or offerings that accelerate the deployment of clean energy technology are eligible to submit proposals under this PON.

Novel business models and offerings include those that are not widely used within New York State, even though they may be used elsewhere. A non-exhaustive list of novel business models and offerings might include performance-based contracts, power purchase agreements, x-as-a-service, resource sharing, or shared savings agreements. Even if such models are common in some markets, their demonstrated application in a new market may be considered novel. Companies that directly provide clean energy technologies are eligible, along with those that provide related services to such companies, for example, new financial products or novel services that facilitate customer acquisition. Other demonstrably novel and effective business models will also be considered.

¹ To be self-sustaining, clean energy businesses – like any business – must create value for their customers, deliver this value, and be paid for it. The manner in which they do this is their "business model."

² "Tools" are products that support or enable business models, such as novel software applications.

Tools are products that support or enable business models by, for example, reducing business soft costs, improving response time to customers, or facilitating sales. Tools are typically software applications that would have broad appeal in the market if further developed, validated, and prepared for sale or distribution. Ultimately, use of the tool should result in growth of the clean energy market in New York State.

Applicable Technology

For the purpose of this solicitation, clean energy technology is defined as hardware technologies, software technologies, services, or processes that broadly reduce energy consumption and greenhouse gas emissions and/or enable the transition to a sustainable and clean energy economy by increasing the supply of renewable energy and distributed energy resources, improving the efficiency of energy utilization at the consumer and industrial scale, improving the processes and systems that use energy, or more effectively enabling energy solutions to permeate the marketplace.

For Funding Category A – Scaling a Novel Business Model or Offering – the proposed business model or offering must apply to a fully-developed and commercially available clean energy technology as defined above. Commercially available technologies are typically offered with a warranty. Proposals supporting technologies that are not fully-developed and commercially available will not be eligible.

For Funding Category B – Developing and Validating a Novel Business Model or Tool for Use in the One-to-Four-Family Residential Sector – the proposed business model or tool must apply to fully-developed and commercially available technologies or offerings that improve the efficiency of energy utilization within existing one-to-four-family residential buildings. A business model or tool applicable to renewable energy, energy storage, electric vehicle or other clean energy technology without also being applicable to energy efficiency technology shall be deemed ineligible under Category B.

Funding Categories

Awards under this solicitation will be made in two separate rounds and separately evaluated categories.

Category A: Scaling a Novel Business Model or Offering

For-profit companies that have demonstrated a novel business model or completed a transaction with a novel offering in a clean energy market are eligible to apply for funding to help them scale in New York State. Funding of up to \$500,000 per project will be available, commensurate with justifiable expenditures under the proposed Statement of Work included in the proposal.

To qualify for funding, proposals must describe and document a real transaction that demonstrates the novel business model, how value is created, and how the customer, the company, and any of the company's financial backers and suppliers benefit from the transaction. Proposers must also fully describe their business model, including their value proposition, target customers, revenue model, customer acquisition process, cost structure, key activities, resources, and partnerships. Multi-sided business models – for example, brokerages or advertising-based models, among others – must describe value delivered to and revenue gained from all customers. Proposals must describe competitive approaches in the market and highlight novel aspects of the proposing company's approach.

Specific proposal requirements are described below in Section III.

Category B: Developing and Validating a Novel Business Model, Tool or Offering for Use in the One-to-Four-Family Residential Sector

In the one-to-four-family residential sector, there is a need for further development of business models, offerings, and tools, and fewer opportunities for fully-demonstrated business models. Consequently, companies that are developing novel business models or tools to use in delivering energy efficiency products or services to existing one-to-four-family residential building owners and customers – but which may not have yet demonstrated the model or tool – are eligible to apply for funding to validate and prove out the model or tool. Funding of up to

\$100,000 per project will be available, commensurate with justifiable expenditures under the proposed Statement of Work included within the proposal.

To qualify for funding, proposals must fully describe the novel business model or tool, and how the customer, the company, any of the company's business partners, and the market, in general, benefit from its use. Proposals must describe the results of research and testing performed to date to assess the probability of success; competitive approaches or products in the market; and the novel aspects, or the superior value or performance, of the proposing company's approach. Proposers must describe their value proposition, target customers, revenue model, customer acquisition process, cost structure, key activities, resources, and partnerships as appropriate to demonstrate how the business model or tool will succeed in the market on a broader scale after this validation phase.

Specific proposal requirements are described below in Section III.

Available Funding, Awards, and Cost Sharing

Up to \$8,000,000 of NYSERDA funding is available through this solicitation. All, some, or none, of the available funds may be awarded through PON 3932. NYSERDA reserves the right to add or reduce time to awarded contracts, add or reduce funding to awarded contracts, or both.

The awards will be structured as grants with no recoupment obligation to the recipient company. Award proceeds will be paid out on the basis of negotiated milestones. A final payment may be reserved until project completion. If awarded, NYSERDA may choose to negotiate the amount of such payment.

Successful proposers will be required to provide cost sharing. At least 50% of the total project cost is required. The proposer's cost share may be cash or in-kind and may come from the proposer itself or partner organizations. Cost share is valued by NYSERDA not only as a sharing of its financial risk, but also as a tangible commitment on the part of the proposer to the project's success. Consequently, cash from the proposer is the preferred form of cost share.

Exceptions to Terms and Conditions

In order to ensure NYSERDA is timely with the procurement and contracting of awards under this PON 3932, NYSERDA will not allow any exceptions to NYSERDA's standard terms and conditions in the Sample Agreement. All proposers should review these standard terms and conditions in the Sample Agreement (Attachment B) in detail before deciding to move forward with a proposal to ensure they do not have any exceptions with them. NYSERDA will terminate contract negotiations with any proposers selected for funding that attempt to retroactively negotiate the terms and conditions during the contracting process.

III. PROPOSAL REQUIREMENTS

Through this PON, NYSERDA welcomes proposals to grow or demonstrate novel clean energy business models, offerings or tools in markets in New York State, consistent with the funding categories A and B described above. Such proposals must lay out a set of activities ("Scope of Work") that will enable more rapid penetration of the proposed solution, and growth of clean energy markets, in New York State.

The proposer's goal should be to concisely present the information needed to fully address the Proposal Evaluation criteria in Section IV. Proposals that grossly exceed the page limits or fail to follow the format guidelines provided in this section may be rejected as non-responsive. A proposer who believes proprietary information must be submitted to provide an adequate proposal must comply with the Section V instructions for submitting proprietary material.

Proposals should not be excessively long or submitted in an elaborate format that includes expensive binders or graphics. Unnecessary attachments beyond those sufficient to present a complete, comprehensive, and effective proposal may reduce, rather than increase, a proposal's standing per the evaluation criteria. Each page of the proposal should state the name of the proposer, the PON number, and the page number. The proposal must be in

the prescribed format, with items in the sequence shown, as appropriate for the funding category under which it is submitted.

State Finance Law Compliance

In compliance with §139-j and §139-k of the State Finance Law (see Section V, General Conditions below for additional information), proposers will be required to answer questions during proposal submission, which will include making required certification under the State Finance Law and to disclose any Prior Findings of Non-Responsibility.

Request for Exception from Public Disclosure

If the proposal includes proprietary or confidential information, a request to except it from disclosure, including a written statement of the reasons why the information should be excepted, should be provided. The proprietary or confidential information should be marked as such within the narrative of the proposal, and the request for exception should refer specifically to this information. See Section V for more detail.

Category A: Scaling a Novel Business Model or Offering

Proposals under Category A should provide a narrative that consists of the following sections. Proposers submitting proprietary material in order to gain a favorable review under the Evaluation Criteria in Section IV should review and comply with the instructions for submitting proprietary material in Section V.

1. Executive Summary – Briefly summarize the proposal by describing the novel business model or offering and how it overcomes market barriers to the deployment of clean energy technology. Discuss existing competition. Briefly describe a demonstrated transaction that provides validity for the model. Indicate how proceeds of an award will be used, and quantify the potential for growing the business. **(Limit: 2 pages)**

2. Background and Needs Assessment – Discuss the setting and rationale for the proposed project. **(Limit: 4 pages)**

- Describe the existing market for the clean energy solution or system being proposed and the barriers to large-scale deployment of such solutions.
- Describe how existing businesses approach the market. Describe typical transactions and their impact on customer and vendor cash flows, and the amount and timing of value delivered to customers.
- Describe market barriers and typical customer objections to deployment of the clean energy solution. Characterize the intractability of such barriers and objections.
- Describe the energy savings, greenhouse gas reductions, or other clean energy impact that could result from widespread deployment of the solution
- Share any market data or customer conversations that support this needs assessment.

3. Demonstrated Business Model – Describe the business model in some detail, indicate how it is novel, and provide a detailed description of a real transaction that reveals how the model works successfully. **(Limit: 8 pages)**

- Describe and, if relevant, quantify the following aspects of the novel clean energy business model that the proposing company seeks to grow. **(Limit: 5 pages out of 8 total pages for this section 3)**
 - Customer segment(s)
 - Value proposition to each customer segment
 - Channels to market and customer relationships
 - Revenue streams
 - Key partners, including financial partners, service providers, and suppliers
 - Key activities and resources
 - Cost structure
- Indicate how the business model or offering to the customer is novel.
- Describe a specific, finalized transaction that indicates and quantifies the value provided to the customer, the revenue received by the proposing company by source, and the type and amounts of variable cost and financing costs. Be specific as to customer name, location and time.

4. Market Opportunity and Potential for Scaling – Describe and size the potential market for the business model. **(Limit: 2 pages)**

- Expand the description of target customers, highlighting the characteristics of the target segments that make them particularly attractive to the business.
- Indicate total available market for your offerings based on the proposing company’s current value propositions. Indicate the served available market that the proposing company can reach through existing channels. Provide a forecast for growth of these markets, a time frame for the proposing company’s expansion into the served available market, and an indication of potential market share.
- Describe the tasks the proposing company must execute to expand into the served available market.

5. Team Qualifications – Identify and describe the team, highlighting areas of strength and its completeness to execute the business model. **(Limit: 2 pages plus individual bios or resumes)**

- Describe the proposing company and its existing business, if any. Indicate company age, revenues, and key customers, if any.
- Please provide a biography of company key executives and team members responsible for executing the business plan. Highlight any experience in the clean energy industry and in the segments that the company is targeting.
- Provide third-party substantiation of the strength of the management team, for example, any awards or endorsements, or investment in the company by institutional or strategic investors.

6. Scope of Work, Budget and Cost Sharing – Provide a description of tasks to which proceeds would be put. This will form the basis of a contractual Statement of Work. **(Limit:1 page per task)**

- Describe the tasks that would be financially supported by any award of funds under this solicitation. Describe how these tasks will enable the expansion of the business and the attendant greater deployment of clean energy measures.
- Indicate the total budget for each task, and provide a basis for that budget, such as hours and labor rate, cost of materials, etc. Break down the amount of NYSERDA funding that will be applied to each task and the amount of cost-sharing that will be applied. Indicate the source of the cost-sharing contribution on a task-by-task basis. If such contribution is “in-kind”, describe it and the basis for attaching a cash value to it.
- Any NYSERDA funding awarded under this solicitation will be distributed on the basis of milestones that will be negotiated post-award. Please suggest appropriate verifiable milestones that signify meaningful progress and might be used to trigger distribution of funds.
- Cost Sharing – The proposal should show non-NYSERDA funding of at least 50 % of the total cost of the project. Cost sharing can be from the proposer, other team members, and other government or private sources. Contributions of direct labor (for which the laborer is paid as an employee) and purchased materials may be considered "cash" contributions. Unpaid labor, indirect labor, or other general overhead may be considered "in-kind" contributions. NYSERDA will not pay for efforts which have already been undertaken. The proposer or proposing team cannot claim as cost-share any expenses that have already been incurred. Show the cost-sharing plan in the following format (expand table as needed):

	Cash	In-Kind Contribution	Total
NYSERDA	\$	\$	\$
Proposer	\$	\$	\$
Others (list individually)	\$	\$	\$
Total	\$	\$	\$

Category B: Developing and Validating a Novel Business Model or Tool for Use in the One-to-Four-Family Residential Sector

Proposals under Category B should provide a narrative that consists of the following sections. Proposers submitting proprietary material in order to gain a favorable review under the Evaluation Criteria in Section IV should review and comply with the instructions for submitting proprietary material in Section V.

1. Executive Summary – Briefly summarize the proposal by describing the novel business model or tool and how it overcomes market barriers to the deployment of an energy efficiency technology in the existing one-to four family residential sector. Discuss existing competition. Briefly describe a transaction that illustrates the model or tool. Indicate how proceeds of an award will be used, and quantify the potential for growing the business. **(Limit: 2 pages)**

2. Background and Needs Assessment – Discuss the setting and rationale for the proposed project. **(Limit: 4 pages)**

- Describe how businesses currently approach the market, or how typical tools are used in the market, as applicable. Describe market barriers and typical homeowner, building-owner or contractor objections to, or limitations of, the existing business models or tools.
- Describe the target market segments for the novel business model or tool being proposed, and realistically estimate the impact the proposed solution could have if successful. Identify any target markets outside the one-to-four family residential sector that could also become targets for the business model or tool after it is validated, and estimate the potential impact within those markets, as well.
- Share any market data, results of research or preliminary testing, or customer conversations that support this needs assessment.

3. Proposed Business Model or Tool – Describe the business model or tool in some detail, indicate how it is novel, and provide a detailed description of a hypothetical transaction that reveals how the model works successfully. **(Limit: 8 pages)**

- Describe the current state of development of the novel business model or tool, including a description of testing done to date, and the nature of any remaining development work needed, if any. Explain the barriers preventing the proposer from completing the development or validation work, and how the NYSERDA funding would be used. Indicate whether a working model of the tool, if applicable, is available for demonstration to NYSERDA and the proposal Scoring Committee.
- Describe and, to the extent possible, quantify the following aspects of the novel business model or tool that the proposing company seeks to validate.
 - Customer segments
 - Value proposition to each customer segment
 - Channels to market and customer relationships
 - Revenue streams
 - Key partners
 - Key activities and resources
 - Cost structure
- Indicate how the business model or tool is novel.
- Describe a transaction. Indicate and quantify the value provided to the customer, the revenue received by the proposing company, and the type and amounts of variable cost and financing costs.
- Summarize the customer interactions that give the proposer confidence in the anticipated success of the proposed business model or tool.
- Describe the approach to validating the proposed business model or tool, including the expected timeline and the number of transactions, uses, or other factors needed to validate prior to full scale deployment.

4. Market Growth – Describe the path to full-scale deployment of the novel business model or tool, after validation. **(Limit: 2 pages)**

- Indicate total available market for your offerings based on the proposing company’s current value propositions. Indicate the served available market that the proposing company can reach through existing channels. Provide a forecast for growth of these markets.
- Describe how use of the business model or tool will ultimately lead to growth of the energy efficiency services market in New York State, including whether the tool will be open source. It should be clear from the explanation that the impacts will not be isolated to simply reducing the costs of individual companies, but rather facilitate the expansion of businesses serving this market and growth of sales.
- Describe the tasks the proposing company must execute to expand into the available market, once the business model or tool is validated.
- Identify business partners, investors or others who the proposer expects to engage to achieve full-scale implementation.
- Identify any gaps in the plan for full-scale deployment, how the proposer anticipates filling those gaps, and how the results of this proposed development and validation project can be used to support the effort.

5. Team Qualifications – Identify and describe the team, highlighting areas of strength and its completeness to execute the business model. **(Limit: 2 pages plus individual bios or resumes)**

- Describe the proposing company and its existing business, if any. Indicate company age, revenues, and key customers, if any.
- Please provide a biography of company key executives and team members responsible for executing the business plan. Highlight any experience in the clean energy industry and in the segments that the company is targeting.
- Provide third-party substantiation of the strength of the management team, for example, any awards or endorsements, or investment in the company by institutional or strategic investors.

6. Scope of Work, Budget and Cost Sharing – Provide a description of tasks to which proceeds would be put. This will form the basis of a contractual Statement of Work. **(Limit: 1 page per task)**

- Describe the tasks that would be financially supported by any award of funds under this solicitation. Describe how these tasks will enable the demonstration and validation of the proposed business model or tool.
- Indicate the total budget for each task, and provide a basis for that budget, such as hours and labor rate, cost of materials, etc. Break down the amount of NYSERDA funding that will be applied to each task and the amount of cost-sharing that will be applied. Indicate the source of the cost-sharing contribution on a task-by-task basis. If such contribution is “in-kind”, describe it and the basis for attaching a cash value to it.
- Any NYSERDA funding awarded under this solicitation will be distributed on the basis of milestones that will be negotiated post-award. Please suggest appropriate verifiable milestones that signify meaningful progress and might be used to trigger distribution of funds.
- Cost Sharing – The proposal should show non-NYSERDA funding of at least 50 % of the total cost of the project. Cost sharing can be from the proposer, other team members, and other government or private sources. Contributions of direct labor (for which the laborer is paid as an employee) and purchased materials may be considered "cash" contributions. Unpaid labor, indirect labor, or other general overhead may be considered "in-kind" contributions. NYSERDA will not pay for efforts which have already been undertaken. The proposer or proposing team cannot claim as cost-share any expenses that have already been incurred. Show the cost-sharing plan in the following format (expand table as needed):

	Cash	In-Kind Contribution	Total
NYSERDA	\$	\$	\$
Proposer	\$	\$	\$
Others (list individually)	\$	\$	\$
Total	\$	\$	\$

Annual Metrics Reports

If awarded, the proposer will be required to submit to NYSERDA's Project Manager on an annual basis, a prepared analysis and summary of metrics addressing the anticipated energy, environmental and economic benefits that are realized by the project. All estimates shall reference credible sources and estimating procedures, and all assumptions shall be documented. Reporting shall commence the first calendar year after the contract is executed. Reports shall be submitted by January 31st for the previous calendar years' activities (i.e. reporting period). Please see Attachment C Sample Metrics Reporting Guides for the metrics that you will be expected to provide and the reporting duration. NYSERDA may decline to contract with awardees that are delinquent with respect to metrics reporting for any previous or active NYSERDA agreement.

IV. PROPOSAL EVALUATION

Proposals that meet solicitation requirements will be reviewed by a Scoring Committee using the Evaluation Criteria below **listed in order of importance**. Proposals in Category A will be reviewed separately from those in Category B, according to separate evaluation criteria as indicated below.

At NYSERDA's discretion, proposers may be requested to interview with all or part of the Scoring Committee to address any potential questions or clarifications outlined in the proposals, or provide demonstrations of tools, as applicable. Proposers will be notified if they are requested to attend an interview or provide a demonstration.

Category A Evaluation Criteria

1. Likelihood that the business model can be replicated at scale

- Magnitude of the return on investment of clean energy equipment installed or measures taken, either in the form of energy cost savings or new value realized by the customer.
- Sufficiency of the return to provide customer value, proposing company profit, and full compensation of financial backers and supply chain.
- Degree to which the transactional model is demonstrated, based on detailed description of at least one completed transaction.
- Replicability of the documented transaction representing the novel business model or offering.
- Breadth of applicable use case in New York's market.
- Likely impact of the proposed work plan in promoting success.

2. Appropriateness, experience, and merit of the management team

- Demonstrated experience of the team formulating and selling clean energy solutions into its intended industry.
- Completeness and depth of the team's core competencies and industry knowledge enabling it to execute on its business model. This should include prior responsibility for profit and loss, sales responsibility and personal access to customers.
- External validation of the team's ability; for example, the team has been able to raise professionally-managed capital from investors.
- Qualification of team members to execute the proposed work.

3. Size and scope of the scaling opportunity

- Magnitude of the total available market, both in and outside New York. This is the market that would respond to the proposing company's value proposition.
- Magnitude of the served available market in New York. This is the subset of the total available market within New York that can be served through the channels that either exist or that will be developed with the support of proceeds from this program.
- Validity of market sizing estimates and underlying assumptions.
- Likelihood of proposed tasks to accelerate the growth of the offering within New York.

Category B Evaluation Criteria

1. Likelihood that the business model or tool can be successfully implemented in New York State's one-to-four family residential sector.

- Degree to which technical risk associated with the current state of development of the business model or tool has been minimized – as evidenced by the existence of market testing or the demonstration of a working model.
- Thoroughness and likely success of the plan to complete development and validation.
- Thoroughness and likely success of the path to full scale deployment.
- Degree to which the proposer demonstrably understands the relevant market barriers, customer behavior and preferences, as indicated by extensive customer interaction.
- Sufficiency of the proposed solution to provide customer value, proposing company profit, and full compensation of financial backers and supply chain. Demand for the business model or tool is demonstrated.
- Breadth of the applicable use case in New York's existing one-to-four family residential market.

2. Appropriateness, experience, and merit of the management team

- Demonstrated ability of the team to carry out the business plan to full-scale deployment, including raising other investment capital, if needed.
- Demonstrated experience of the team developing and selling similar market solutions into its intended market.
- Completeness and depth of the team's core competencies and industry knowledge enabling it to execute on its business model. This should include prior responsibility for profit and loss, sales responsibility and personal access to customers.

3. Size and scope of the scaling opportunity

- Magnitude of the total available market, including any markets outside New York State's one-to-four family sector. This is the market that would respond to the proposing company's value proposition.
- Magnitude of the served available market in New York. This is the subset of the total available market within New York that can be served through the channels that either exist or that will be developed with the support of proceeds from this program.
- Validity of market sizing estimates and underlying assumptions.
- Likelihood of proposed solution to accelerate the growth of the energy efficiency services market within New York.

Program Policy Factors

NYSERDA reserves the right to accept or reject proposals based on the following factor(s):

- The degree to which pricing and hourly rates are in line with the rest of the market.
- The degree to which the proposed project, including proposed cost shares, optimizes the use of available funding to achieve programmatic objectives.
- Whether the proposed project will advance the goals of the State Energy Plan, the Clean Energy Fund, and Reforming the Energy Vision.
- The degree to which the applicant has the resources (human and financial) to be able to complete the project
- Promotion of job creation and/or preservation (Or the degree to which the proposed project is likely to lead to increased employment and manufacturing in New York State)

- The degree to which there is breadth and significant potential impact of technology development, including whether the proposed project will accelerate transformational technological advances in areas that industry by itself is not likely to undertake because of technical and financial uncertainty.

V. GENERAL CONDITIONS

Proprietary Information - Careful consideration should be given before confidential information is submitted to NYSERDA as part of your proposal. Review should include whether it is critical for evaluating a proposal, and whether general, non-confidential information, may be adequate for review purposes.

The NYS Freedom of Information Law, Public Officers law, Article 6, provides for public access to information NYSERDA possesses. **Public Officers Law, Section 87(2)(d) provides for exceptions to disclosure for records or portions thereof that "are trade secrets or are submitted to an agency by a commercial enterprise or derived from information obtained from a commercial enterprise and which if disclosed would cause substantial injury to the competitive position of the subject enterprise."** Information submitted to NYSERDA that the proposer wishes to have treated as proprietary, and confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure. This information should include a written request to except it from disclosure, including a written statement of the reasons why the information should be excepted. See Public Officers Law, Section 89(5) and the procedures set forth in 21 NYCRR Part 501 <https://www.nyserda.ny.gov/About/-/media/Files/About/Contact/NYSERDA-Regulations.ashx>. However, NYSERDA cannot guarantee the confidentiality of any information submitted.

Omnibus Procurement Act of 1992 - It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority- and women-owned business enterprises, as bidders, subcontractors, and suppliers on its procurement Agreements.

Information on the availability of New York subcontractors and suppliers is available from:

Empire State Development
Division for Small Business
625 Broadway
Albany, NY 12207

A directory of certified minority- and women-owned business enterprises is available from:

Empire State Development
Minority and Women's Business Development Division
625 Broadway
Albany, NY 12207

State Finance Law sections 139-j and 139-k - NYSERDA is required to comply with State Finance Law sections 139-j and 139-k. These provisions contain procurement lobbying requirements which can be found at <https://online.ogs.ny.gov/legal/lobbyinglawfaq/default.aspx>. Proposers are required to answer questions during proposal submission, which will include making required certification under the State Finance Law and to disclose any Prior Findings of Non-Responsibility (this includes a disclosure statement regarding whether the proposer has been found non-responsible under section 139-j of the State Finance Law within the previous four years).

Tax Law Section 5-a - NYSERDA is required to comply with the provisions of Tax Law Section 5-a, which requires a prospective contractor, prior to entering an agreement with NYSERDA having a value in excess of \$100,000, to certify to the Department of Taxation and Finance (the "Department") whether the contractor, its affiliates, its subcontractors and the affiliates of its subcontractors have registered with the Department to collect New York State and local sales and compensating use taxes. The Department has created a form to allow a prospective contractor to readily make such certification. See, ST-220-TD (available at http://www.tax.ny.gov/pdf/current_forms/st/st220td_fill_in.pdf). Prior to contracting with NYSERDA, the prospective contractor must also certify to NYSERDA whether it has filed such certification with the Department. The Department has created a second form that must be completed by a prospective contractor prior to contacting and filed with NYSERDA. See, ST-220-CA (available at

http://www.tax.ny.gov/pdf/current_forms/st/st220ca_fill_in.pdf). The Department has developed guidance for contractors which is available at <http://www.tax.ny.gov/pdf/publications/sales/pub223.pdf>.

Contract Award - NYSEERDA anticipates making one or more awards under this solicitation. NYSEERDA anticipates a contract duration of approximately one year, unless NYSEERDA management determines a different structure is more efficient based upon proposals received. A contract may be awarded based on initial applications without discussion, or following limited discussion or negotiations pertaining to the Statement of Work. Each proposal should be submitted using the most favorable cost and technical terms. NYSEERDA may request additional data or material to support applications. NYSEERDA will use the Sample Agreement to contract successful proposals. NYSEERDA may at its discretion elect to extend and/or add funds to any project funded through this solicitation. NYSEERDA reserves the right to limit any negotiations to exceptions to standard terms and conditions in the Sample Agreement to those specifically identified in the checklist questions. Proposers should keep in mind that acceptance of all standard terms and conditions will generally result in a more expedited contracting process. NYSEERDA expects to notify proposers approximately 7 weeks from the proposal due date whether your proposal has been selected to receive an award. NYSEERDA may decline to contract with awardees that are delinquent with respect to any obligation under any previous or active NYSEERDA agreement.

Accessibility Requirements - If awardees from this solicitation will be posting anything on the web, or if the awardee will produce a final report that NYSEERDA will post to the web, the following language must be included. NYSEERDA requires contractors producing content intended to be posted to the Web to adhere to New York State's Accessibility Policy. This includes, but is not limited to, deliverables such as: documents (PDF, Microsoft Word, Microsoft Excel, etc.), audio (.mp3, .wav, etc.), video (.mp4, .mpg, .avi, etc.), graphics (.jpg, .png, etc.), web pages (.html, .aspx, etc.), and other multimedia and streaming media content. For more information, see [NYSEERDA's Accessibility Requirements](#).

Limitation - This solicitation does not commit NYSEERDA to award a contract, pay any costs incurred in preparing a proposal, or to procure or contract for services or supplies. NYSEERDA reserves the right to accept or reject any or all proposals received, to negotiate with all qualified sources, or to cancel in part or in its entirety the solicitation when it is in NYSEERDA's best interest. NYSEERDA reserves the right to reject proposals based on the nature and number of any exceptions taken to the standard terms and conditions of the Sample Agreement. NYSEERDA reserves the right to disqualify proposers based upon the results of a background check into publicly available information and the presence of a material possibility of any reputational or legal risk in making of the award.

Disclosure Requirement - The proposer shall disclose any indictment for any alleged felony, or any conviction for a felony within the past five years, under the laws of the United States or any state or territory of the United States and shall describe circumstances for each. When a proposer is an association, partnership, corporation, or other organization, this disclosure requirement includes the organization and its officers, partners, and directors or members of any similarly governing body. If an indictment or conviction should come to the attention of NYSEERDA after the award of a contract, NYSEERDA may exercise its stop-work right pending further investigation or terminate the agreement; the contractor may be subject to penalties for violation of any law which may apply in the particular circumstances. Proposers must also disclose if they have ever been debarred or suspended by any agency of the U.S. Government or the New York State Department of Labor.

VI. ATTACHMENTS:

The following attachments are required for each submitted proposal to be considered complete:

- Attachment A – Proposal Narrative

In addition, the following attachments are provided for reference:

- Attachment B – Sample Agreement
- Attachment C – Sample Metrics Reporting Guide