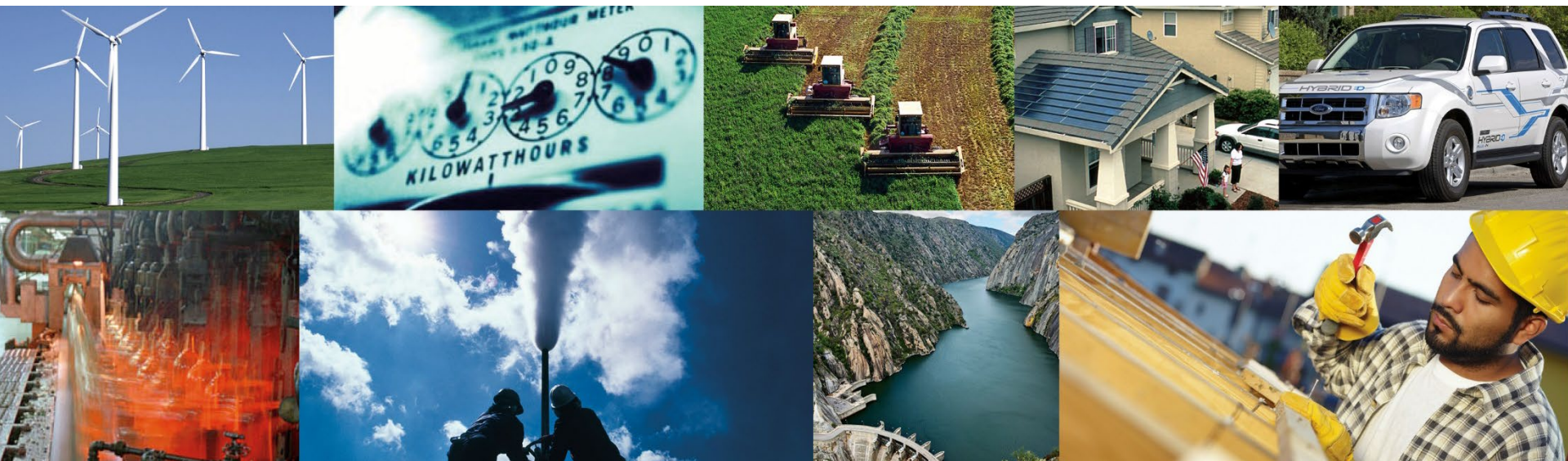


ESPC ENABLE

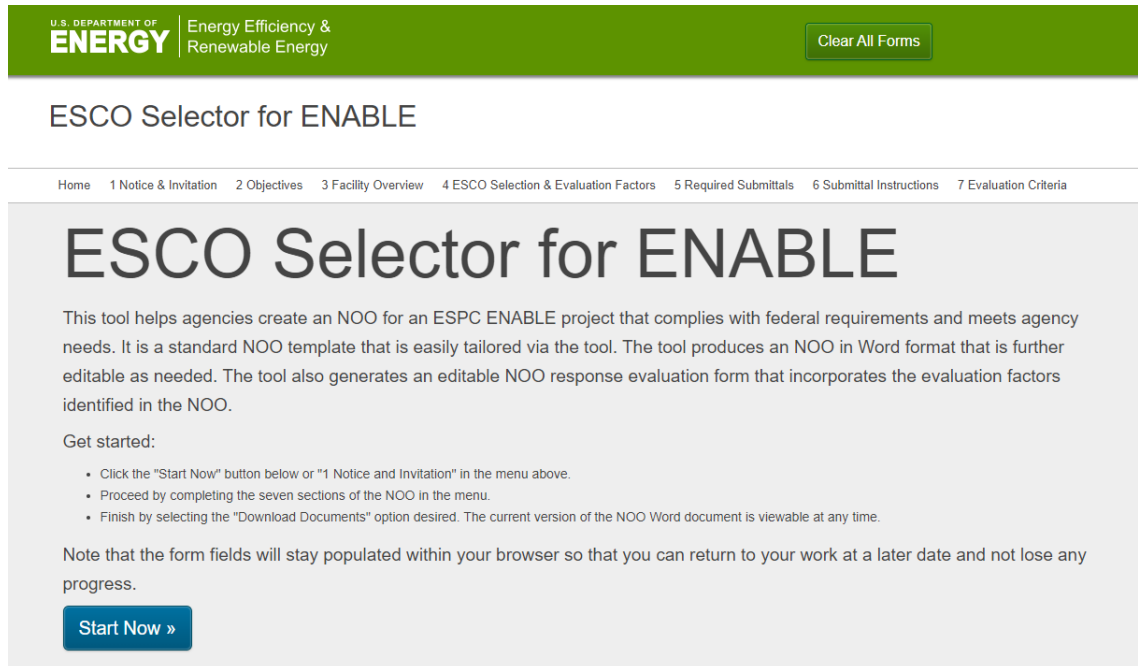
Best Practices for Drafting a Notice of Opportunity

October 2021



Use the ESCO Selector for ENABLE Tool

- New web-based tool to help agencies create a Notice of Opportunity (NOO)
 - Uses the FEMP ESPC ENABLE templates
 - Produces an editable NOO in Microsoft Word
 - Generates NOO response evaluation forms



The screenshot shows the web interface for the ESCO Selector for ENABLE tool. At the top is a green header with the U.S. Department of Energy logo and the text "Energy Efficiency & Renewable Energy". A "Clear All Forms" button is on the right. Below the header, the title "ESCO Selector for ENABLE" is displayed. A navigation bar contains links: Home, 1 Notice & Invitation, 2 Objectives, 3 Facility Overview, 4 ESCO Selection & Evaluation Factors, 5 Required Submittals, 6 Submittal Instructions, and 7 Evaluation Criteria. The main content area has the title "ESCO Selector for ENABLE" and a paragraph explaining the tool's purpose: "This tool helps agencies create an NOO for an ESPC ENABLE project that complies with federal requirements and meets agency needs. It is a standard NOO template that is easily tailored via the tool. The tool produces an NOO in Word format that is further editable as needed. The tool also generates an editable NOO response evaluation form that incorporates the evaluation factors identified in the NOO." Below this is a "Get started:" section with three bullet points: "Click the 'Start Now' button below or '1 Notice and Invitation' in the menu above.", "Proceed by completing the seven sections of the NOO in the menu.", and "Finish by selecting the 'Download Documents' option desired. The current version of the NOO Word document is viewable at any time." A note states: "Note that the form fields will stay populated within your browser so that you can return to your work at a later date and not lose any progress." At the bottom is a blue "Start Now »" button.

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Clear All Forms

ESCO Selector for ENABLE

Home 1 Notice & Invitation 2 Objectives 3 Facility Overview 4 ESCO Selection & Evaluation Factors 5 Required Submittals 6 Submittal Instructions 7 Evaluation Criteria

ESCO Selector for ENABLE

This tool helps agencies create an NOO for an ESPC ENABLE project that complies with federal requirements and meets agency needs. It is a standard NOO template that is easily tailored via the tool. The tool produces an NOO in Word format that is further editable as needed. The tool also generates an editable NOO response evaluation form that incorporates the evaluation factors identified in the NOO.

Get started:

- Click the "Start Now" button below or "1 Notice and Invitation" in the menu above.
- Proceed by completing the seven sections of the NOO in the menu.
- Finish by selecting the "Download Documents" option desired. The current version of the NOO Word document is viewable at any time.

Note that the form fields will stay populated within your browser so that you can return to your work at a later date and not lose any progress.

Start Now »

<https://esco-selector-enable.ornl.gov/>

ESCO Selector for ENABLE

- Step-by-step instructions
- Downloadable documents

Download Documents ▾

NOO

NOO Populated

Evaluation Template Individual

Evaluation Template Consensus

Evaluation Templates Summary

Evaluation Templates Instructions-Definitions

Download Documents ▾

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Renewable Energy

ESCO Selector for ENABLE

Home 1 Notice & Invitation 2 Objectives 3 Facility Overview 4 ESCO Selection & Evaluation Factors 5 Required Submittals 6 Submittal Instructions 7 Evaluation Criteria

Notice and Invitation

- Agency Information
- Facility Name
- Contact Information

Objectives

- Select ECMs to evaluate
- ESA information
- Hybrid ECMs

Facility Overview

- Agency Mission
- Facility Description
- Facility Information

ESCO Selection and Evaluation Factors

- ESCO qualifications
- Price Component
- Other
- Weighting Factors

Required Submittals

- Aligns with ESCO selection factors

Submittal Instructions

- Response Date/Time
- Contact Information

Evaluation Criteria

- Individual Response
- Consensus Ratings
- Summary Evaluation

General Best Practices for an Effective NOO

- Use the **ESCO Selector for ENABLE tool** to quickly create a fully editable draft NOO that complies with federal requirements and meets agency needs
<https://esco-selector-enable.ornl.gov/>
- Also available for download and editing: **ENABLE Notice of Opportunity (NOO) Template**
<https://www.energy.gov/eere/femp/downloads/espc-enable-request-quotenotice-opportunity-template>
- Involve your FEMP Federal Project Executive in drafting NOO
- Keep NOO as broad as possible to allow ESCO to propose comprehensive, innovative solutions using standard ECMs

General Best Practices (cont.)

- Ask ESCOs to provide examples of familiarity with any non-standard (“hybrid”) ECMs you would like to consider
- Identify two or three site-specific needs or wish-list items, such as renewable ECMs. ESCO responses will allow agencies to match ESCO capabilities with site needs

Require the ESCOs’ responses to the NOO to include description of the following:

- ESCO’s management approach (how they’re going to get the job done)
- The ESCO’s approach to developing energy baselines and the M&V approach for this project

Evaluation Factors and Selection Criteria

- Each ESCO response must address the ESCO's Qualifications, Past Performance, and a Price Component, plus any other requirements the agency deems necessary, such as experience working with local subcontractors; or, where applicable, experience with projects in coastal, maritime and/or island locations.
- **Keep evaluation factors and selection criteria to the minimum necessary.** Evaluation factors should be weighted to reflect the agency's priorities, rather than all factors being weighted equally.
- **Weight Qualifications more heavily than Past Performance,** because ENABLE is still a relatively new program and not all ESCOs will be able to report Past Performance under ENABLE

Evaluation Factors and Selection Criteria (cont.)

- **Weight the Price Component less heavily than ESCO Qualifications.*** ESCO has not yet walked the facility(ies) and can only rely on the data provided with the NOO.
- **Require ESCO to demonstrate ability to obtain low-cost financing, reflecting:**
 - Interest rate index and spread of last 3 projects, with term and size of loan
 - Whether ESCO has Master Purchase Agreement with at least one financier
 - Any credit ratings issued by Moody's, S&P, or Fitch
 - Whether ESCO is covered under a parent company guarantee
 - Who underwrites ESCO's performance/payment bond, and that firm's credit rating

**See end of next slide for exception.*

Evaluation Factors and Selection Criteria (cont.)

- **More Best Practices for Price Component:**
 - For the ECMs likely to be included in project, require ESCO to estimate the extent to which work will be self-performed vs. subcontracted (%)
 - Require ESCO to describe methods, procedures used to obtain competitive prices on ECMs and financing
 - Projects with a single or predominant ECM can select ESCO based on anticipated project price by including price component of unit installed cost, e.g., \$/kWh for solar PV, or \$/installed LED fixture. In these cases, weight price component more heavily.