



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 15-0347, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF APRIL 9, 2015

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authorization to enter into an agreement for Contract 14-RFP-35 with EnergyConnect, Inc., a Johnson Controls Company to provide energy curtailment services

Dear Sir:

Authorization is requested to enter into an agreement for Contract 14-RFP-35 EnergyConnect, Inc., a Johnson Controls Company to provide energy curtailment services for the District for a three (3) year period. These services had been provided by ComEd, a unit of Exelon, since 1997 through the District's participation in the Energy Cooperative Programs, Rider CLR - Curtailable Load Cooperative and Rider VRS - Voluntary Resource Sharing, until 2011. At that time, the District had secured curtailment services through the procurement process. Through voluntary curtailments by the District and other participants, the curtailment providers have been able to defer the need for additional generating capacity necessary to meet the very short-lived peak demands expected during the summer months. The District has been compensated a cumulative savings of \$6.5 million since it first started participation in these programs.

A Request for Proposals, 14-RFP-35 Energy Curtailment Services, was advertised on December 17, 2014. Two-Hundred Twenty-Nine (229) firms were notified and twenty-one (21) firms requested proposal documents. Two (2) proposals were received on January 9, 2015 from EnerNOC, Inc. and EnergyConnect, Inc., a Johnson Controls Company.

A review committee composed of members from the Maintenance and Operations Department, and the Procurement and Materials Management staff reviewed and evaluated the proposals from both proposers based on criteria established in the proposal documents. Both proposers were interviewed on March 11, 2015. Based on their proposals and interviews, the firms were ranked from highest to lowest as follows: EnerNOC, Inc., and EnergyConnect, Inc., a Johnson Controls Company.

Both firms were invited to submit their Best and Final Offers (BAFOs) by Friday, March 20, 2015. Both firms submitted BAFOs. The BAFOs were evaluated based on maximum revenue to the District. EnergyConnect, Inc., a Johnson Controls Company ranked the highest with a return to the District of 90.1% of the curtailment revenue realized and a return of 9.9% to EnergyConnect, Inc., a Johnson Controls Company, for the three year term of the agreement.

Based on the evaluations described above, and in as much as the firm of EnergyConnect, Inc., a Johnson Controls Company, offers the greatest return of curtailment revenue to the District, it is recommended that the Director of Procurement and Materials Management be authorized to enter into an agreement per Section 11.4 of the Purchasing Act.

Requested, Manju Prakash Sharma, Director of Maintenance and Operations, AQ:SO'C

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Barbara McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for April 9, 2015