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Public Service Commission of Wisconsin
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February 24, 2011

Ms. Sandra J. Paske
Secretary of the Commission
Public Service Commission of Wisconsin
610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

RE: Selection of a new Program Administrator for the Focus on Energy Program

The purpose of this letter is to notify the Commission that the Statewide Energy Efficiency and Renewable Administration (SEERA) has selected a new Program Administrator for the Focus on Energy Program. Per Wisconsin statute 196.374(2)(a)1 and PSC 137.03-137.05, SEERA is forwarding our selection of Shaw Environmental Infrastructure (Shaw) to the Commission for approval.

Commensurate with the importance of this selection, SEERA followed a very deliberative process which resulted in the selection of Shaw. In October of 2010 SEERA hired Nancy Giere Associates to manage the RFP Process. This project was conducted over four phases:

Phase I - Planning and Preparation
- Review the Quadrennial Plan
- Review scopes of work for current administrative and implementation contractors
- Conduct project kick-off meeting with key SEERA team and Commission staff members.

Phase II – Information Gathering
- Interview key SEERA team and Commission staff members
- Interview a cross section of current administration and implementation team members to determine what's working as well as potential areas for improvement
- Review any audit findings
- Document the work requirements for each of the program administrator contracts. This will include job functions, roles and responsibilities, key tasks, deliverables and skill requirements
- Review programs from other states
- Define the key distinctions between administrative and implementation tasks
- Define the overall program structure
- Define the relationship between administration and implementation contractors
- Present proposed program structure and requirements for a single administrator to SEERA board and PSC

Note: During this phase we determined that a single program administer model was the best approach.

Phase III – Prepare RFP
- Document scope of work for RFP
- Develop selection criteria for RFP
- Work with SEERA team and Commission staff to define overall RFP structure and format
- Submit draft components for approval by SEERA board and the PSC

- Make revisions and prepare final RFP

Phase IV – Manage RFP Process

- Post RFP to PSC websites and list serves
- Set up Google docs site to house bidder information
- Set up a question period for bidders, including time frame, opportunity to submit questions, bidders conference call and summary of all questions and answers
- Create score sheets for evaluation committee
- Set time line for evaluation committee to score proposals
- Submit financial statements to WIPLI for evaluation
- Select top three bidders for interview
- Conduct Interviews
- Score Interviews
- Submit program administrator recommendation to SEERA Board for approval
- Contact winning bidder, advising them that they have been selected pending commission approval
- Submit approved candidate to the commission for final approval
- Send letter and score sheet summary to unsuccessful bidders

During Phase III as outlined above, Commission staff was involved in the development of selection criteria as required under PSC 137.04 and approved the final RFP before it was released on December 9, 2010.

During Phase IV of the process, the RFP attracted five potential bidders. Two were eliminated because they did not meet the stated financial criteria as determined by the Focus Fiscal Agent, Wipfli, LLC. The remaining three candidates were [redacted], and Shaw Environmental and Infrastructure, Inc. (Shaw). These candidates were scored by an Evaluation Committee comprised of four utility representatives and one Public Service Commission staff member.

Each firm was scored on their response to the RFP as well as a presentation and interview.

	RFP Subtotal	Interview Subtotal	Total	Rank
Perfect Score	3750	1250	**5000**	
SHAW	3209	1143	**4352**	**1**
[redacted]	2720	765	**3485**	**2**
[redacted]	2672	603	**3275**	**3**

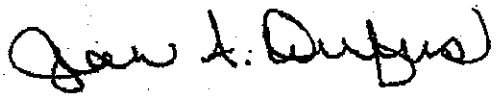
Based on the scores, the evaluation committee unanimously selected Shaw as the new Program Administrator. They were selected because they distinguished themselves in the following areas:

- Robust infrastructure, systems and processes
- Alignment with the new program structure as defined in the RFP
- Strong project management methodology and culture
- Broad national program administration experience across a wide portfolio

- Examples of continuous improvement that directly impacted program administration
- Clear vision of where to take Focus on Energy over the next four years
- Ability to effectively manage growth
- Recent examples of innovative solutions
- Ability to work collaboratively across multiple stakeholder organizations

Shaw was recommended to the SEERA board, a vote was taken, and Shaw was unanimously approved. SEERA is now presenting its selection to the Commission for approval.

Sincerely,



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