

PURA IES – Phase 2 Proposal Application

*This document is the Phase 2 application for interested applicants who have been invited to submit Phase 2 proposals in Cycle 1 of the Innovative Energy Solutions (IES) Program. Applications should be completed within this word document by **replacing the highlighted text** with new text generated by the applicant, converted to PDF, and returned to info@ct-ies.com, along with the completed Project Implementation Tracking Plan, and any relevant supplemental materials, **by 11:59pm EST on June 15, 2023**.*

All requirements of this application are outlined below and in the Project Implementation Tracking Plan Excel workbook. There is no explicit character limit per question or page limit per application, however, to be respectful of the time it will take for evaluators to read through all applications, we request that your application be as succinct as possible while still being thorough. The best applications will concisely respond to all below questions without excessive text. Applicants may also submit supplemental materials within their email submitting this Phase 2 application.

Applications will be judged according to the Phase 2 criteria as defined on <https://ct-ies.com/apply> and [IAC](#) feedback.

Phase 2 proposals must contain the following:

- Cover Letter
- Table of Contents
- Demonstration Proposal
- Company Background
- Cost Proposal
- Supplemental Information

Cover Letter

- 1) Legal name and address of respondent (Company/Organization)
- 2) Name, title, and telephone number of the individual authorized to submit the application
- 3) A statement confirming that the applicant has read, understands, and agrees to all provisions of this application, as indicated on CT-IES.com, this application form, and the IES Solicitation for Concept Proposals.
- 4) Project Name

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Include a clear identification of the response contents by section and page number.

Demonstration Proposal

- 5) Executive Summary
 - a) Provide a brief summary of your proposal including background, any identified or participating customers and partners, a clear and concise explanation of the business model/solution to be demonstrated, a basic overview of how value will be distributed between key constituents, a description of how success or failure will be measured at the end of the demonstration project

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and address any other topics necessary for a basic understanding of the proposal. Please note that these items are requested in greater detail later in this proposal, so respondents should focus on providing a concise high-level summary here.

- 6) Technology/Solution Description
 - a) Explain the key technology/solution proposed for the demonstration project. Respondents are welcome to include relevant supporting data – such as third party testing or validation – as an attachment. If including such data, please explain its relevance.
- 7) Unique Value Proposition/Innovation Potential
 - a) Your project must involve testing a new product, program, tariff, service, or business model that is not widely used in Connecticut and is conducive to scaling, replication, or serving as a potential model for others to adopt or deploy. Please explain how your project fits this requirement. Provide relevant detail regarding whether and where this or a similar type of project has been piloted or deployed elsewhere, or if your project was suggested for an alternative program in Connecticut by PURA or the Program Administrator, why it would be most appropriate for piloting and deployment in the IES Program. If deployed elsewhere, please provide an overview of key information and what utilities and/or customers were involved.
 - b) State your project's value proposition and target market and explain how they are unaddressed by current offerings. Please refer to the Existing Program Inventory on <https://ct.ies.com/resources>. The proposal should discuss why the addressed gaps exist, what barriers there are to implementation, and how the proposal will uniquely address these barriers in its implementation. Solutions to programmatic or market gaps will be evaluated against an established baseline participation for similar programs and offerings. Proposers will be expected to identify comparable offerings to help establish such a baseline.
- 8) Project Deployment Segments
 - a) Where do you anticipate the project being deployed? Underline your response and explain if needed.
 - i) In Eversource's territory
 - ii) In UI's territory
 - iii) Both
 - iv) Other (*please explain*)
 - b) How many and what segment (residential, commercial, industrial, etc.) of customers do you estimate would be served by the project in Connecticut in the Phase 3 deployment stage? Please elaborate on how you arrived at these estimates, how customer groups were chosen, and how you propose to collect data to validate these estimates. If your project does not directly impact customers, please explain how net effects would cascade to customers and how you plan to validate your project's impacts.
- 9) Project Implementation Tracking Plan: Metrics for Success
 - a) The Authority has already identified several metrics of interest, but is open to additional valuable metrics that can be tailored to each proposed innovative project, and must be captured through your Project Implementation Tracking Plan, both in this document and the corresponding Excel workbook. The categories of key metrics are: (1) economic benefit; (2) cost-effectiveness; (3) solutions for programmatic and market gaps; and (4) equity. More detail on these metrics can be found in the [IES Program Design document, Attachment B](#) starting on page 31 and again on page 7 of Appendix A (page 60 of the PDF). IES program administrators may ask

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for additional information, clarification, or detail on Project Implementation plans during the Phase 2 application process, and may ask applicants eventually selected for deployment to track additional metrics as well.

- b) The following list contains all data and performance metrics you will be required to track and report on during Phase 3, for the purposes of Phase 4 analysis. You may propose to track additional metrics not captured in the below list that are specific to your project. Below, please provide a specific target (e.g., a specific number of in-state jobs created) for each metric and a narrative explaining how you aim to achieve it. For any newly suggested metrics, please provide a narrative regarding why these metrics are relevant for your project, along with an associated target.
- i) Metric Type: Economic Benefit
 - (1) In-state hiring plan: Number of full-time and part-time jobs added in Connecticut (excluding indirect jobs), and areas of work created in Connecticut
 - (2) Physical presence (Connecticut office, headquarter, other)
 - (3) Indirect economic benefit (indirect jobs, CT-based partnerships, vendors, manufacturing)
 - (4) Additional economic benefits not discussed above
 - ii) Metric Type: Cost-effectiveness
 - (1) Expected costs to customers, including rationale and supporting justification for how you arrived at the expected costs
 - (2) Expected benefits to customers
 - (3) Expected costs to EDCs, including rationale and supporting justification for how you arrived at the expected costs
 - (4) Expected benefits to EDCs
 - (5) *Itemized costs should be provided in the Itemized Costs tab of the Project Implementation Tracking Plan Excel workbook (not here), according to the instructions in the template.*
 - iii) Metric Type: Solutions for programmatic and market gaps
 - (1) Quantification of total addressable market in Connecticut, at pilot stage and at scale
 - (2) Customer segments impacted (i.e., residential, commercial, industrial, etc.)
 - iv) Metric Type: Equity
 - (1) Underserved communities served, as defined by [CT DEEP's Environmental Justice Communities and Distressed Municipalities](#)
 - (2) Energy and non-energy benefits to underserved communities
 - (3) Hiring plan for underserved communities: Number of full-time and part-time jobs added in Connecticut (excluding indirect jobs), and areas of work created in Connecticut
 - (4) Physical presence in underserved communities (Connecticut office, headquarter, other)
 - (5) Indirect economic benefit in underserved communities (indirect jobs, CT-based partnerships, vendors, manufacturing)
 - (6) To the extent possible, budget breakdown (% of costs) targeted towards underserved communities as compared to others
 - v) Metric Type: Other
 - (1) Expected decarbonization benefits
 - (2) Metrics associated with the achievement of milestones identified in the Project Implementation Tracking Plan

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- (3) Customer experience metrics, if applicable to your project. May also include vendor/contractor experience if applicable.
 - (4) Additional metrics/targets as identified by applicant
- 10) Project Implementation Tracking Plan: Timeline/Key Milestones
 - a) Aligned with the Project Milestones in the accompanying Excel workbook, provide a detailed narrative and timeline for project deployment including various stages of execution/milestones, and metrics or targets associated with each stage/milestone. While Milestones will be listed in Excel format, they can be explained in greater detail here. The best applications will explain how their deployment plan ties to each milestone in the Project Implementation Tracking Plan, including cost recovery for major expenditures. At a minimum, this response should include a timeline for the milestones indicated in section 2.3.4.3, on pages 8-9 of Appendix A in the [IES Program Design document, Attachment B](#) (pages 61-62 of the PDF).
- 11) Project Implementation Tracking Plan: Data Collection Plan
 - a) For any new metrics recommended to be tracked for your project, please describe the key pieces of data to be collected in this demonstration, why this data is important/necessary for proving the value of the implemented project, and how it will be captured.
 - b) As part of the IES program design and requirements to report progress and key lessons learned regarding innovative projects, the respondents should expect to share all technical and financial information with the Authority. If respondents are concerned about sharing project-related technical and financial data with the Authority, please discuss those concerns in this section, and explain the data/information in question.
- 12) *[Include Project Implementation Tracking Plan Excel]*
- 13) Measurement & Verification
 - a) Address how you plan to measure and verify performance, including how proposed savings and/or benefits will be measured and verified. Please discuss how you will quantify energy and non-energy impacts.
- 14) Expected EDC Collaboration
 - a) Identify any assumptions you have made regarding the resources and capabilities you expect the EDCs to provide to your project, if deployed.
 - b) If you have contacted the EDCs for Pathway 3 collaboration or been asked to do so by the IES Program Administrator, but did not find an EDC partner, please describe:
 - i) How your application has evolved to a Pathway 1 project, and how it can be deployed without EDC collaboration; or
 - ii) How your application has not found an EDC partner for Pathway 3 collaboration, and why it should still be authorized to do so by PURA (Note: Authorization will require a high burden of proof and is considered to be unlikely).
- 15) Expected Benefits and Scalability
 - a) Provide a summary of the 1) energy and 2) non-energy impacts expected to accrue to all relevant parties (e.g., the grid, participating customers, all ratepayers, vendors/third parties, etc.) as part of the demonstration project, as well as those that are expected to last beyond the demonstration period, if applicable. Please describe any qualitative benefits that will result as part of the demonstration project and identify which party will receive the benefits in question. Please clearly identify the assumptions necessary to achieve the expected benefits.

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- b) Please discuss how your project will serve underserved communities in Connecticut as defined by [CT DEEP's Environmental Justice Communities and Distressed Municipalities](#), through the following perspectives. The best applications will, at least in part, specifically target underserved communities (rather than have their benefits be equally applicable to all communities). Your application should explain, and quantify where possible, both energy and non-energy benefits to underserved communities, including metrics and associated targets.
- i) What percentage of customers impacted by your project are expected to be in underserved communities?
 - ii) Providing energy and non-energy benefits to underserved communities
 - iii) Additional description (optional)
- c) Please provide a narrative regarding your project's scalability. How will your project scale, if recommended to do so after the pilot stage?
- 16) Please provide a description of your Project's decarbonization benefits, including how impacts translate into GHG emissions reduction. The best projects provide measurable and sustainable benefits that support Connecticut's goals to decarbonize its electric grid by delivering zero-carbon electricity to customers by 2040 and reducing greenhouse gas emissions.
- 17) Please provide a description of your Project's other benefits (if applicable), broken down by the below categorization. The best projects will provide measurable and sustainable benefits. Where possible, please provide and/or incorporate quantitative data into the following benefits:
- a) Societal/Community Benefits (including but not limited to health impacts and job creation)
 - b) Customer Benefits (including but not limited to energy cost savings, clean energy access, and health impacts)
 - c) EDC/Grid Benefits (including but not limited to overall energy usage or peak load reduction, efficiency, grid asset utilization, or other grid benefits)
 - d) Other (optional)
 - e) Please address the ability for your project to continue to scale beyond the demonstration period and to expand to additional customers.
- 18) Potential Risks
- a) The Authority understands there are risks associated with undertaking an innovative and relatively novel project. Respondents should not dismiss or minimize the natural and very real risks associated with this demonstration project. Instead, please identify all meaningful risks, explain why these have been identified, describe the likelihood and severity of risks, and provide a brief explanation for how each risk could be mitigated or avoided.
 - b) Indicate whether there is a risk of stranded assets if your project were to be piloted, but ultimately not scaled. Any specific quantitative estimates are welcome.

Company Background

- 19) Relevant Experience
- a) Respondents' previous experience with similar efforts is of high importance. Please describe your experience with other previous or ongoing efforts similar to the project proposed in this application and how those efforts would inform this project.
- 20) Resumes

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- a) Please include resumes/CVs for all key team members, including project partners and subcontractors. Describe each listed team member's role on the proposed demonstration project.

21) References

- a) Please include at least two (2) references, including basic contact information such as email addresses and/or phone numbers, so that evaluators can learn more about the respondent's prior work. The best references will be those who were involved in efforts similar to the demonstration project being proposed here.

Cost Proposal

22) The Authority is interested in the financial value and impact of the demonstration project.

Respondents should provide an estimated budget for the project proposed and clearly identify the sources of funding for the proposed demonstration, including any funding outside of the IES Program. Note that each project is limited to a budget of \$5 million. This budget should include key cost categories, incurred by quarter, and should clearly identify any underlying assumptions. Please submit as detailed information as possible in the "Itemized Expected Costs" tab of the Project Implementation Tracking Plan Excel workbook, including if possible, a basic sensitivity analysis of expected costs. Such an analysis should identify the range of inputs to a given variable (if known) and demonstrate the degree to which that variance of inputs affects the output.

23) Please provide any financial projections related to the project. In particular, the financial projection and revenue forecast should reflect benefits and costs for all participating stakeholders.

24) Describe why this project would be cost effective at scale. Please demonstrate whether your approach, vendors, and technology proposed are the most cost-effective option. If a given part of the demonstration is not the most cost-effective option, respondents should describe why a less cost-effective option is not appropriate. Are there any elements of your project that may be cost-effective when deployed at scale, but not in this pilot, that we should be aware of? If so, please explain.

25) If applicable, discuss any project externalities that could have an impact on non-participants.

Supplemental Information

26) Is your business a woman- and/or minority-owned business, subject to the following or other certifications?: [Connecticut women, minority, small business, or disabled](#), [Federal Women-owned](#), [Federal Minority-owned](#). This is not a requirement and will not be reflected in the Phase 4 cost-benefit analysis, but is considered a benefit in the Phase 2 selection process.

a) Yes

b) No

c) *[Include certification in submission email]*

27) Are there any additional partners or members of your organization that you would like to include in IES application-related emails? If so, please include their names and email addresses below.

28) Is there any additional information that you would like to provide in your Phase 2 application? You may submit attachments to the submission email.

a) Please describe any supplemental attachments provided