



# TOWN OF APPLE VALLEY

## TOWN COUNCIL STAFF REPORT

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**To:** Honorable Mayor and Town Council                      **Date:** July 12, 2016

**From:** Joseph Moon    **Item No:** 5  
Environmental & Transit Services Manager  
Environmental & Transit Services

**Subject:** APPROVAL TO ADVERTISE REQUEST FOR PROPOSALS (RFP) FOR  
DATA MANAGEMENT AND CUSTOMER CALL CENTER SERVICES  
FOR THE APPLE VALLEY CHOICE ENERGY (AVCE) CCA

**T.M. Approval:** \_\_\_\_\_    **Budgeted Item:**  Yes  No  N/A

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### RECOMMENDED ACTION:

1. That the Town Council review and approve the RFP for Data Management and Customer Call Center Services for the Apple Valley Choice Energy (AVCE) CCA.
2. That the Town Council authorize staff to solicit bids for procurement of said services.

### SUMMARY:

The Town of Apple Valley ("Town") is seeking proposals for data management and customer service support functions necessary to operate the Town's Community Choice Aggregation ("CCA") Program ("CCA Program" or "Program"). This program has been named Apple Valley Choice Energy ("AVCE") and will serve certain residential and commercial customers located within the geographic boundaries of the Town.

Through this Request for Proposals process ("RFP"), the Town is seeking proposals for: (1) Managing AVCE customer account data; (2) Exchanging customer usage, billing and payment data with SCE; (3) Responding to AVCE customer service calls; and (4) Addressing AVCE customer service issues.

**FISCAL IMPACT:**

Funding for this RFP has been appropriated in the Town Council approved Budget Adjustment 16-23. There is no immediate fiscal impact with approval of the RFP documents and authorization to advertise for bids.

**ATTACHMENT:**

Data Management and Customer Call Center Services RFP

# APPLE VALLEY CHOICE ENERGY



## REQUEST FOR PROPOSALS

FOR

## SERVICES PROVIDING DATA MANAGEMENT AND ESTABLISHING A CUSTOMER CALL CENTER

**RFP RELEASE DATE: July 13, 2016**  
**RESPONSE DEADLINE: August 5, 2016**

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## Overview

The Town of Apple Valley (“Town”) is seeking proposals for data management and customer service support functions necessary to operate the Town's Community Choice Aggregation (“CCA”) Program (“CCA Program” or “Program”). This Program has been named Apple Valley Choice Energy (“AVCE”) and will serve certain residential and commercial customers located within the geographic boundaries of the Town.

Through the AVCE Program, the Town aspires to provide two distinct retail service offerings/products to participating customers: 1) a default tariff option, which will include a renewable energy content that meets the minimum procurement requirements established under California’s Renewables Portfolio Standard (“RPS”) program and provides retail generation rates that are competitive with similar tariff options made available by the incumbent electric utility, Southern California Edison (“SCE”); and 2) a voluntary, 100% renewable energy tariff option, which will be made available to interested AVCE customers, with retail rates that are expected to exceed those reflected in AVCE’s default tariff.

Through this Request for Proposals process (“RFP”), the Town is seeking proposals for: (1) managing AVCE customer account data; (2) exchanging customer usage, billing and payment data with SCE; (3) responding to AVCE customer service calls; and (4) addressing AVCE customer service issues.

At full enrollment, peak demand for the AVCE Program is projected to be approximately 75 MW; annual energy requirements are projected to be approximately 250 GWh; and AVCE’s retail service accounts are expected to total approximately 25,000. The aforementioned projections are based on an assumption that 15% of prospective AVCE customers will opt-out of (i.e., not participate in) the Program, electing to continue bundled service with SCE instead.

Respondents *must* bid in accordance with the pricing requirements that are described within the Proposal Requirements section (below); responsive proposals *must* also address all specified services as described herein.

This RFP will be conducted in accordance with the schedule set forth below. Final selection will be contingent upon the Apple Valley Town Council’s authorization to proceed with implementation of the AVCE Program.

## RFP Schedule

Release RFP	July 13, 2016
Deadline for Question Submittal	July 27, 2016

Proposals Due	August 5, 2016
Notification of Short List	August 10, 2016
Short List Interviews	August 15-19, 2016
Begin Contract Negotiations	September 1, 2016
Contract Approval and Execution	September 30, 2016

## **Town of Apple Valley Background**

In 2010, the Town began investigating the formation of a CCA Program with the primary objectives of promoting local control, creating local economic benefits, and offering competitively priced retail electricity products for all eligible customers within the Town. A feasibility study for such a CCA Program was completed at the end of 2010 with subsequent updates to the study occurring in 2014 and 2015.

The Town is in the process of drafting its Implementation Plan and intends to submit the document to the CPUC in July 2017 (with the CPUC’s certification of the Implementation Plan expected within 90 days of submittal, consistent with timelines established in the Public Utilities Code). As described in the draft Implementation Plan and consistent with the laws and regulations governing CCAs, all current SCE electric customers within the Town’s jurisdictional boundaries will be automatically enrolled in the CCA Program and served by AVCE, except for those customers who affirmatively elect to “opt-out” of the CCA Program and remain bundled service customers of SCE. Following AVCE service commencement, SCE will continue to provide distribution, metering and billing services to AVCE customers.

The Town expects that retail rates associated with the standard/default service option will be competitive with similar rates charged by SCE. Rates associated with the voluntary 100% renewable energy service option may exceed comparable rates charged by SCE in consideration of actual renewable energy procurement costs that will be incurred to support participating customers.

The requested services under this solicitation are described below.

### **Scope of Work**

1. Electronic Data Exchange Services –
  - a. Process CCA Service Requests (CCASRs) from/to SCE which specify the changes to a customer's choice of services such as enrollment in CCA programs, customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
  - b. Obtain all customer usage data from SCE's Metered Data Management Agent (MDMA) server to allow for timely billing (according to SCE requirements) of each customer (867 Electronic Data Interchange Files).
  - c. Maintain and communicate the amount to be billed by SCE for services provided by AVCE (810 Electronic Data Interchange Files).

- d. Receive and maintain all data related to payment transactions toward CCA charges from SCE after payment is received by SCE from customers (820 Electronic Data Interchange Files).
- e. Process CCASRs with SCE when customer status changes.
- f. Provider shall participate in the Customer Data Acquisition Program (CDA) beta testing for SmartMeter data sharing as AVCE's Data Manager.

2. Qualified Reporting Entity ("QRE") Services

- a. Consistent with terms and conditions included in the Qualified Reporting Entity Services Agreement(s) between AVCE and Data Management Provider, serve as QRE for certain locally situated, small-scale renewable generators supplying electric energy to AVCE through its feed-in tariff (FIT).
- b. Submit a monthly generation extract file to Western Renewable Energy Generation Information System (WREGIS) on AVCE's behalf, which will conform to the characteristics and data requirements set forth in the WREGIS Interface Control Document for Qualified Reporting Entities.
- c. Provider shall receive applicable electric meter data from SCE for AVCE FIT projects, consistent with SCE's applicable meter servicing agreement, and shall provide such data to AVCE for purposes of performance tracking and invoice creation.

3. Customer Information System

- a. Maintain an accurate database of all eligible accounts who are located in the AVCE service area and identify each account's enrollment status (opt out, program enrollment), rate tariff election(s), payment history, collection status, on-site generating capacity, if applicable, and any correspondence with customer as well as other information that may become necessary to effectively administer AVCE as mutually agreed to by parties from time to time.
- b. Allow AVCE to have functional access to the online database to add customer interactions and other account notes.
- c. Allow AVCE to view customer email or written letter correspondence within online database.
- d. Maintain and provide as-needed historical usage data on all customers for a time period equal to the lesser of either (a) the start of customer service to present or (b) five years.
- e. Until a cloud-based storage solutions for SmartMeter historical usage data is implemented, Provider will store SmartMeter historical usage data, as received by the MDMA, for a 48 hour window.
- f. Maintain viewing access, available to appropriate AVCE staff, to view SCE bills for AVCE customers, including supporting the intuitive parsing and labeling of SCE provided files. Maintain accessible archive of billing records for all AVCE customers from the start of AVCE Service or a period of no less than five years.

- g. Maintain and communicate as needed record of customers who have been offered service with AVCE but have elected to opt out, either before or after starting service with AVCE.
- h. Maintain and communicate as needed records of Net Energy Metering credits and generation data for customers to be posted on bill and settled annually.
- i. When requested by AVCE, place program charges on the relevant customer account, identified by Service Agreement ID (SAID).
- j. Identify customers participating in various AVCE programs in database.
- k. Include various program payment information in all relevant reports.
- l. Perform quarterly AVCE program reviews to assess appropriate customer charge level.
- m. Maintain all customer data according to AVCE's customer privacy policy and the requirements of relevant California Public Utilities Commission Decisions including D.12-08-045, including a daily backup process.
- n. Maintain a Data Management Provider Security Breach Policy.

#### 4. Customer Call Center

- a. Provide professional Interactive Voice Response (IVR) recordings for CCA customer call center.
- b. Provide option for IVR self-service and track how many customers start and complete self-service options without live-agent assistance.
- c. Staff a call center, during any CCA Statutory Enrollment Period, 24 hours a day 7 days a week to process opt out requests.
- d. Staff a call center during Non-Enrollment Period between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding AVCE and SCE holidays.
- e. Provide sufficient call center staffing to meet the requirements set forth herein, including designating AVCE specific agents to the extent needed to provide for full functionality.
- f. Provide sufficient number of Data Manager Experts available to manage escalated calls between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding AVCE and SCE holidays ("Regular Business Hours").
- g. Ensure that a minimum of 75% of all calls will be answered within 20 seconds during Non-Enrollment Periods.
- h. 100% of voicemail messages answered within one (1) business day.
- i. 100% of emails receive an immediate automated acknowledgement.
- j. 95% of emails receive a customized response within one (1) business day.
- k. 100% of emails receive a customized response within three (3) business days.
- l. Achieve a no greater than 10% abandon rate for all Non-Enrollment Period calls.
- m. Provide callers with the estimated hold time, if applicable. Provide an automated 'call back' option for callers who will be put on hold for an estimated five minutes or longer.



- n. Record all inbound calls and make recordings available to AVCE staff upon request. Maintain an archive of such recorded calls for a minimum period of 24 months.
- o. Track call center contact quality with criteria including:
  - a. Use of appropriate greetings and other call center scripts
  - b. Courtesy and professionalism
  - c. Capturing key customer data
  - d. Providing customers with correct and relevant information
  - e. First-contact resolution
  - f. Accuracy in data entry and call coding
  - g. Grammar and spelling in text communication (email and chat)
- p. Evaluate customer satisfaction through voluntary customer surveys that ask general questions about call quality, call resolution, and how satisfied the customer was with the service received.
- q. Respond to customer emails.
- r. Receive calls from AVCE customers referred to Provider by SCE and receive calls from AVCE customers choosing to contact Provider directly without referral from SCE.
- s. Provide the call center number on SCE invoice allowing AVCEA customers to contact the call center. Collect and/or confirm current email, mailing address and phone number of customers and add to or update database during inbound call.
- t. Collect permission (via voice recording, email request, or electronic form submittal) from customers to send electronic correspondence instead of printed mail.
- u. Respond to telephone inquiries from AVCE customers using a script developed and updated quarterly by AVCE. For questions not addressed within the script, refer inquiries either back to SCE or to AVCE.
- v. Respond to customer inquiries within 24 hours, excluding weekends and holidays, including inquiries received either through telephone calls, email, fax or web-portal.
- w. Offer bi-annual cross training to SCE call center in coordination with AVCE.
- x. Ensure monthly status reports are provided during the first week of each month.
- y. Provide weekly status reports during Statutory Enrollment Periods.
- z. Use commercially reasonable efforts to make Spanish speaking call center staff available to customers during Regular Business Hours.
- aa. Provide translation services for inbound calls for the following languages: Spanish, Cantonese, Mandarin, Tagalog.
- bb. Create and maintain forms for the AVCE website so that customers may change their account status to enroll or opt out of various AVCE programs.
- cc. Host AVCE meetings with call center management and representatives on a monthly basis.

5. Billing Administration

- a. Maintain a table of rate schedules offered by AVCE to its customers.
- b. Send certain AVCE program charges for non-AVCE customers, when supported by SCE, based on information provided to Provider by AVCE.
- c. Send certain AVCE program charges as a separate line item to SCE for placement on monthly bill during term of repayment.
- d. Apply SCE account usage for all AVCE customers against applicable rate to allow for customer billing.
- e. Review application of AVCE rates to SCE accounts to ensure that the proper rates are applied to the accounts.
- f. Timely submit billing information for each customer to SCE to meet SCE's billing window.
- g. Use commercially reasonable efforts to remedy billing errors for any customer in a timely manner, no more than two billing cycles.
- h. Assist with annual settlement process for Net Energy Metering customers by identifying eligible customers, providing accrued charges and credits, and providing mailing list to CCA designated printer.
- i. Provide customer mailing list to AVCE designated printer for new move-in customer notices and opt out confirmation letters routinely within 7 days of enrollment or opt out.
- j. Send an AVCE provided letter to customers that are overdue. If no payment is received from the customer after a certain amount of time, issue a CCASR to return customer to SCE.

6. Reporting

<b>Report</b>	<b>Frequency</b>	<b>Delivery Method</b>
Aging	Weekly, Monthly	SFTP
Call Center Stats	Weekly, Monthly	Email
Cash Receipts	Weekly, Monthly	SFTP
County Invoice Summary Reports	Monthly	SFTP
Days To Invoice	Weekly, Monthly	SFTP

Program Opt Up with Address	Weekly, Monthly	SFTP
Utility User Tax (UUT) where applicable	Monthly	Email
Invoice Summary Report	Weekly, Monthly	SFTP
Invoice Summary Report – Mid Month	Monthly	SFTP
Monthly Transaction Summary	Monthly	Email
Opt Out with Rate Class	Weekly, Monthly	SFTP
Retroactive Returns	Monthly	Email
Sent to Collections	Monthly	Email
Snapshot	Weekly	SFTP
Snapshot with Addresses	Weekly	SFTP
Unbilled Usage	Monthly	SFTP
Full Volume Usage by Rate Class	Monthly	SFTP

Provider shall also assist AVCE, as needed, in compiling various customer sales and usage statistics that may be necessary to facilitate AVCE's completion of requisite external reporting activities. Such statistics will likely include annual retail sales statistics for AVCE customers, including year-end customer counts and retail electricity sales (expressed in kilowatt hours) for each retail service option offered by AVCE.

7. Settlement Quality Meter Data

- a. Provider shall provide AVCE or AVCE's designated Scheduling Coordinator (SC) with Settlement Quality Meter Data (SQMD) as required from SC's by the California Independent System Operator (CAISO).
- b. Upon AVCE's request, Provider shall submit the SQMD directly to the CAISO on behalf of AVCE or AVCE's designated SC.

**Contract Term**

The anticipated duration of the agreement will be for up to five (5) years, with the term of agreement tentatively commencing in October 2016.

## **Proposal Requirements**

1. Proposals shall specify pricing as either a fixed monthly fee, fixed monthly fee per account, or a combination of both.
2. The Town reserves the right to negotiate with any bidder and to engage in simultaneous negotiations with multiple bidders.
3. The Town reserves the right to reject all responses received in relation to this RFP.

## **Evaluation Criteria**

In addition to the aforementioned minimum proposal requirements, all of which are mandatory, bids will be evaluated based on the following non-exhaustive list of criteria:

- Qualifications and experience of the entity, including capability and experience of key personnel and experience with other public or private agencies to provide these services
- Proposed approach, including clarity of understanding of the scope of services to be provided and appropriateness of the proposed solution/services
- Customer service
- Ability to meet any required timelines or other requirements
- Compliance with Town RFP and contractual requirements
- History of successfully performing services for public and/or private agencies and other CCA's;
- Financial viability of the respondent;
- Cost to the Town for the services identified in this RFP;
- Proposed approach, including a clearly demonstrated understanding of the intended scope of services to be provided;
- Existence of and circumstances surrounding any claims and violations against the respondent, its representatives and/or partners; and
- Pertinent references

The Town reserves the right to consider factors other than those specified above and to request additional information from any/all respondents as part of the selection process. Through issuance of this RFP, the Town makes no commitment to any bidder and provides no guarantee that a contract will be awarded. The Town reserves the right to discontinue this RFP process at any time for any reason.

## **Financial and Operational Capabilities**

The respondent must provide evidence of financial, technical and operational capabilities for the requested data management and call center services as well as the performance of such services.

The respondent or any guarantor must provide the following:

- Audited financial statements from the previous two years or a web-link where such information is accessible.

- If available, a credit rating from two of the following: Standard & Poor's, Moody's, or Fitch Investor Services from the most recent rating agency report.

Respondents should demonstrate their qualifications in providing similar services to similar entities (i.e., other CCA programs and/or Direct Access customers)

Respondents should provide a minimum of three (3) references for current and/or prior agreements under which the respondent provided similar services to load serving entities or retail customers, preferably within California.

### **Respondent Proprietary Information**

Information submitted in response to this RFP will be used by the Town or its designated representatives, including consultants, solely for the purpose of evaluating the proposals. Proprietary data should be specifically identified on every applicable page of the respondent's proposal; respondents should mark or stamp applicable pages as "Confidential" or "Proprietary." Reasonable care will be exercised so that information clearly marked as proprietary or confidential will be kept confidential, except as required by law or regulatory authority. The Town, its employees and consultants will not be liable for the accidental disclosure of such data, even if it is marked.

### **Proposal Format**

Proposal information should be organized into the following sections:

Introduction and Executive Summary - Briefly describe the firm, its organization, key personnel, and operations, and provide similar information for any third parties that will be relied upon to provide the proposed services.

Description of Proposed Services - Describe the proposed data management and customer call center services as specified in this RFP.

Financial, Technical, and Operational Qualifications - Demonstrate the firm's financial viability, qualifications, and experience in providing the proposed services. Include supporting financial statements, credit reports, references, description of sustainability practices and other relevant information.

### **Reservation of Rights**

The Town reserves the right to change the requirements, due dates, and other CCA Program requirements as may be necessary for the development of the overall CCA Program.

### **Proposal Delivery**

Proposals must be received by 2:00 P.M. Pacific Prevailing Time on August 5, 2016 through electronic submission and shall be directed to the following point of contact:

Town of Apple Valley  
Attention: Joseph Moon  
Environmental and Transit Services Manager

Phone: 760-240-7000  
Fax: 760-240-7399  
Email: [jmoon@applevalley.org](mailto:jmoon@applevalley.org)

Inquiries regarding this RFP may be directed to Mr. Joseph Moon at 760-240-7000. Specific questions about the RFP should be sent via e-mail to [jmoon@applevalley.org](mailto:jmoon@applevalley.org) no later than July 27, 2016.