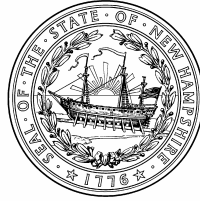


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STATE OF NEW HAMPSHIRE



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August 3, 2009

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
REQUEST FOR PROPOSALS
FOR CONSULTING SERVICES**

**TO DETERMINE AND PROPOSE ALTERNATIVE FUNDING MECHANISMS
FOR MEMBERSHIP COSTS OF PARTICIPATING MUNICIPALITIES IN THE
ONE CALL CENTER PROGRAM**

To Prospective Bidder:

The New Hampshire Public Utilities Commission (Commission) is seeking proposals from qualified firms or individuals to provide consulting services to determine and propose alternative funding mechanisms for Municipalities as a step in transforming the existing One Call Center into a "true" One Call Center.

Bidders may submit written inquiries about this RFP by e-mail: To: ChristiAne.Mason@puc.nh.gov; **Subject line: 2009 Municipalities RFP Inquiry**, no later than August 19, 2009. Inquiries and their responses will be posted on the Commission's website as they are received.

1. Proposals must be received by the Commission prior to 4:30 p.m. on August 21, 2009.
2. Submit proposals to:

ChristiAne G. Mason, Director of Administration
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429
ChristiAne.Mason@puc.nh.gov

3. Follow-up conferences/interviews will be scheduled as needed.
4. An Evaluation Team consisting of Commission and/or other qualified personnel will be established to evaluate responses to this bid proposal.

5. Funding is subject to New Hampshire receiving 100% Federal Funding through a successful grant application and Governor's and Executive Council approval of a consulting contract.
6. The contract resulting from this RFP will be in effect between approximately September 1 2009 and December 1, 2009. Funding for this contract period will not exceed \$35,000 of federal grant funds received by the Safety Division of the NH PUC from US DOT Pipeline and Hazardous Material Safety Administration.

I. BACKGROUND

The New Hampshire Public Utilities Commission is an administrative agency with executive, legislative and quasi-judicial powers. The Commission's prime responsibility is as an arbiter between the public utilities and their ratepayers. Proceedings in this regard address such areas as public utility rates, financing, terms and conditions of utility service, quality of service, safety and reliability, eminent domain matters, public utility exemptions from local zoning ordinances, public utility franchises, utility crossings of public lands and waters, wholesale relationships between utilities, rulemakings and consumer complaints. The Commission is responsible for administering the New Hampshire Underground Damage Prevention Program, which has been in existence for over 25 years. The New Hampshire Underground Damage Prevention Program like most others within the country is continually evolving and seeking ways to improve. This request for proposal targets maximizing stakeholder participation within the program by identifying, quantifying, and proposing solutions to factors that challenge increased municipal membership.

II. STATEMENT OF PURPOSE

New Hampshire comprises of in excess of 200 individual communities mostly adopting the municipal form of government. Unfortunately, the absence of significant municipal participation as "operators" within New Hampshire's underground damage prevention program has rendered the current program less than optimal and reveals that a large segment of underground construction industry occurs outside of current regulations requiring notification of such excavations. New Hampshire's underground damage prevention program can be further enhanced if municipal participation in the one call notification center commonly referred to as Dig Safe[®], was substantially increased.

The purpose of this request is to conduct an effective analysis and review that focuses on identifying and overcoming the existing impediments with municipal participation and developing concrete solutions that address the obstacles. A written reference document shall be produced for inclusion in any potential future legislative improvements. As of 2008, less than 5% of the local governments and only 10% of the municipal utilities voluntarily participate in New Hampshire's underground damage prevention program.

The most significant reasons for the non participation are:

1. cost to participate via membership fees/dues,
2. cost of performing locates, and
3. associated costs of civil penalties and accountability.

The problem with non participation by this large and important stakeholder group is the established *One Call Center* does not exist as a “true” one call center because municipals exercise rights under the unfunded mandate clause known as Article 28-a of the NH Constitution which results in exemption from membership. Unregulated municipalities cannot be compelled by RSA 374:49 to participate in Dig Safe[®] because of the costs associated with field locating and Dig Safe[®] membership. The practical implication is a multiple-call system for the excavator. Thus, the single notification system via 811 or any other method such as internet does not reach all utilities or municipalities and requires multiple-calls, to contacts that may be within several departments within each municipality. This reduces the effectiveness of the underground damage prevention program, causes increased damages to municipal facilities, and causes increased damages to peripheral non municipal facilities. Excavators are less inclined to use the system if it does not provide a “one stop shopping solution.”

If municipal facility owners are contacted by means outside the standard system there is no requirement to complete a timely locate or accurate locate and thus excavators are left questioning if all utilities have been properly marked. The downside of this is excavators become annoyed and frustrated at the notification process and are less likely to use it. Enforcement of the rules pertaining to municipalities only exists for the 5% of municipalities who voluntarily join.

The present loophole is based on the premise that unless full funding mechanisms and revenue sources for balancing municipal expenses are not in place then municipalities are not required to comply with any state statutes that imposes such an unfunded mandate). New Hampshire’s underground damage prevention program like most other states is based on state laws but municipal constitutional rights trump any state statutes and associated rulemaking.

III. SCOPE OF SERVICES

New Hampshire proposes to collect data designed to improve and enhance the effectiveness of the existing underground damage prevention. A contractor/consultant will be selected to assist, design and provide effective analysis of collected data, and develop concrete solutions regarding funding alternatives that can be cited for future legislative improvements. The timeline for the conduct, analysis and report shall begin September 1 2009 and end by December 15, 2009. A formal report with proposed solutions to any impediments noted shall be delivered for use in any future legislative proposals.

Tasks for Municipal Data Collection and Proposed Funding Mechanisms¹

1. **Characterize/Size Problem:** Amount of Damages municipals occurring in NH.
 - 1) Contact 200 plus communities in NH to determine which have underground facilities to be marked out (traffic signal lights, sewers, drains, municipal water systems).
 - 2) Record all contacts made.
 - 3) Determine which facilities are located in each town by mileage and type.
 - 4) Determine departments/person responsible for those underground facilities
 - 5) Determine amount of damages that have occurred for the last 3 years, 2008, 2007, 2006 and associated costs of damages per location.
 - 6) Identify processes in determining how cost recovery for those damages is handled, i.e. settlements, invoices, etc.
 - 7) Determine long term impacts including insurance costs, tax impacts and infrastructure replacement costs (opportunity costs)

2. **Determine frequency/locations** where most digs/excavations are occurring.
 - 1) Schedule a meeting between the NH PUC Safety Division and Dig Safe Systems Inc (One Call Center) for purposes of subsequent collecting quantity of tickets that get called in per town for 2008, 2007, 2006
 - 2) Import information into database/spreadsheet for analysis and determining relationships of data and trend analysis.
 - 3) Determine how many of those notifications result in street opening permit process.
 - 4) Collect how much \$ per town is charged for street opening permit process.
 - 5) Determine which cities and towns require Dig Safe[®] notification required as part of permitting process. Collect by data by town and cite any applicable ordinances.

3. **Determine Costs and Other Impediments from Municipal Perspective** for involvement of towns and participation for New Hampshire Underground Damage Prevention Program
 - 1) Determine costs per town to do locates that they wouldn't ordinarily do
 - 2) Determine costs to town for joining and being a member
 - 3) Determine locates town is doing voluntarily even though not a Dig Safe Member
 - 4) Determine # of employees, department names that would perform this task
 - 5) Compare costs of those towns that are members to those estimated for non members

4. **Collect from PUC amount of civil penalties** assessed and collected for 2008, 2007, 2006

¹ Suggested Resources: contact the NH PUC for suggested resources for certain data elements..

Collect from PUC cost to utilities for locating and Underground Damage Prevention Program per employee, costs of field mark outs versus administrative costs (Collecting, informal conferences, attending Dig Safe Advisory meetings, internal meetings, etc.

- 1) Examine existing contracts for locators within State of New Hampshire
 - 2) Determine geographical proximity for response to intended excavations
 - 3) Contact other state Underground Damage Prevention Programs to see if similar impediments exist and what solutions were used
5. **Propose Solutions and at least 3 or 4 Funding Mechanisms** to offset municipal cost participation.
6. **Compile a Progress Report** every 2 weeks that shows accomplishments to date, data collected to date, preliminary findings, hours worked and cost breakdown incurred.
7. **Compile and Propose a Final Formal Report of Findings** including statistics, backgrounds by December 15, 2009.
- 1) Organize and lead a minimum of 3 meetings with PUC Staff plus Kickoff and Final Presentation
 - 2) Organize and lead meetings with the Local Government Center which acts as a the states largest municipal association
 - 3) Report should be structured, organized for incorporation as a reference document for any potential future legislative proposals

IV. TERMS OF AGREEMENT

In addition, the selected vendor(s) will take the following key process steps and produce the following required deliverables:

1. The consultant shall conduct a project initiation meeting with the Commission. The purpose of the meeting is to; review and refine the scope and task requirements, discuss data requirements, and clarify current data availability

V. KEY PROCESS STEPS

In addition, the selected vendor(s) will take the following key process steps and produce the following required deliverables:

2. The consultant shall conduct a project initiation meeting with the Commission. The purpose of the meeting is to:
 - a. Review and refine the scope and task requirements, discuss data requirements, and clarify current data availability and quality;

- b. Review and confirm the schedule for the project, including key milestone dates;
 - c. Review and adjust (as necessary) the project approach outlined in the proposal; and
 - d. Develop project management and communication protocols to ensure that the information needs of both the Commission and the Consultant are satisfied.
3. The consultant shall prepare and submit to the Commission a detailed memorandum documenting the results of the project initiation meeting. If modifications to the memorandum are needed the Commission will submit a request for modifications to the Consultant within (5) working days of receipt of the memorandum.
4. The consultant may modify the initial draft workplan after giving due consideration to Staff's comments, and must then submit a final draft work plan to Staff for approval. Approval of the work plan by Staff will authorize the consultant to execute the tasks as stated therein.
5. The consultant will provide regular briefings to Staff, as well as biweekly, written reports on the progress of the review, and identify discussion issues germane to the review's success.
6. The consultant will produce a draft report of its findings by November 15, 2009. This initial draft report must provide the results of the consultant's review and recommendations and should be in sufficient detail to support specific findings. The report will be reviewed by the Commission, who will provide comment for a Final Report.
7. The consultant will produce a Final Report of all findings by December 15, 2009. At that time, presentations on the report, both informal and formal, may be convened. To the extent such presentations are required; the contract will be amended to provide additional funding for such. However, the consultant(s) will be paid at the rate(s) agreed to in this contract.

VI. COMPONENTS OF THE PROPOSAL

The following is a list of the information to be provided. Proposals should respond to all areas listed below, in the order listed, and conclude with a separate section on cost.

1. **Technical Discussion and Proposed Approach.** Bidders are required to submit a proposed work plan, including a description of the techniques and procedures to be utilized, and timeframes in which key products will be delivered.
2. **Corporate/Company Information.** Bidders must provide the Commission with information concerning its corporate/company history; e.g., how many years in business, corporate officers or company principals, location of branch offices, professional and business association memberships, etc.

3. Personnel Assigned. Bidders must provide the Commission with a list of all personnel who might be assigned to this project, including the project manager (if applicable), and detailed resumes and summaries of each individual, reflecting their relevant experience, training, and the nature of their specific responsibilities. If possible, include a copy of previous analyses reports that the proposed project members worked on. During the course of the work, the Commission must approve any substitutions or changes in personnel assigned to perform the work.
4. References. Bidders must provide the Commission with a list of up to three references for work performed which is similar in scope or content to the one being proposed, preferably within the past 5 years.
5. Statement of Disclosure. Bidders must identify any existing or potential conflicts of interest, including those that arise as a result of relationships or affiliations with utilities. Contractor must disclose any criminal violations within the past 5 years by the bidder and its principals, including personnel who might be assigned to perform work on this project.
6. Detailed Budget Proposal. Bidders must provide the Commission with a detailed cost proposal that identifies the hourly rate for personnel and any associated expenses.

VII. CRITERIA FOR SELECTION

Cost is a major consideration but may not be the determining factor in the Commission's decision. In addition to cost, the Commission will consider the following criteria:

1. The qualifications, expertise, and availability of the proposed team assigned to the project, including expertise and experience pertinent to the services requested in Section III of this Request for Proposals. (25%)
2. Experience and qualifications in providing similar services in the North East as well as other states or regions and to other utility commissions or regulatory agencies. (20%)
3. Ability to perform all of the major disciplines necessary to perform the work and meet specified timeframes. (15%)
4. Cost of consulting services and expenses, including the competitiveness of the proposed hourly rates and any proposed discounts or other cost-effective benefits. Please note costs submitted shall not exceed \$35,000. (The Commission reserves the right to negotiate lower fees or a different fee structure than proposed, with any selected firms.) (0%)
5. Overall responsiveness to the requirements of the RFP, including completeness, clarity and quality of the proposal. (15%)

6. Potential conflicts of interest. (10%)
7. Any other considerations the Commission may deem appropriate in light of its objectives and review of proposals received. (15%)

VIII. GENERAL BID CONDITIONS

1. Bids must be typed. Original and 3 copies of the bid must be submitted, along with an electronic copy in .PDF format. Bids that are incomplete or unsigned will not be considered.
2. The deadline for submitting bids is 4:30 p.m. on August 21, 2009. Bids must be addressed to ChristiAne G. Mason, Director of Administration, New Hampshire Public Utilities Commission, 21 S. Fruit Street, Suite 10 Concord, NH 03301-2429 and via email ChristiAne.Mason@puc.nh.gov.
3. The Commission reserves the right to reject or accept any or all bids, to reject or accept all or any part of any bid, to determine what constitutes a conforming bid, to waive irregularities that it considers not material to the bid, to award the bid solely as it deems to be in the best interest of the State, to contract for any portion of the bids submitted and to contract with more than one bidder if necessary.
4. All information relating to this bid (including but not limited to fees, contracts, agreements and prices) are subject to the laws of the State of New Hampshire regarding public information.
5. Any contract awarded from this Request for Proposals will expire on December 31, 2009. The Commission at any time, in its sole discretion, may terminate the contract, or postpone or delay all or any part of the contract, upon written notice.
6. The selected vendor must agree to maintain confidential all information to which it has access until it is instructed otherwise by the Commission.

IX. CERTIFICATES

Bidders will be required to provide the following certificates prior to entering into a contract:

- | | | |
|----|--|---|
| 1. | Secretary of State’s Office
Certificate of Good Standing
(“CGS”) | Individuals contracting in their own name do not need a CGS. Business organizations and trade names need a CGS, except for nonresident nonprofit corporations |
| 2. | Certificate of Vote /Authority
(“CVA”) | Individuals contracting in their own name do not need a CVA. Business entities and trade names need a CVA. |

3. Certificate of Insurance

Certificate of Insurance demonstrating insurance coverage required under the contract specified in Exhibit C.

X. FORM OF CONTRACT

The terms and conditions set forth in Attachment 1 [Form P-37 \(v. 1/09\)](#) General Provisions Agreement are part of the proposal and will apply to any contract awarded the bidder. Any contract resulting from this bid proposal shall not be deemed effective until it is signed by the Commission.