

Federal Buildings Initiative Qualification Requirements

Important Note: Companies who wish to be qualified under the Federal Buildings Initiative (FBI) **and** who wish to bid on a project for which a Request for Proposal has already been issued or is about to be issued please note:

Natural Resources Canada (NRCan) will make every effort to assess your Request for Qualification in a timely fashion so that, if qualified, your company can be added to the Qualified Bidders List (QBL) before the closing date of the Request for Proposal that your company wishes to pursue. To assist us in this task, companies **MUST** comply with the following:

- ensure that your Request for Qualification is complete, as per Section 5 of this document. If materials are missing or incomplete, the assessment of your firm will be delayed.
- if your firm is qualified, return the Ally Fact Sheet which will come with your letter of confirmation as soon as possible. Your inclusion on the QBL will be dated from the issuance of the NRCan letter of confirmation.

In order to provide Natural Resources Canada with sufficient time to assess your Request for Qualification prior to the closing date of a Request for Proposal that your company wishes to pursue, your complete Request for Qualification **must be received at the address provided in Section 7.1 no later than twenty (20) working days before the closing date of the Request for Proposal.**

Table of Contents

1. Federal Buildings Initiative Program Description
2. Background
3. Definitions
4. Qualification Requirements
5. Evaluation Criteria
 - 5.1 Project Experience
 - 5.2 Contract Capability
 - 5.3 Engineering Design Experience
 - 5.4 Human Resources - Experience & Qualifications
 - 5.5 Project Management Approach
 - 5.6 Workers Compensation Certification
 - 5.7 Financial Capability
 - 5.8 Contract Duration
 - 5.9 Risk Management
 - 5.10 Partnership and Joint Ventures
 - 5.11 Dispute Settlement Approach
6. Services That May be Requested of Energy Service Companies Under the FBI Program
7. Receipt of Requests for Qualification
8. Incurring of Costs
9. Enquiries
10. Appendix A

1.0 Federal Buildings Initiative Program Description

1.1 The Federal Buildings Initiative (FBI) is a Natural Resources Canada (NRCan) initiative aimed at assisting federal custodian departments and agencies to improve the energy efficiency of their facilities. The FBI is also a key tool that helps departments achieve their Federal Sustainable Development Strategy targets which asks departments to make their operations, including energy use, more environmentally sustainable.

1.2 The FBI helps departments to use third party financing to implement energy efficiency improvements in federally owned and operated facilities across Canada. Under the FBI, Energy Service Companies (ESCOs) provide a full range of energy management services, including the financing of energy efficiency improvements. Under Energy Performance Contracts, Energy Service Companies are paid from the energy savings generated by the energy efficiency improvements.

2.0 Background

2.1 Federal departments and Crown corporations referred to as "the Client" in this document, wishing to undertake energy efficiency improvement projects in their facilities, will have access to the Qualified Bidders List (QBL).

2.2 The QBL is a list of ESCOs that have demonstrated their ability to undertake energy efficiency improvements, on the basis of information provided in their Requests for Qualification. Also through the QBL, firms indicate and demonstrate in which provinces and/or territories of Canada they are capable of undertaking energy efficiency improvements.

2.3 Natural Resources Canada (NRCan) is responsible for issuing the Qualification Requirements document and evaluating all Requests for Qualification. Public Works and Government Services Canada's (PWGSC) Policy, Risk, Integrity and Strategic Management Sector of Acquisitions Branch has been engaged by NRCan to provide assistance in evaluating the financial aspects of the Requests for Qualifications. The remaining qualifications, including the technical assessments, will be evaluated internally. The evaluation of requests is on-going.

2.4 Qualifying ESCOs are retained on the QBL for a two year period, subject to Sub-section 2.5 below, beginning from the time of qualification. ESCOs on the QBL will have an opportunity to re-qualify prior to the expiry of their Period of Qualification. Any fundamental change in company circumstances (e.g., merger, sale, etc.) requires that the submission be updated.

2.5 Under the FBI, any ESCO whose name appears on the QBL for the two (2) year period referred to in Sub-section 2.4 above, may be required to show that it continues to meet any or all of the mandatory evaluation criteria contained in Section 5 of this document. The name and references to any ESCO may be removed from the QBL if the ESCO is incapable or unwilling to verify that it continues to meet any or all of the aforementioned criteria.

2.6 Under the FBI, the Client will develop a Request For Proposal (RFP) to solicit proposals for specific energy efficiency improvements within its facility(ies). The Client will post the RFP on Buyandsell.gc.ca (the Government of Canada's procurement service) in order to receive bids from the ESCOs listed on the QBL and will manage the proposal review process. The Client will also be responsible for the evaluation of bids and award of contracts under the RFP that it issues.

2.7 The Client may enter into a contract with an ESCO to undertake an energy management service project involving one or more aspects including implementation of energy efficiency improvements, energy management services, energy management monitoring and training, control systems and fuel conversions. In all cases, the ESCO is required to demonstrate a capability in engineering design.

2.8 The contracting instrument that Clients will be using under the FBI is an Energy Performance Contract (EPC). The EPC provides a means of implementing energy efficiency improvements and reducing operating costs while minimizing the initial outlay and risks incurred by the Client. The ESCO bears the entire cost of making energy efficiency improvements. The Client will pay its new lower energy bill directly to the utility and the money saved from the energy efficiency improvements will be paid to the ESCO for a fixed period of years or until the ESCO's costs have been fully repaid.. Any incentives for which the energy efficiency improvements are eligible will be paid directly to the ESCO who will reduce the amount payable under the EPC by the amount of such incentives.

3.0 Definitions

3.1 "Energy Service Company (ESCO)" means a private sector party that provides a comprehensive package of professional and technical services, which includes, but is not limited to, the identification of energy saving measures, the analysis and design of energy management projects, the commissioning of projects, energy monitoring and operator training.

3.2 "Energy Performance Contract (EPC)" is an agreement for which an ESCO furnishes a comprehensive package of energy services to a Client. It is a customized, multi-year agreement, whereby the Client pays for the ESCO's Energy Services out of the energy savings generated by the improvements.

3.3 "Energy Services" include energy supply services, energy efficiency improvements, energy management services and energy management monitoring and training.

3.4 "Energy Supply" means the supply of oil, natural gas, any other hydrocarbon, electricity and water that provides energy to the Client

3.5 "Energy Management Services" means the management of energy efficiency improvements.

3.6 "Improvements" means energy efficiency improvements and may consist of the equipment, materials, machinery and systems to be installed in the facility(ies) and the services to be provided by the ESCO all of which are to result in energy savings to the Client.

3.7 "Period of Qualification" means the two-year period that a qualifying ESCO remains on the QBL. The two-year period begins from the time the ESCO qualifies for the QBL.

3.8 "Utility" means the supplier of electricity, gas, oil, water, steam, coal or other fuel or substance that provides energy to the Client.

4.0 Qualification Requirements

4.1 ESCOs are invited to submit Requests for Qualification, to the address detailed hereunder. The Request must contain sufficient details to enable a complete evaluation of the proposal and, as a minimum, must address each of the evaluation criteria stated below. The Request should be submitted on letter-sized 21.5cm x 28cm (8-1/2" x 11") paper or on an encrypted USB key and items should be numbered to correspond with the evaluation criteria.

4.2 ESCOs should clearly indicate, using [Appendix A](#), the provinces and/or territories for which they wish to qualify. To be eligible to undertake Energy Performance Contracts in the provinces and territories that are indicated in submissions to the FBI, ESCOs are required to meet criterion 5.4.3 as well as other related criteria.

4.3 ESCOs should also identify, using [Appendix A](#), their areas of expertise. To be eligible to undertake Energy Performance Contracts in the areas of expertise indicated in submissions to the FBI, ESCOs are required to meet criterion 5.3 as well as other related criteria.

4.4 ESCOs will be evaluated on their demonstrated ability to meet the stated criteria. It is essential that ESCOs state, in a clear and concise manner, complete information for each of the evaluation criteria outlined in Section 5.

4.5 Organizations that apply to the QBL which are joint ventures between smaller organizations and which have a limited number of participants and organizations that can perform an important share of the energy services requirement (including design) under the FBI using in-house human resources can apply. These joint ventures, which pool resources and finances, must demonstrate that they meet all the criteria in this document in order to qualify.

5.0 Evaluation Criteria

Failure to provide the required information where the qualifying "must" is used, will be rated non-responsive.

ESCOs are advised that only complete submissions will be evaluated. ESCOs lacking information of any kind are requested to postpone their submission and make a complete submission once all necessary information becomes available. An ESCO that does not qualify and wishes to resubmit, must resubmit its entire submission and not just the missing information.

The following criteria will be used for the purpose of evaluating Requests for Qualification.

5.1 Project Experience:

The ESCO must:

5.1.1 have completed at least three (3) energy improvement projects using an energy performance contract concept and provide details on three (3) recently completed energy improvement projects, including the clients' name and address, the client contact's name and telephone number, the dates of the project's initiation and completion and the list of the upgrades made.

The ESCO should:

5.1.2 provide information on three (3) recent energy improvement projects using the energy performance contract concept with comparison between estimated and actual annual energy and operating savings, value and term of contract. Also to be provided are total project costs and the different sources and amounts of financing.

5.2 Contract Capability:

ESCOs are required to have the full financial capability that is necessary for the provision of Energy Management Services or to obtain this capability through a financial institution. An ESCO's operating line of credit based on receivables cannot be used to demonstrate financial capacity to perform an Energy Performance Contract. Financial capacity must be demonstrated by recent financial performance, by a strong working capital position, and by demonstrated access to multi-year financing sources.

The ESCO must:

5.2.1 provide details on its maximum capability to engage in energy performance contracts, that is, the maximum annual dollar volume it can finance and the total financial capacity of the ESCO; and

5.2.2 submit a letter from the ESCO's financial institution or other financing sources indicating the maximum level of financing available to the ESCO for the purpose of the FBI (lease-financing is not acceptable under the FBI).

5.3 Engineering Design Experience:

The ESCO must:

5.3.1 provide details, for **all energy management service packages identified in [Appendix A](#)** (at the end of this document), that clearly demonstrate the types of energy improvements that the ESCO is capable of designing and installing;

5.3.2 provide details that clearly demonstrate past experience in the design engineering of energy efficiency improvements;

5.3.3 provide details that clearly demonstrate experience in project management and the commissioning of energy improvements; and

The ESCO should:

5.3.4 provide details on past experience in energy audits, energy analyses and feasibility studies, energy monitoring, energy system maintenance and repair, and the training of building managers and operators.

5.4 Human Resources - Experience & Qualifications:

The ESCO must:

5.4.1 demonstrate that it has personnel with at least two (2) years of experience in managing the design implementation of energy improvements;

5.4.2 provide names and qualifications of key personnel **supported by detailed résumés** demonstrating relevant project experience. The ESCO should also identify the employment status of the individual, e.g., full-time employee, partner, part-time, etc.; and

5.4.3 demonstrate, for **each province and/or territory** identified in [Appendix A](#), that the ESCO has professional engineers available who are qualified to practice in that province and/or territory and who are able to take responsibility for project evaluation, design and implementation.

The ESCO should also demonstrate that it:

5.4.4 can select and implement energy monitoring system(s);

5.4.5 can provide training for client personnel on new and modified systems installed, including energy monitoring system(s); and

5.4.6 can undertake energy improvement projects that comply with all applicable federal and provincial health and safety laws.

5.5 Project Management Approach:

The ESCO must:

5.5.1 clearly state if some aspects of the Improvements are to be sub-contracted and/or delivered by a partner management firm and indicate how the Improvements are to be managed at the project level.

5.6 Workers Compensation Certification:

The ESCO should:

5.6.1 demonstrate that it is in good standing with the Board or Commission that handles workers' compensation claims in at least one of the provinces or territories in which it intends to provide energy management services.

5.7 Financial Capability:

The ESCO must have the necessary financial capacity to complete energy performance contracts. The ESCO must provide, for the legal entity that will enter into the Energy Performance Contract, the following:

5.7.1 Audited financial statements, or if those are not available, then unaudited financial statements (prepared by an external accounting firm, where applicable, or by an internal agent if no financial statements were prepared by a third party) for the past three fiscal years, or if the company is in operation for less than three years, then for the entire time period in question (including as a minimum, the Balance Sheet, the Statement of Retained Earnings, the Income Statement and any notes to the statements);

5.7.2 A signed certificate from the Chief Financial Officer (CFO) or an authorized signing officer of the company stipulating that the financial information provided is complete and accurate;

5.7.3 Year-to-date financial statements of the applicant company for the current fiscal year with comparative in-house statements for the same period of the previous year, prepared by either the CFO or another in-house financial officer, if the date of the financial statements in 5.7.1 is more than five months before the date of the request for information.

5.7.4 A parental guarantee signed by the parent company, if requested by NRCan.

Additional information: NRCan reserves the right to request from the company any other information that NRCan requires to conduct a complete financial capability assessment of the company.

5.8 Contract Duration:

The ESCO should indicate:

5.8.1 the acceptable contract duration (period of time) for which it is willing to enter into an Energy Performance Contract.

5.9 Risk Management:

The ESCO should provide:

5.9.1 evidence that it carries adequate insurance coverage with respect to comprehensive general liability and errors and omissions; and

5.9.2 evidence that it can comply with bonding requirements, should this be a requirement (some departments require bonding for security reasons).

5.10 Partnership and Joint Ventures:

The ESCO must provide:

5.10.1 information and identify where legal responsibility will rest if partnerships and joint ventures are created when undertaking work under the FBI; and

5.10.2 a list of each affiliated, parent or subsidiary company that either in its own name or through a partnership or joint venture is:

- qualified for the QBL; and/or
- part of another recent Request for Qualification (RFQ) submission.

5.10.3 a biographical summary for the applicant company and/or related companies or group of companies.

5.10.4 a corporate tree for the applicant company and/or related companies or group of companies with a breakdown of inter-company relationships and individual corporate and shareholder ownership.

5.11 Dispute Settlement Approach:

The ESCO must confirm:

5.11.1 that it will assume responsibility for resolution of all engineering, subcontractor and/or supplier disputes.

Confidentiality: If the ESCO provides the information required above (5.2; 5.7 and 5.10) to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as permitted by the *Access to Information Act*, R.S., 1985, c. A-1, Section 20(1) (b) and (c).

6.0 Services That May be Requested of ESCOs Under the FBI Program

(This is not intended to be an exhaustive list. In addition to one or more of the services presented below, it is possible that the Client may request other services in an RFP.)

6.1 To review existing energy audit reports of the Client's facility(ies); to conduct a detailed energy audit and feasibility study of the existing facility(ies), physical plant, systems and equipment; to assess the potential reduction in energy consumption and energy demand; and to develop a plan for energy efficiency improvements related to lighting, motors, heating, ventilation and air conditioning, envelope improvements, cogeneration, control systems and/or fuel conversions.

6.2 To prepare financial and technical proposals that will enable the Client and the ESCO to clearly understand the energy efficiency improvements being recommended, the total cost of the improvements, the breakdown by cost of engineering services, acquisition and installation of equipment, the source and reliability of projected savings, the building manager and operator training requirements, monitoring, the contract term, how project price or cost is determined, and all services to be offered.

6.3 To procure 100% of required project financing, and provide a written statement about the source of project financing, interest rates, term, payment flexibility, and an explicit description of the associated obligations of the Client.

6.4 To assess energy bills for the facility(ies) over a set period immediately prior to the signing of the Energy Performance Contract to determine the appropriate unadjusted energy consumption and energy demand baselines.

6.5 To design, engineer, acquire, install and commission all equipment and systems necessary for the energy efficiency improvements with complete responsibility as would be assumed by a general contractor including, but not limited to:

6.5.1 verification of the subcontractor's qualifications and expertise and providing assurance that the subcontractor meet the necessary requirements as established under specific utilities' Energy Management Programs;

6.5.2 preparation of tender documents and presentation to potential subcontractors, in order to obtain pricing with respect to implementation of the Improvements in the facility(ies); and

6.5.3 awarding of contracts to the subcontractor that will implement the Improvements in the facility(ies).

6.6 To select and implement an energy monitoring system that will be appropriate to ensure that energy savings can be accurately measured against expectations; and to provide the necessary training and advice to facility(ies) personnel so that they can reasonably comprehend and validate monthly energy savings reports.

6.7 To report monthly to the Client on the performance of the energy efficiency improvements, energy and operating cost savings, variances, and applicable corrective actions.

6.8 To identify training requirements and to provide and/or arrange for training of facility(ies) managers and operating staff on new and modified systems installed, so as to ensure permanence of energy savings beyond the term of the Energy Performance Service Contract; and to review and update existing operating manuals, drawings and other written instructions for new equipment and systems.

6.9 To provide information manuals on preventive maintenance procedures, requirements, inspection and repair programs for all new equipment and systems and all affected existing equipment and systems.

6.10 To maintain all new and existing Improvements installed and systems affected by the Improvements during the contract term (to be determined by the Client).

6.11 To establish and implement a quality assurance program in accordance with specific utility energy management programs for inspection and verification of work and to report to the Utility and the Client.

6.12 To provide support to the Client in its task of providing information to employees to inform them of the benefits of energy efficiency improvements and their effects on the workplace.

6.13 To obtain and administer all rebates, incentives, grants and any other financial and non-financial benefits available from utilities and other sources.

7.0 Receipt of Request for Qualification

7.1 Requests for qualification (RFQ) (1 copy only) are to be submitted to the following address:

Jean-Patrick Burafuta
Senior Officer
Federal Buildings Initiative
Office of Energy Efficiency
Natural Resources Canada
580 Booth Street, 18 D5-2
Ottawa, Ontario K1A 0E4
Tel.: 613-947-2083
E-mail: Jean-Patrick.Burafuta@NRCan-RNCan.gc.ca

7.2 All requests for Qualification will be evaluated on an on-going basis.

7.3 Facsimile/telegraphic/email and/or diskette responses will not be accepted. The RFQ can be sent on an encrypted USB key to the address above.

8.0 Incurring of Costs

8.1 No payment will be made to any ESCO for costs incurred in the preparation and submission of a Request for Qualification.

9.0 Enquiries

9.1 All enquiries and other communications related to this document should be directed to

Chief, Federal Buildings Initiative
Office of Energy Efficiency
Natural Resources Canada
580 Booth Street, 18 D4-3
Ottawa, Ontario K1A 0E4
E-mail: fbi@nrca.gc.ca

Appendix A

ESCO Name: _____

1.0 Please indicate if your organization wishes to be considered for work in:

All Canadian provinces and territories

OR,

For work only in **(tick as many as apply)**:

British Columbia	Québec	
Alberta	New Brunswick	
Saskatchewan	Nova Scotia	
Manitoba	Prince Edward Island	
Ontario	Newfoundland	
Yukon	Northwest Territories	
Nunavut		

2.0 Please indicate if your organization wishes to be considered for:

Full energy management service packages which could include a combination of engineering design, heating, ventilation and air conditioning, lighting, motors, envelope improvements, retrofits, control systems and cogeneration projects:	
--	--

OR,

Engineering Design and the following single system packages **(tick as many as apply)**:

Lighting	
Motors	
Heating, ventilation and air conditioning	
Envelope improvements	
Cogeneration project	
Retrofits	
Control systems	
Fuel conversions (specify gas, oil, electricity)	
Other (specify)	