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AN EXELON COMPANY

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VIA ELECTRONIC FILING

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Energy Efficiency and Conservation Program
Docket No. M-2025-3052826

Dear Secretary Homsher:

Pursuant to the Commission's June 18, 2025, Implementation Order in the above-referenced docket, enclosed for filing and Commission approval is PECO Energy Company's proposed Phase V conservation service provider ("CSP") request for proposals ("RFP") process. The proposed Phase V CSP RFP process incorporates the competitive bidding criteria established in the Implementation Order.

If you have any questions regarding this filing, please do not hesitate to contact me at 267.533.1999.

Very truly yours,

Jack R. Garfinkle

Enclosures

PECO ENERGY COMPANY

PROCEDURE FOR AWARDING CONTRACTS TO
ACT 129 PHASE V CONSERVATION SERVICE PROVIDERS

Effective Date: TBD

PECO ENERGY COMPANY CONSERVATION SERVICE PROVIDERS COMPETITIVE
BIDDING PROCESS

1. PECO Energy Company (PECO or the Company) shall follow all requirements of Pennsylvania Act 129 of 2008, the Pennsylvania Public Utility Commission's (PUC or Commission) Act 129 Implementation Order for the applicable Energy Efficiency & Conservation (EE&C) Phase, and the PUC's Conservation Service Provider (CSP) Implementation Order for the applicable EE&C Phase. The Company will contract with one or more CSPs to implement all or part of the EE&C Plan as approved by the Commission. Specific requirements of the CSP selection process will include, but are not limited to:
 - a. Request for proposals (RFP) will be issued to all registered CSPs qualified to perform the scope of work currently registered on the Act 129 CSP register posted on the PUC's website.
 - b. The RFP will encourage participation in the RFP by disadvantaged businesses (i.e., minority-owned, women-owned, persons-with-disability-owned, small companies, companies located in Enterprise Zones, and similar entities) consistent with the Commission's Policy Statements at 52 Pa. Code §§ 69.804, 69.807 and 69.808.
 - c. Any CSP that is affiliated with any Pennsylvania Electric Distribution Company (EDC) will not be considered.
 - d. The Company will select the best overall proposal by comparing all competing proposals along the following criteria
 - i. Quality of prior performance;
 - ii. Timeliness of performance;
 - iii. Quality of the proposed work plan or approach;
 - iv. Knowledge, background and experience of the personnel to be utilized;
 - v. Proposed plan to coordinate with other program administrators in the Commonwealth and leverage external funding sources; and
 - vi. Costs, Customer Experience, Safety Protocols and other factors as deemed relevant
2. Executing Sourcing Event to solicit CSP Bids
 - a. PECO will establish a cross functional CSP proposal review and selection team for each RFP. The CSP proposal review and selection team will develop the scope of work, business requirements, and RFP timeline which includes the following as necessary:
 - i. RFP issue date
 - ii. Bidder question and answer session date
 - iii. Response date and time
 - iv. Date of award decision
 - v. Submit the executed agreement for PUC approval and upon approval begin contract work

- b. PECO will issue the RFP via an Exelon e-sourcing tool and conduct a competitive bidding process in accordance with the applicable PUC Act 129 Implementation Order, and consistent with the process described in Section 1 of this document.
- c. The RFP will include, but will not be limited to the following:
 - i. Scope of work. This includes the work to be performed by the CSP, contract duration, technical and administrative requirements, regulatory and PUC requirements, performance standards including adherence to the Plan, customer satisfaction and quality assurance, requirements for program performance monitoring and tracking, and compensation structure including incentives and penalties.
 - ii. Bidding instructions and procedures. This includes RFP schedule, instructions for submitting the bid and sending questions, information required to be provided with the bid, terms and conditions of submission, pricing structure and breakdown, minimum qualifications and an information request regarding affiliations with any Pennsylvania EDC.
 - iii. Terms and Conditions. This includes legal terms and conditions such as compliance, indemnification, insurance, warranties, contract dispute resolution process, invoicing and payment terms, insurance, criminal and background checks, customer privacy requirements, non-compliance, termination and suspension, contract modification, and disclosure of conflicts of interest.

3. Bidder Evaluation and Selection

- a. Only the proposals received in response to the RFP by the established deadline will be considered.
- b. The CSP selection team will develop weighted evaluation criteria using the Exelon Supply Bid Evaluation Guideline modified to capture Act 129 EE&C program specific considerations. Among other things, bids will be evaluated depending on the magnitude of the value of the contract, the amount of customer interaction and the criticality of safety measures. The selected evaluation criteria will consider items identified in section 1(d) of this document. Examples of such criteria and weighting factors are provided below.

Evaluation Criteria	Assigned Weighting	Description
Technical	60%	Overall alignment with Act 129 requirements, strength and feasibility of the CSP’s proposed implementation plan to meet PECO’s objectives, CSP’s proposed plan to coordinate with other program administrators within the Commonwealth, and the demonstrated experience and capabilities of the CSP to deliver savings under the proposed plan
Pricing	30%	Alignment with Act 129 budgetary requirements and overall value of the proposed solution
Risk	5%	Compliance with PECO’s Terms and Conditions, historical CSP performance, and CSP financial health
Safety	5%	CSP employees and subcontracts must implement all PECO projects in accordance with a PECO approved safety manual

The CSP selection team will evaluate bidder proposals and invite selected bidders for a meeting. After the meeting with the selected bidders, the CSP selection team will reevaluate and make a recommendation based upon the established criteria in a Bidders' Evaluation Matrix.

4 Negotiation and Contract Award/Execution

- a. Exelon Supply team will finalize contract negotiations with the proposed CSP(s).
- b. The contract award is communicated to the winning CSP by Exelon Supply and the contract will be executed, however, the contract will become effective only upon approval by the Commission. Exelon Supply will notify unsuccessful bidders.
- c. PECO will file all proposed CSP contracts with the Commission and relevant attachments for review and approval.