September 10, 2008

REQUEST FOR PROPOSALS

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION BID PROPOSAL

TO ASSIST COMMISSION STAFF IN DETERMINING
AN APPROPRIATE BAD DEBT PERCENTAGE
FOR A NEW HAMPSHIRE GAS UTILITY

Dear Prospective Bidder:

The New Hampshire Public Utilities Commission (Commission) is seeking proposals from qualified firms and individuals to provide consulting services relating to the collections processes and performance utility companies.

Pertinent dates and information are as follows:

1. Proposals must be received at the Commission prior to 4:30 pm on October 3, 2008. Proposals should be submitted to:

   Amanda Noonan
   Consumer Affairs Director
   New Hampshire Public Utilities Commission
   21 S. Fruit St., Suite 10
   Concord, New Hampshire 03301
   Tel: (603) 271-1164    Fax: (603) 271-3878
   amanda.noonan@puc.nh.gov

2. Bidders may submit written inquiries about this RFP to Amanda Noonan no later than September 24, 2008. The inquiries must be in writing and delivered by e-mail to amanda.noonan@puc.nh.gov. Inquiries and their responses shall be posted on the Commission’s website no later than September 26, 2008.

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 bidder responses to this bid proposal.

5. Contracts are awarded upon approval by the Commission.
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, rulemakings and consumer complaints.

The work contemplated by this RFP was the subject of a prior Commission proceeding, DG 07-050. Pertinent documents from DG 07-050, including testimony, settlement documents and Commission orders, are available on the Commission’s website www.puc.nh.gov.

II. SCOPE OF WORK

The Commission is seeking a consultant to recommend an appropriate bad debt percentage for EnergyNorth Natural Gas, Inc. that reflects the company's particular circumstances. The consultant chosen to perform this work will review and evaluate EnergyNorth’s collections processes and performance relative to other similarly situated utilities, considering service area characteristics as appropriate. The purpose of the consultant’s work is to aid the Commission Staff in recommending an appropriate bad debt percentage to be used in Energy North’s pending base rate case, DG 08-009, and in determining how EnergyNorth’s collections processes and performance compare to those of other utilities.

The consultant’s report and recommended bad debt percentage would be due December 31, 2008. Testimony on behalf of Staff in DG 08-009 may also be required.

III. COMPONENTS OF THE PROPOSAL

The proposal submitted must have the following major sections:

A. Corporate/Company Information. Provide information concerning its corporate/company/expert history; i.e., how many years in business, corporate officers or company principals, location of branch offices, professional and business association memberships, etc.

B. Personnel Information. Provide a resume for all staff working on the project.

C. Technical Plan and Approach. Contractor must describe its approach to the performance of the work described herein in its Technical Plan. The Contractor must include in its Technical Plan a statement confirming that it can meet all the
requirements of the work described in this Request for Proposals. If Contractor cannot meet all of the requirements, then it must identify which requirement it cannot meet and provide an explanation why.

D. References. Contractor must provide the name, address and telephone number of at least three references for work performed which is similar in scope or content to that being proposed.

E. Detailed Budget Proposal. Contractor must provide a detailed cost proposal identifying the cost associated with each component of the technical plan and including an hourly rate for personnel.

IV. CRITERIA FOR SELECTION

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

A. The knowledge of and practical experience that bidder possesses, including that of the experts and any subcontractors assigned to the project.

B. Quality and extent of the bidder’s experience and expertise in collection practices, specifically utility collection practices, and with the conduct of management audits.

C. Experience and qualifications in providing similar services.

D. Availability and accessibility of experts assigned to the project.

F. Overall responsiveness to the requirement of the RFP, including completeness, clarity and quality of the proposal.

G. Interviews, if performed.

V. GENERAL BID CONDITIONS

A. Bidders may submit inquiries regarding this RFP as outlined above no later than Wednesday, September 24, 2008. The inquiries must be in writing and delivered by e-mail to amanda.noonan@puc.nh.gov.

B. The inquiries and responses to the inquiries shall be posted on the Commission’s website by September 26, 2008.

C. Bids must be typed. An 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.

D. The deadline for submitting bids is 4:00 p.m. on October 3, 2008. Bids must be addressed to Amanda Noonan, Consumer Affairs Director, New Hampshire Public Utilities Commission, 21 S. Fruit St., Suite 10, Concord, NH 03301-2429 and via email to amanda.noonan@puc.nh.gov.

E. 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.

F. All information relating to this bid and any resulting order (including but not limited to fees, contracts, agreements and prices) are subject to the laws of the State of New Hampshire regarding public information.

VI. CERTIFICATES

A. Bidders will be required to provide the following certificates prior to entering into a contract:
   - Certificate of Incorporation (if applicable)
   - Certificate of Good Standing authenticated by the New Hampshire Secretary of State

B. Once a contract has been executed by the bidder, a certificate demonstrating the signatory’s authority to sign the contract and to bind the contracting entity to the contract must be submitted.

VII. FORM OF CONTRACT

The terms and conditions set forth in Attachment 1 (General Provisions Agreement) are part of the proposal and will apply to any contract awarded the bidder.

When responding to this Request for Proposals, please note that the terms and conditions of Paragraph 14, INSURANCE AND BOND, of the General Provisions Agreement, are hereby waived. However, bidders are encouraged to disclose insurance coverage so that the NHPUC may consider the bidders’ potential liability in awarding the contract.
ATTACHMENT 1

2. EMPLOYMENT OF CONTRACTOR: SERVICES TO BE PERFORMED. The State of New Hampshire ("the State"), engages contractor identified in block 1.3 ("the Contractor") to perform, and the Contractor hereby agrees, to perform, that work or sale of goods, or both, identified and more particularly described in EXHIBIT A hereto ("the Services").

3. EFFECTIVE DATE; COMPLETION OF SERVICES. The Contractor’s employment, and the work, or sale of goods, or both, to be performed hereunder, shall be effective the date hereof, and shall continue until the completion of the Services, as hereinafter provided.

4. CONTRACT PRICE; LIMITATION ON PRICE: PAYMENT.

4.1. The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B hereto.

4.2. The payment by the State of the contract price shall be the only, and the complete, consideration for the Services hereunder, and shall be the only and the complete compensation for the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

4.3. The State reserves the right to offset from any amounts otherwise payable to the Contractor under this agreement, any amounts that have not been timely remedied.

5. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS: EQUAL OPPORTUNITY.

5.1. In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and rules, local, state, or federal, and with all authorities which impose any obligation or duty upon the Contractor, including, but not limited to civil rights and equal opportunity laws.

6. PERSONNEL.

6.1. The services of the Services shall be carried out by employees of the Contractor. The Contractor shall at its own expense, provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services and shall be the only and the other authorized to do so under all applicable laws.

6.2. The Contractor shall, and the Contractor has no subcontractor or other person, firm or corporation with whom it is engaged, in a combined effort to perform the Services, to have any, and/or any other relationship, with the State, or with a State office or employee, elected or appointed.

6.3. The Contractor, the Contractor’s principal, or any person, its authorized subcontracts or assignees, and all contractors, and all subcontractors or assignees, and all employees of the Contractor, the Contractor’s subcontractors, or assignees, shall at their sole expense, obtain and maintain in force, and comply with all the provisions of this agreement, the obligations of the contractor.

7. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding anything in this agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of funds available, if and when, shall have the right to terminate this agreement immediately upon giving the Contractor notice of such termination.

8. EVENT OF DEFAULT; REMEDIES.

8.1. Any one or more of the events or omissions of the Contractor shall constitute and event of default hereunder (Events of Default). The following shall be considered Event of Default:

8.1.1. failure to perform the Services satisfactorily or on schedule;

8.1.2. failure to submit any report required hereunder;

8.1.3. failure to perform any other covenants, conditions, or agreements of this agreement.

8.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1. give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this agreement, effective the 2 (two) (days) after giving the Contractor notice of such termination.

8.2.2. give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this agreement and ordering that the portion of the Contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall not be paid to the Contractor.

8.2.3. set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default, and

8.2.4. treat the agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA ACCESS; CONFIDENTIALITY; PRESERVATION.

9.1. As used in this agreement, the word "data", means all information and things developed or obtained during the performance of, or acquired or developed by reason of, this agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recording, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memorandums, papers, and documents, all whether finished or unfinished.

9.2. On and after the Effective Date, all data, and any property which has been received from the State or purchased with funds provided for that purpose under this agreement shall be the property of the Contractor, and the Contractor shall transfer all such data, documents, and property to the Contractor, and the Contractor shall comply with all the provisions of Executive order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State, the United States, or any designated representative of either, to have access to any of the Contractor’s books, records and accounts for the complete ascertainment of compliance with the aforesaid rules, regulations and orders, and the covenants and conditions of this agreement.

10. CONTRACTOR’S RELATION TO THE STATE.

10.1. The Contractor shall, at its sole expense, obtain and maintain in force, and comply with all the provisions of this agreement, the obligations of the contractor.

11. CONTRACTOR’S RELATION TO THE STATE.

11.1. The Contractor shall comply with all the provisions of Executive order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State, the United States, or any designated representative of either, to have access to any of the Contractor’s books, records and accounts for the complete ascertainment of compliance with the aforesaid rules, regulations and orders, and the covenants and conditions of this agreement.

12. PERSONNEL.

12.1. In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and rules, local, state, or federal, and with all authorities which impose any obligation or duty upon the Contractor, including, but not limited to civil rights and equal opportunity laws.

13. ASSIGNMENT, DELEGATION AND SUBCONTRACTS.

13.1. The Contractor shall not assign, or otherwise transfer any interest in this agreement without the prior written consent of the State.

14. INDEMNIFICATION.

14.1. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, by or on behalf of any person, company, or entity, or from any claim asserted against the State, its officers and employees, by or on behalf of any person, company, or entity, or from any claim asserted against the Contractor, its officers and employees, or against any person, company, or entity, or from any claim asserted against the Contractor, its officers and employees, or against any person, company, or entity.

15. WAVE BRIDGES.

15.1. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of is rights with regard to that Event of Default and any other Event of Default, if any, and any failure by the State to exercise or enforce any rights by the State shall not constitute a waiver of rights.

16. NOTICE.

16.1. Any notice by a party hereunto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, return receipt requested, at the address above, or at such other place as each party shall designate by like notice.

17. AMENDMENT.

17.1. This agreement may be amended, waived or discharged only by written instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire.

18. CONSTRUCTION OF AGREEMENT AND TERMS.

18.1. This agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon, and inures to the benefit of the parties and their respective successors and assigns.

19. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this agreement shall not be construed to confer any such benefit.

20. ENTIRE AGREEMENT.

20.1. This agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.