The City of SAN DIEGO
Purchasing & Contracting Department
Public Works Division

August 4, 2023

VIA EMAIL

[redacted]

Dear Shortlisted Vendors in Category 1, ESCOs:

The City of San Diego is seeking qualified Energy Service Companies (ESCOs) to assist us in achieving our ambitious energy and sustainability goals. Per the 2022 Climate Action Plan (CAP) and Municipal Energy Implementation Plan (MEIP), we aim to completely electrify and decarbonize municipal facilities by 2035 while simultaneously realizing energy and cost savings, and an increase in onsite generation and resiliency. We are committed to adopting innovative solutions and hope we can achieve decarbonization via a single, comprehensive retrofit at each facility rather than touching any one building multiple times between now and 2035. We are interested in identifying and working with ESCOs that are willing to partner with us in assessing and implementing this ambitious plan and help us bridge any gaps in achieving our decarbonization goals.

While neither Article 2, Division 30 of the San Diego Municipal Code (SDMC) nor California Government Code 4217.10-.18 requires this next competitive step in the process in order to execute cost effective energy conservation contracts at municipal facilities, the City of San Diego (City) desires to extend the competitive opportunity. The City also realizes that its framework is likely more demanding than that under which your reference projects were developed due to its emphasis on carbon emission reduction, and requests that you further define how you would address the zero emissions municipal buildings challenge in this Request for Information (RFI).

RFI Instructions

We invite all short-listed ESCOs to submit a response to this RFI no later than **August 31, 2023. Please update and revise the enclosed facility audits to reflect our current decarbonization goals, and propose a scope of work, funding mix and contracting mechanism that adheres to the SDMC and CA statutes governing Energy Conservation Contracts.** Approximately one week after we receive your response to the RFI response we will hold a 45-minute interview with your team to discuss your approach and provide time for questions and answers. Please send your response via email to Stephen Samara at ssamara@sandiego.gov, in PDF format. If you have any questions or require clarifications, please contact Arwa Sayed at asayed@sandiego.gov . We realize more information could be useful, but we ask that you please do your best to identify and propose an innovative solution using the information provided.

Key Information Enclosed

1. Existing Facility Audits: Below are links to facility audits and data worksheets prepared in 2018-2019. These audits represent the typical characteristics and conditions of existing municipal facilities that will be included in our initial portfolio to be considered for Energy Savings Performance Contracts (ESPCs).

   Police Station Northwestern:
   [redacted]

   Logan Heights Library:
   [redacted]

   Carmel Valley Recreation Center and Pool:
   [redacted]

   Combined ESCO RFI Facilities:
   [redacted]

2. Updates since 2019: Our energy goals have evolved since 2019. We have introduced the Zero Emissions Municipal Buildings Policy (ZEMBOP), with the aim of removing/reducing 100% of GHG emissions from our facilities by 2035. Please note that Renewable Natural Gas is not available for our purpose, and we currently procure 100% renewable electricity through San Diego Community Power and limited onsite renewable generation.

3. Impact on Facilities: ZEMBOP will affect most facilities in the ESPC portfolio. Specific measures triggered by ZEMBOP may have extended payback periods, necessitating creative funding, financing, rebates, incentives, or other solutions. Energy measures required by ZEMBOP can be identified using the ZEMBOP checklist.

4. Scope and Compliance: We require the audits to be revised and updated based on our current Climate Action Plan (CAP), Municipal Energy Implementation Plan (MEIP), and ZEMBOP requirements. We expect the recommended scope of energy conservation and/or generation measures to comply with California Government Code Section 4217.10-4217.18. We are particularly interested in solutions that can help us achieve our 2035 decarbonization goal most cost-effectively.

5. Funding and Financing: Please consider funding availability, financing options, tax credits, incentives, rebates, and any required City capital in your proposed solutions. Innovative financial strategies that align with our budget and sustainability objectives are highly encouraged.

We appreciate your interest in helping us achieve our sustainability goals and look forward to receiving your comprehensive responses.

Sincerely,

Stephen Samara
Principal Contract Specialist

cc: Claudia Abarca, Director, Purchasing & Contracting Department
Berric Doringo, Deputy Director, Purchasing & Contracting Department
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