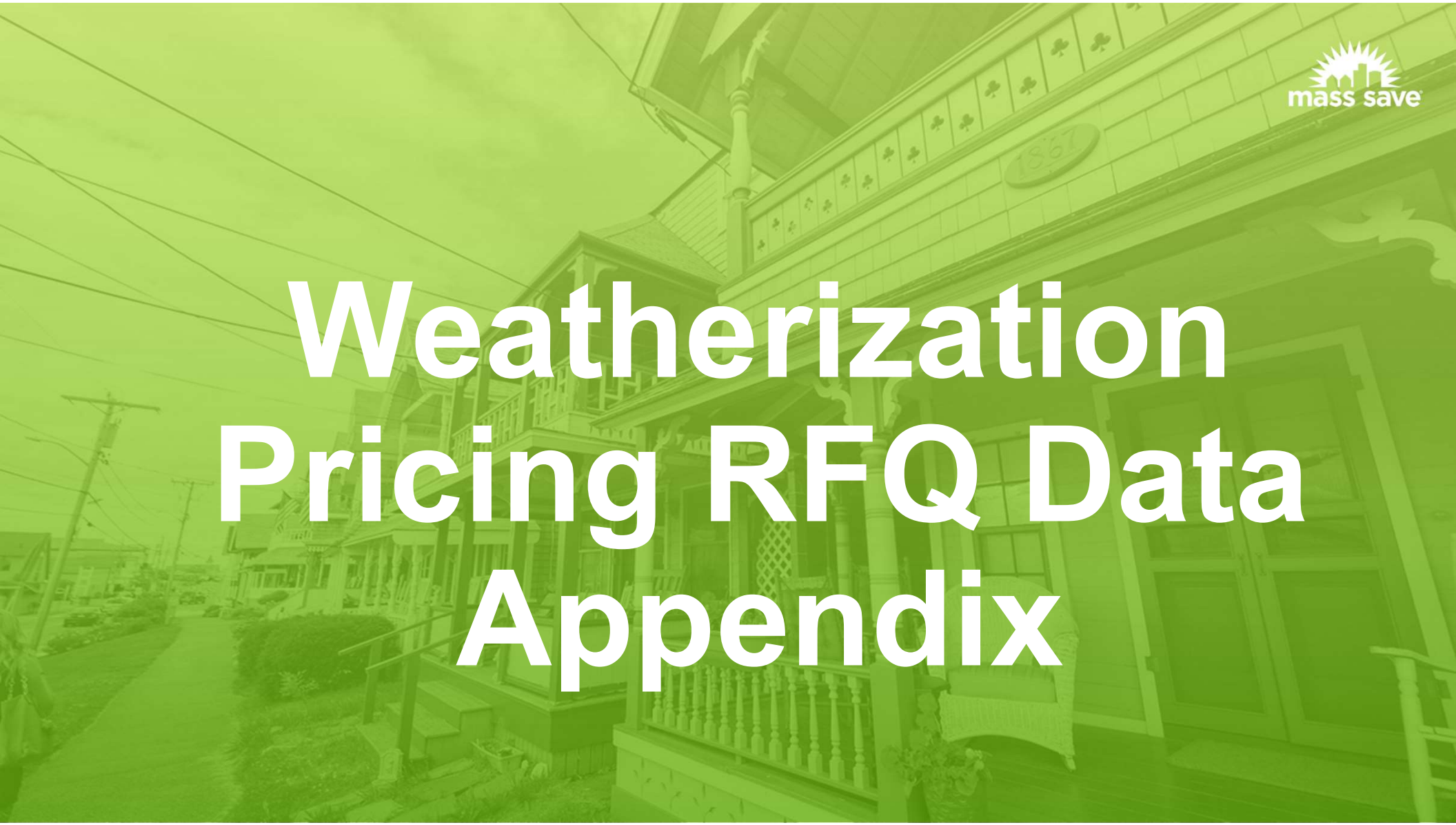


Weatherization Pricing RFQ Data Appendix

Review of Price Setting Bids

- Price setting bids were representative of the overall contractor community across multiple indicators.
- Price setting bids were submitted by primarily experienced, small and medium size contractors with high quality rankings and coverage across the state.
- The workbook provided along with this deck provides an overview of contractor demographics for price setting bids on every measure

Goals for RFQ Process

Preserve what's currently working	Build on historical practices
• Position LVs and HPCs to be able to provide fixed, certain pricing to interested customers • Provide sufficiently compelling economics to participating customers to sustain demand for residential weatherization services • Ensure sufficient contractor margin to enable contractor capacity necessary to meet program goals • Maintain consistency of customer experience across lead vendor and HPC driven pathways, while recognizing differences in business models	• Establish a structured, repeatable process to incorporate market input into weatherization pricing • Demonstrate ongoing adherence to directives around use of competitive procurements, stewardship of customer money

History of WX Pricing

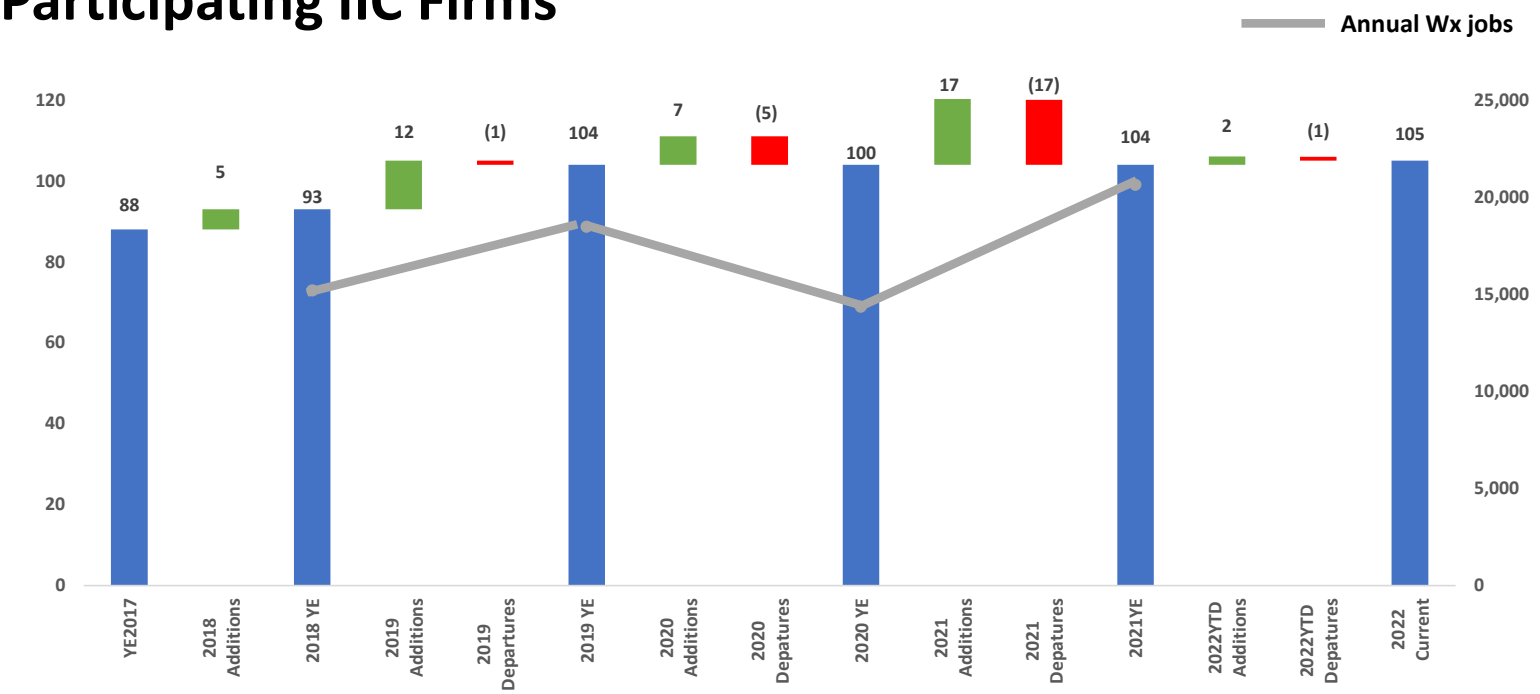
- Based on Lead Vendor RFPs from pre-IIC/HPC model (2010)
- Increases on ad-hoc basis via BPWG over last decade
- After 2019 price increase, all parties recognized need to improve process
  - PAs and LVs wanted a process that was market competitive
  - Contractors wanted a process that ensured pricing aligned with actual costs
- WX RFQ planning began in late 2019
- Plans for competitive RFQ announced to contractors in Q2 2021
- Temporary 10% increase – November 1, 2021
- HPC Discussions – December 2021 – Feb 2022

RFQ Process and Timeline

Posting Request for Quotations	March 2nd, 2022
Respondent Informational Call	March 14th, 2022, 10 AM.
Deadline to submit written questions and requests for information	March 21st ,2022, 5:00 p.m.
Quotation Submission Deadline	April 11th, 2022, 5:00 p.m.
Notification to Respondents	May 12th, 2022
Additional Review	May 15 - present
Second Notification to Respondents	TBD
New Pricing Launch	TBD

Historic Contractor Capacity and Throughput

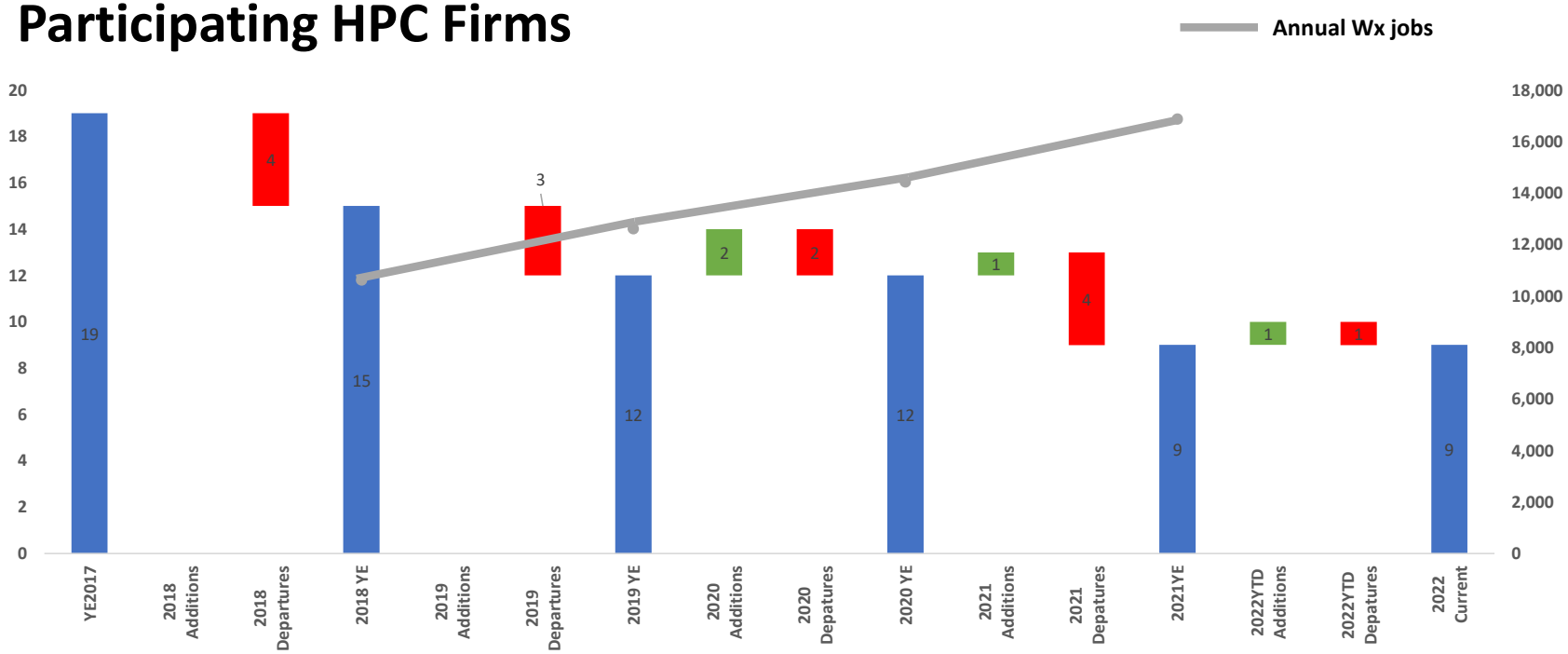
Participating IIC Firms



Programs averaging 7.5 new entrant IIC firms per year since 2018
Net increase of 18 firms (20%) since YE 2017

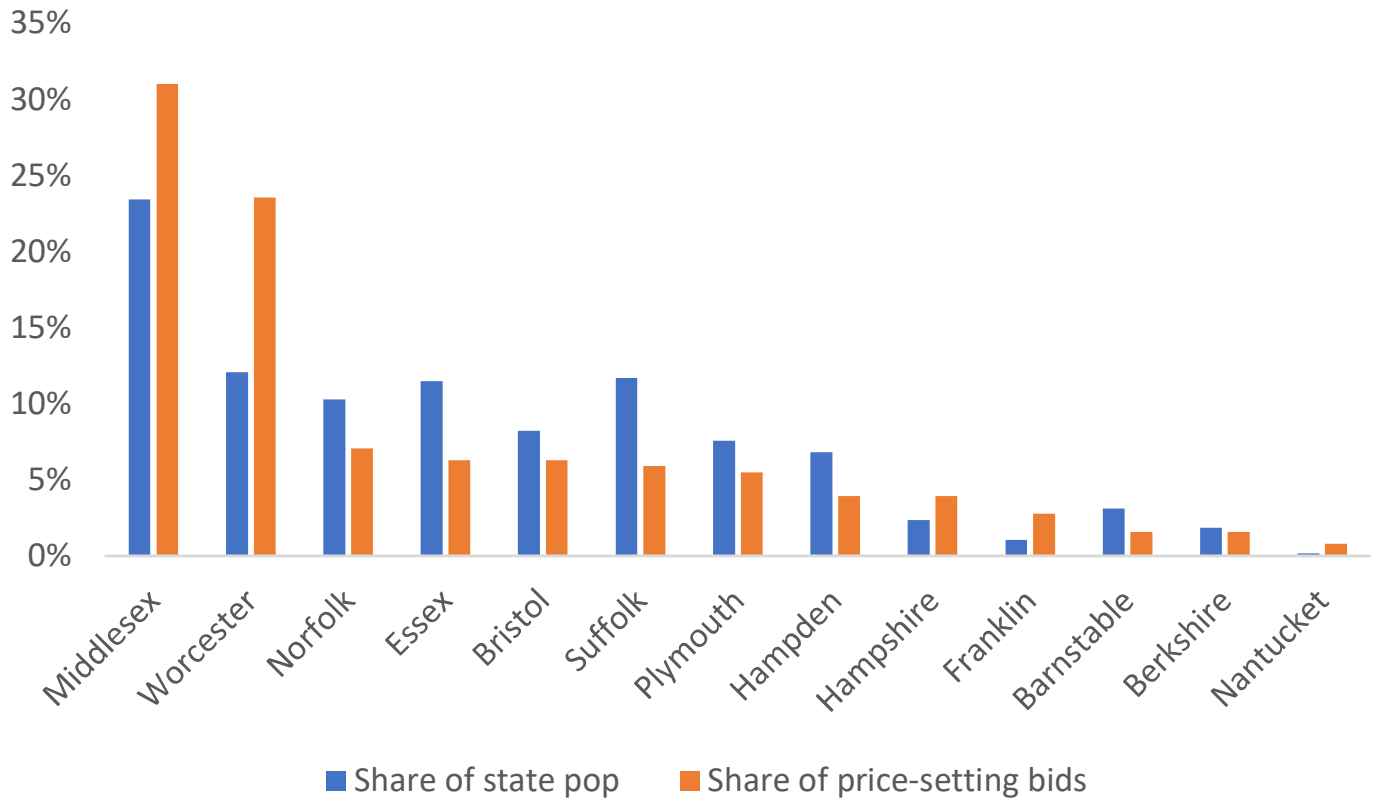
Historic Contractor Capacity and Throughput

Participating HPC Firms



Programs saw some HPC firm attrition in 2020 and 2021, but HPC Wx job volumes have grown significantly since 2018

Geographic distribution of price setting bids for air sealing

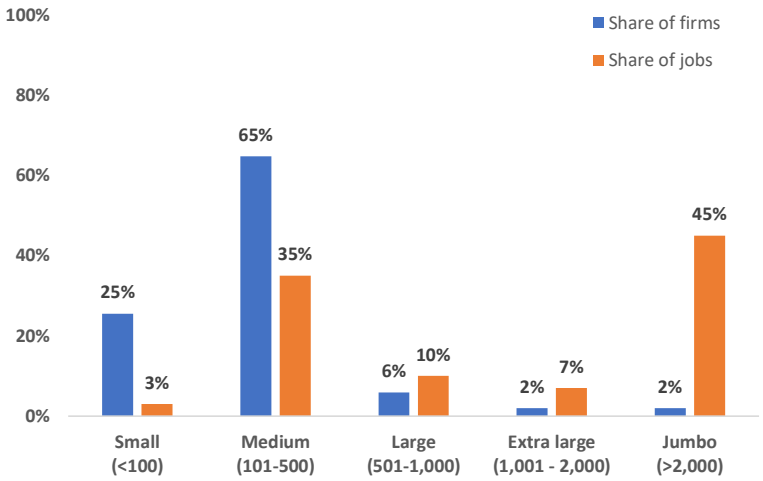


*Note many bidders work in multiple counties – bidder-specific county designations set by location of primary office

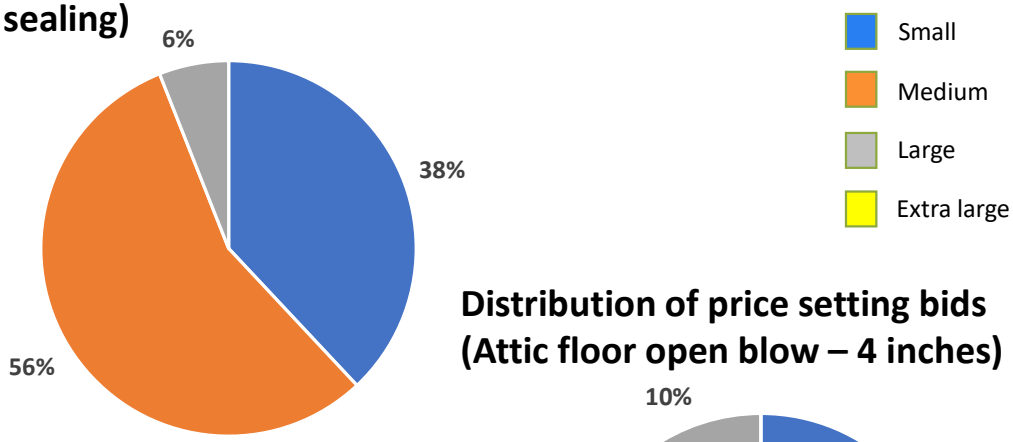
Winning bids were broadly representative of state population distribution

Contractor representation for key measures by contractor size

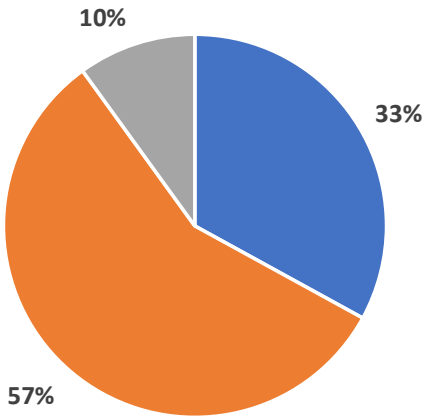
Distribution of bidding contractors by size (2021 Wx jobs)



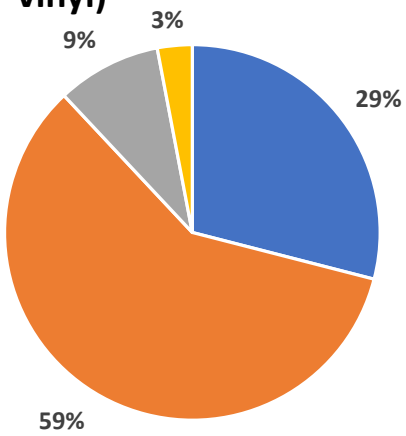
Distribution of price setting bids (Air sealing)



Distribution of price setting bids (Attic floor open blow – 4 inches)

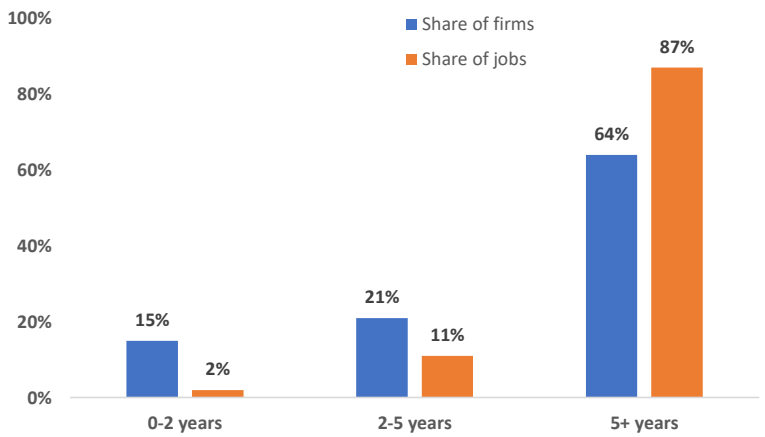


Distribution of price setting bids (Walls - vinyl)

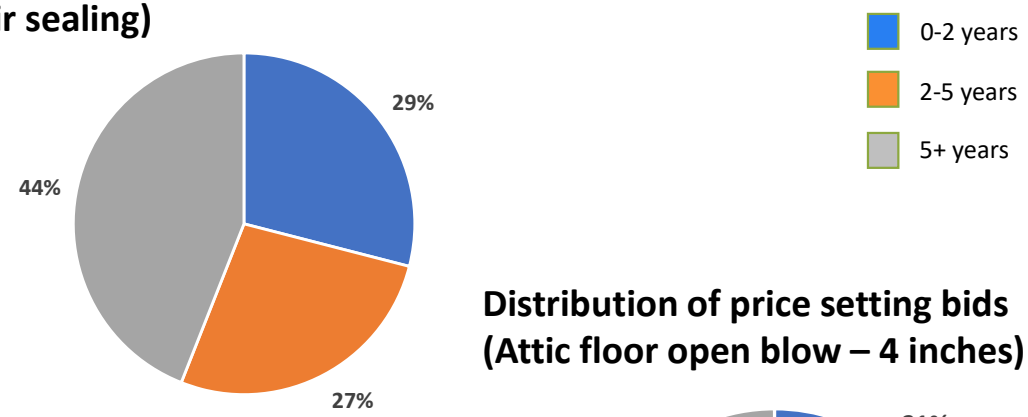


Contractor representation for key measures by contractor tenure

Distribution of bidding contractors by tenure



Distribution of price setting bids (Air sealing)



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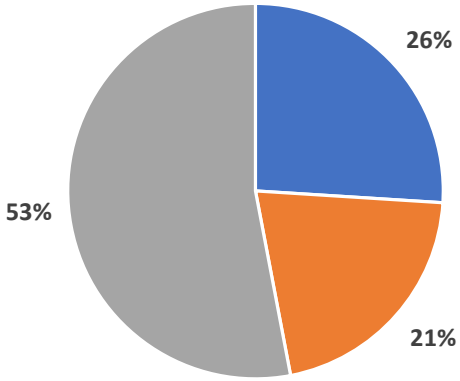
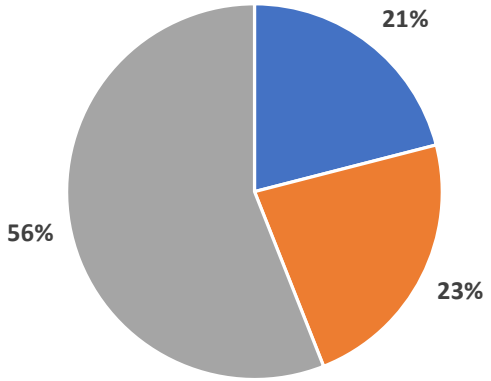
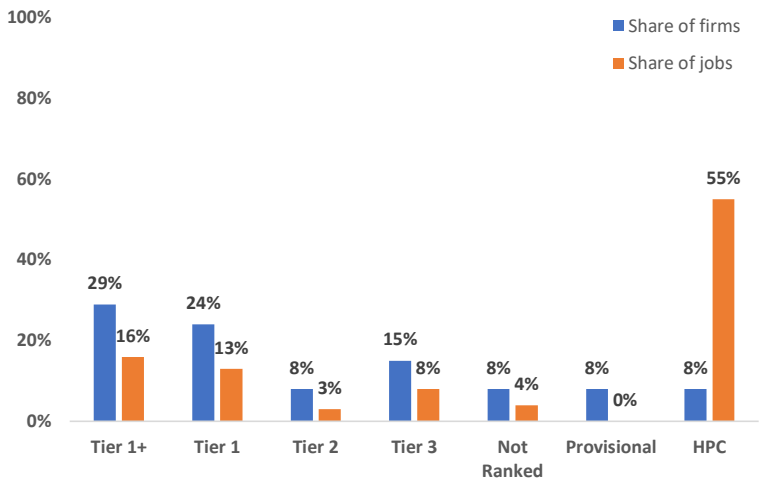


Distribution of price setting bids (Attic floor open blow – 4 inches)

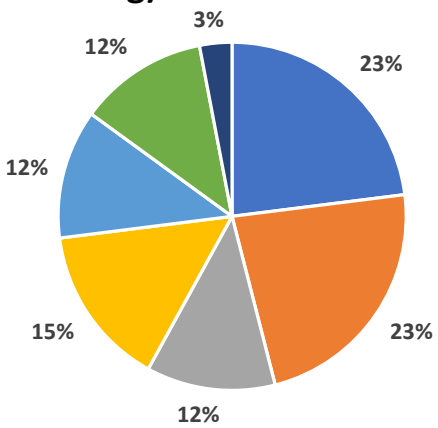


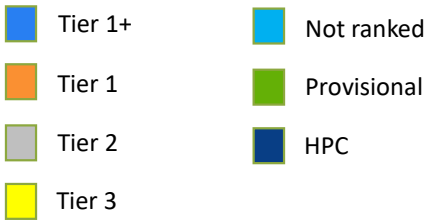
Contractor representation for key measures by contractor type

Distribution of bidding contractors by type

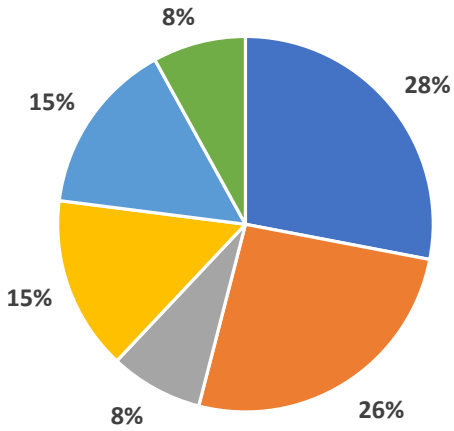


Distribution of price setting bids (Air sealing)

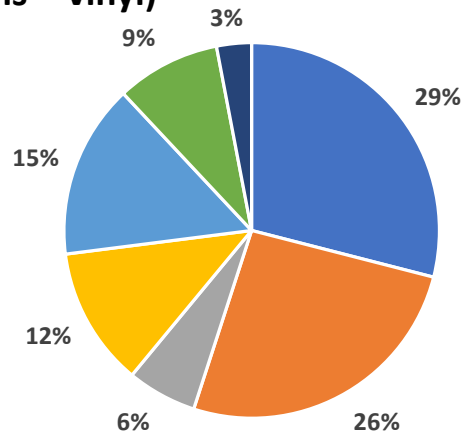




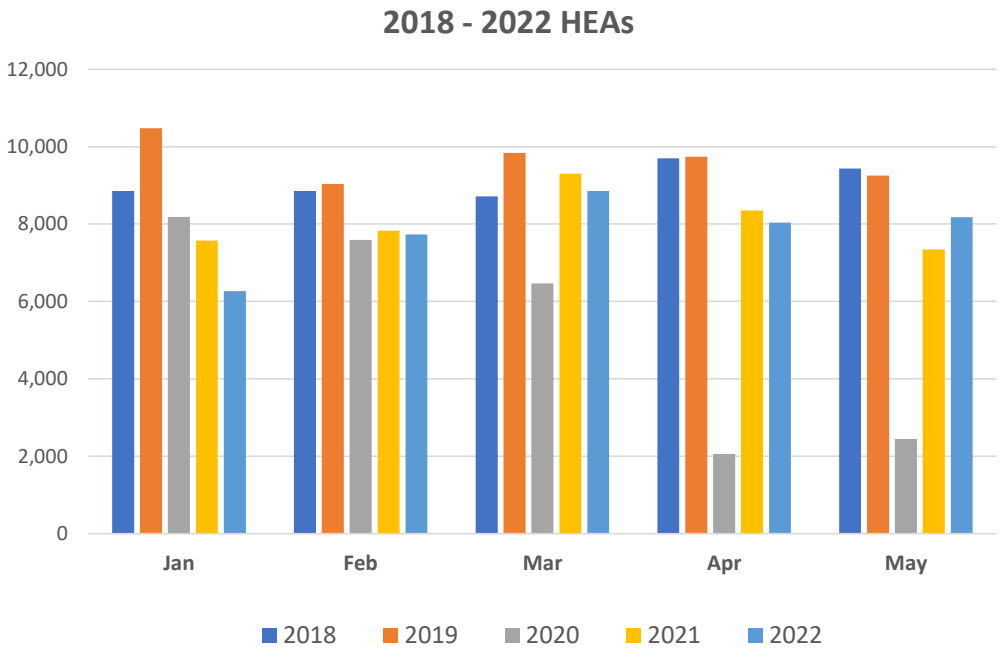
Distribution of price setting bids (Attic floor open blow – 4 inches)

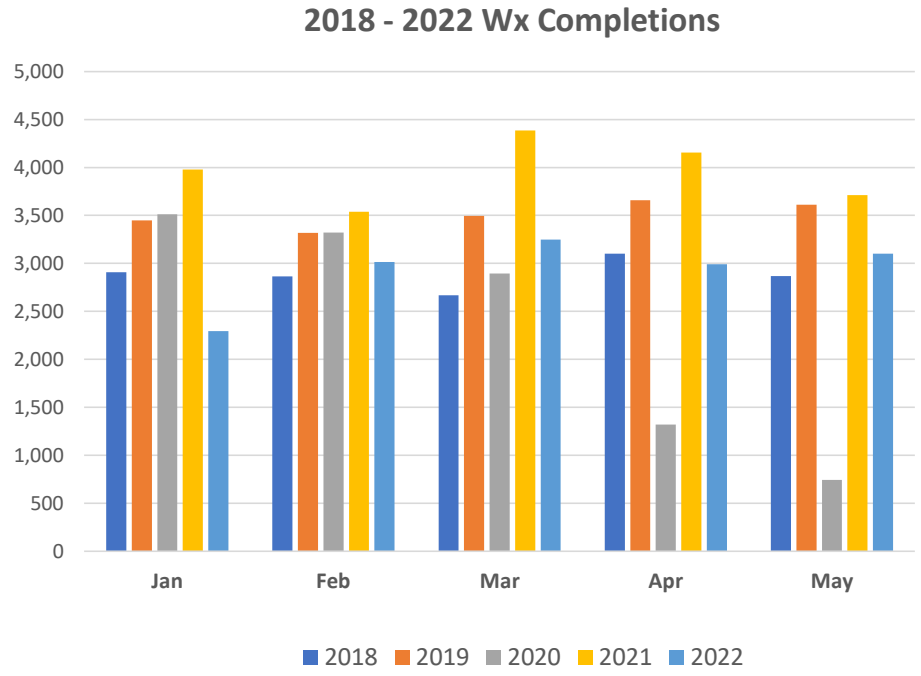


Distribution of price setting bids (Walls - vinyl)



HEA and Completion Data





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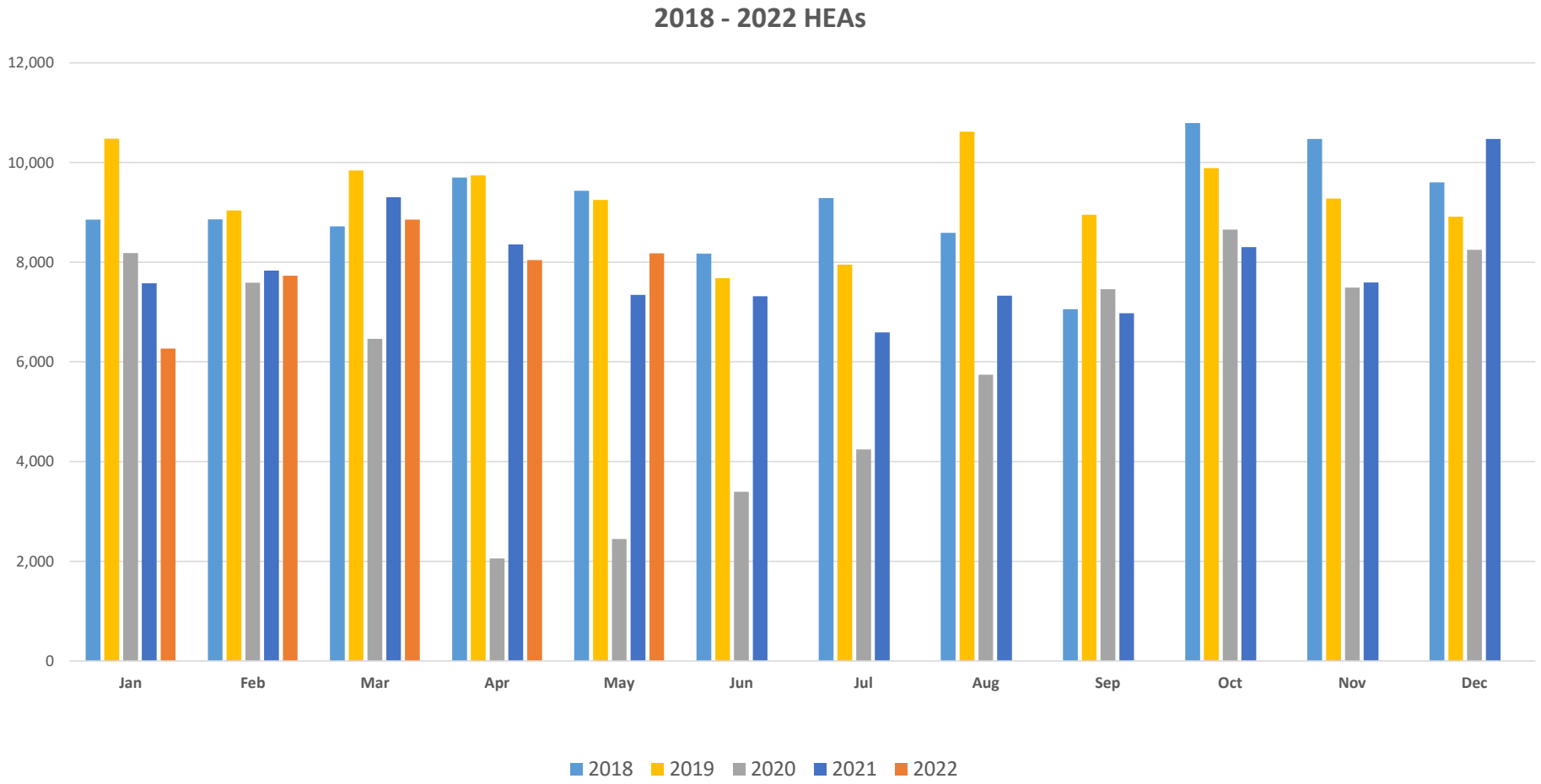

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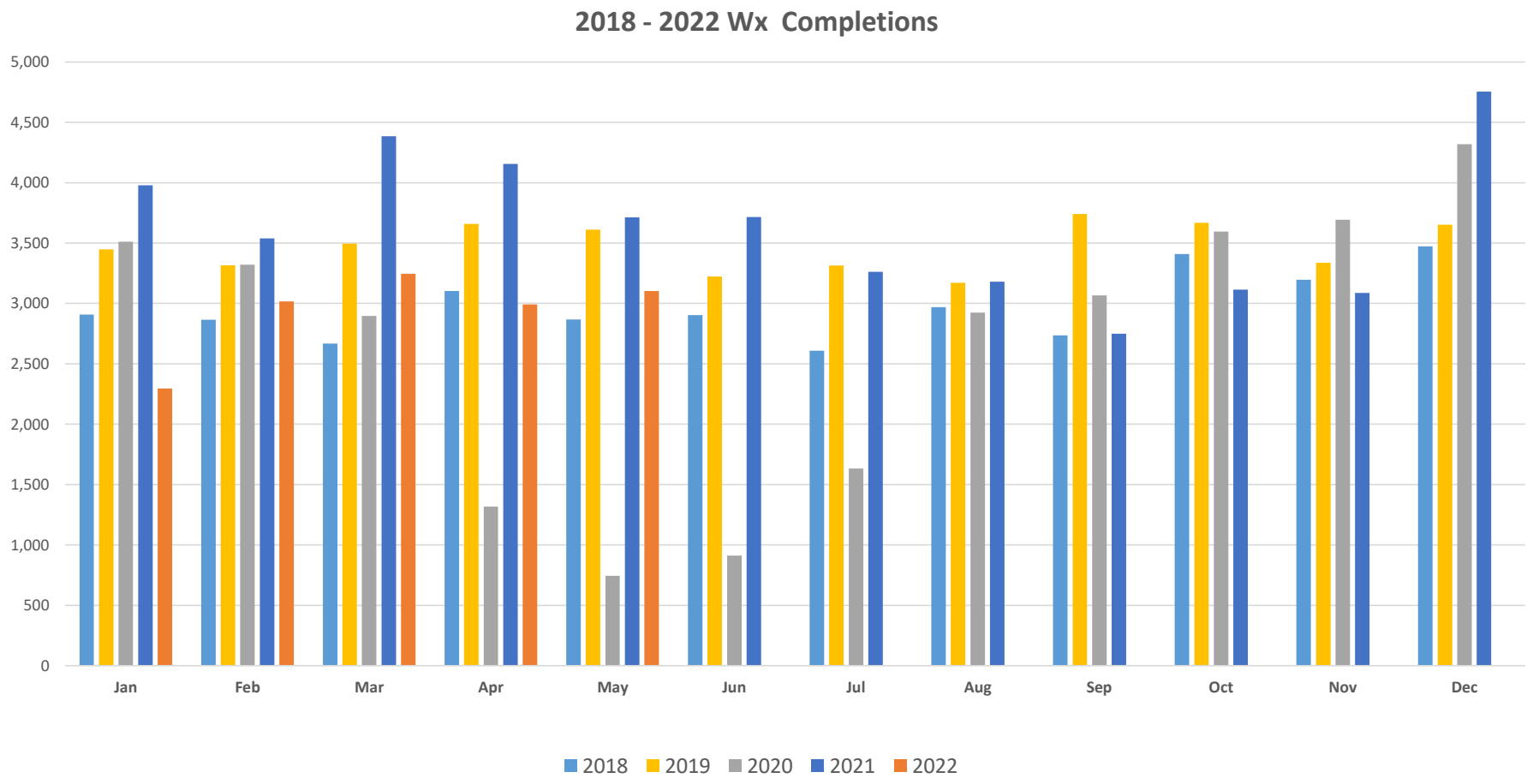

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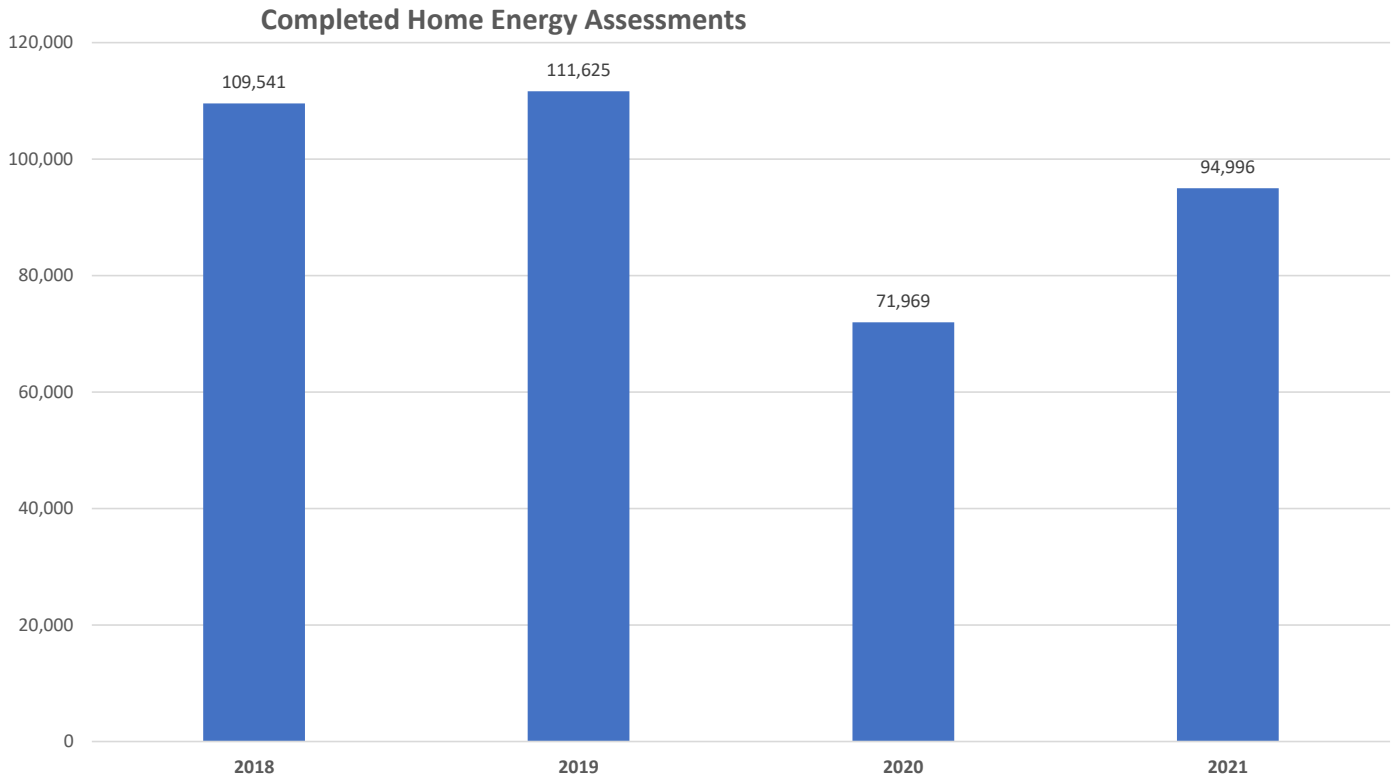
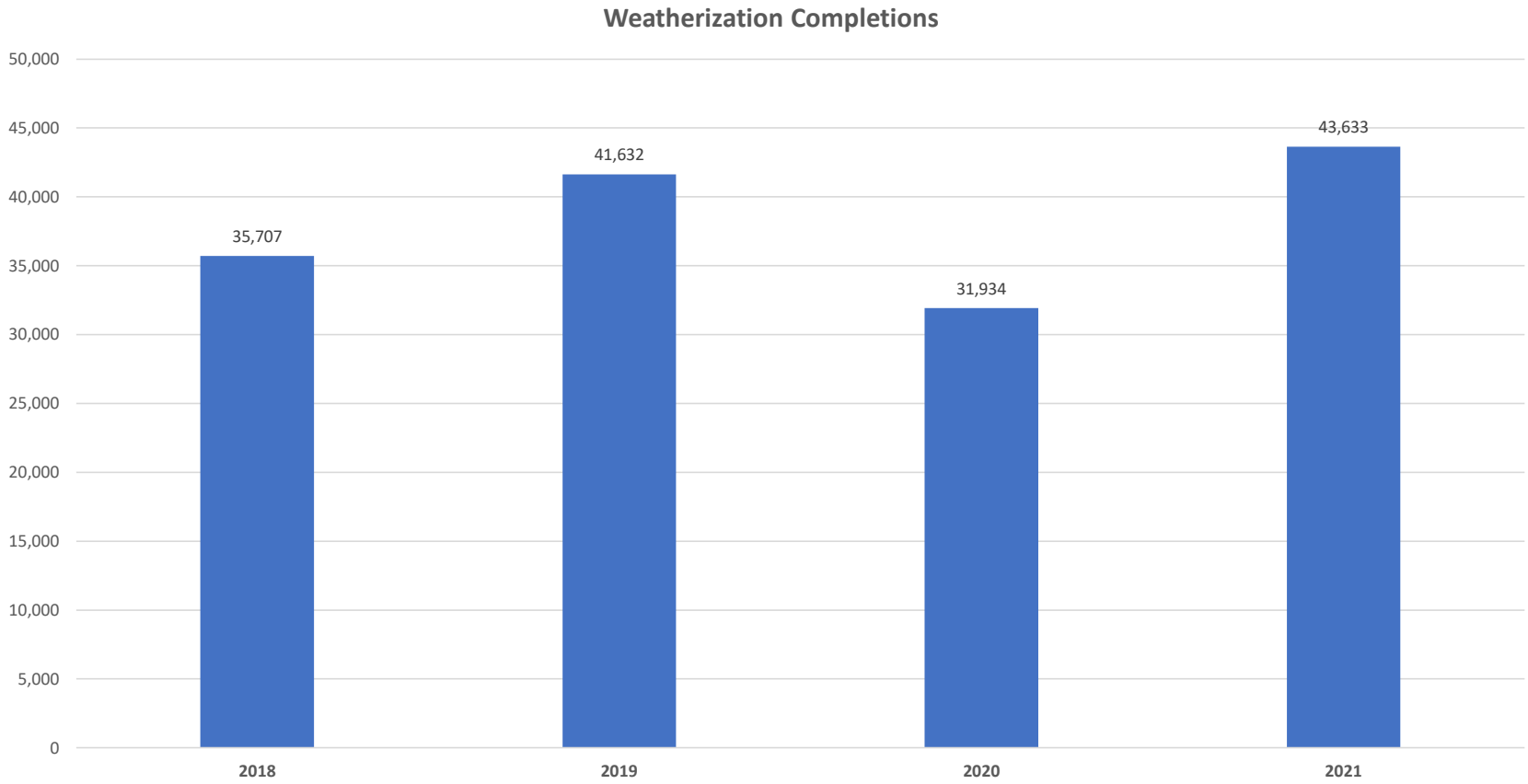
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