



Matthew Rodriguez
Secretary for
Environmental Protection

Air Resources Board

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov



Edmund G. Brown Jr.
Governor

Notice to Prospective Proposers

Request for Proposal RFP No. 10-125

“Cap-and-Trade Market Monitor Trainer”

November 8, 2011

ARB is issuing this notice to post Questions and Answers to the Cap-and-Trade Market Monitor Trainer Request for Proposal (RFP). This RFP was originally issued as RFP 10-110. The questions and responses in this notice are from the bidders' conference held on September 20, 2011 for RFP 10-110, and responses have been revised to reflect the context of the reissued RFP. As the Scope of Work has not been substantially revised, the questions and answers are applicable to RFP 10-125, although some dates may be different due to reissuing the RFP.

Responses to questions may refer to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation (cap-and-trade regulation). The current text of the adopted regulation is available at: <http://www.arb.ca.gov/regact/2010/capandtrade10/ctfro.pdf>.

This notice is published online in the California State Contracts Register at <http://www.eprocure.dgs.ca.gov/CSCRAAds.htm>. To ensure receipt of any addenda that may be issued, interested parties are encouraged to register online at <http://www.bidsync.com/help/bidsync/freebids.html>. Any questions are to be addressed to the contact listed below.

Air Resources Board
ASD - Contract Services Section
Contact: Sue Bayoneta
Phone: (916) 322-2208
Email: sbayonet@arb.ca.gov

Thank you.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

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Cap-and-Trade Market Monitor Trainer Follow-up Questions & Answers

Q1. We respectfully request that ARB allow Proposers to submit change requests to the State's proposed GTC-610 contract language to allow broader participation and competition by the vendor community.

A1. The State's General Terms and Conditions (GTC-610) are terms and conditions that are required by California's State contracting laws and established by our control agency, Department of General Services. These terms and conditions cannot be revised.

Q2. Conflict of Interest

The RFPs state that "the Contractor must not have any financial interest in an entity subject to any of the provisions of the MRR or cap-and-trade regulation..."

Our understanding is that Financial Interest would mean ownership and financial investments and not services delivered to a client. Kindly confirm or provide further clarification.

Additionally, the RFPs specify that the conflict of interest provisions on financial interest apply to the proposer's employees and subcontractors. Does this mean that individuals cannot purchase stock or bonds from an entity subject to any of the provisions of the MRR or cap-and-trade regulation?

A2. A current financial interest in an entity subject to the provisions of the MRR or cap-and-trade regulation such as ownership, financial investment or services delivered to a client, could amount to a conflict of interest.

The requirements in Exhibit E, section 9.D of the RFP apply to the organization. Exhibit E, section 8.E requires that the Contractor's employees performing work described in the RFP complete and sign Exhibit E, Attachment 1 prior to beginning work under the contract.

Any ownership amount could be considered a potential conflict. However, this provision is not intended to apply to a publicly traded or publicly available mutual fund or other collective investment fund, or a widely held pension or mutual fund,

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provided that the interest holder neither exercises control nor has the ability to exercise control over the financial interests held in the fund.

This conflict of interest provision is not intended to prohibit any entity from submitting a proposal. If needed, the successful bidder will be allowed to divest itself prior to contract award.

Q3. Resources and personnel

3a. Are there U.S. citizenship or permanent residency requirements for personnel proposed on the project?

3b. Can international resources be used to deliver this project?

3c. Can we subcontract with offshore entities for this RFP, for instance can the processing of surveillance work for monitoring be performed remotely or offshore?

A3.a There are no residency requirements for project personnel.

A3.b Yes, international resources may be used to deliver the project. There are no restrictions in the RFP for subcontracting work.

A3.c. There are no restrictions in the RFP specific to subcontracting with offshore entities. If subcontracts with offshore entities are proposed, any impacts specific to increased system or data risks and strategies to mitigate these risks should be included in the System Security Plan.

Q4. Training delivery

How is the 40-hour training for 5 topics expected to be delivered? Is it through Five (8) (5x8) hour classes? Can the training course be delivered in one week?

A4. ARB is flexible in terms of how the 40-hours of training is delivered as long delivery occurs within twelve months after the contract has been executed.

As provided in the RFP, a draft workplan and schedule for training development and delivery is required. A proposed training schedule should be provided in this component of a submitted proposal. ARB must approve the training schedule and may need to consider if the training schedule accommodates the schedules of ARB and other State agency staff members that would be targeted for training.

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Q5. Project duration

Can the 12-month duration proposed in the RFP be reduced to a shorter engagement if collaboration with ARB and its stakeholders permits the fulfillment of the RFP requirements in a shorter period (such as a 3-month engagement)?

A5. The contract duration in the Market Monitor Trainer RFP is 14 months. In the proposal a draft workplan and schedule for training development and delivery is required. Although the draft workplan and schedule reflect the total project timeline of up to 14 months, the training schedule proposed is not required to reflect 14 months.

Q6. Target audience

6a. Can you expand on the different types of audience in the 30-staff training target group?

6b. Will the Auction & Reserve Operator and the Contractor of Financial Services for Auction and Reserve Sale be included in the target training audience as well?

A6a. The staff to be trained will range from ARB and other subject matter experts in market oversight, staff from experienced white collar crime agencies, and the Attorney General's (AG's) Office.

A6b. No. Training is for up to 30 State of California staff members.

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