October 30, 2015

Ms. Beth Bauer
Executive Director
American Council of Engineering Companies (ACEC)
55 Monument Circle #819
Indianapolis, Indiana 46204

Re: Category Management Request for Information

Dear Ms. Bauer:

We wanted to update your organization on this important initiative as it draws to a close by the end of 2015.

As you are aware, Citizens Energy Group’s mission is to contribute to the affordability and quality of life in our communities. One of the means to achieve this mission is leveraging our volume of purchases with qualified suppliers. Accordingly, Citizens has adopted the practices of Category Management, a strategic approach for examining and leveraging procurement needs by various services across a number of business units.

As you are aware from previous updates and conversations, a Request for Information (RFI) was developed and then issued on July 1, 2015. That RFI collected information from our existing inventory of Professional Service vendors who currently have Master Services Agreements (MSAs) with us. The response information is being evaluated by a cross-functional Category Management Team according to pre-established criteria. From that evaluation, highest scoring vendors will be identified.

The Category Management and RFI processes, coupled with our vendor evaluation process, gives Citizens the ability to have a much better understanding of our vendors’ technical capabilities and staffing levels, and to then establish a more efficiently sized, primary pool of vendors across which a significant portion of our professional services work can be accomplished.

Although the number of vendors with MSAs will likely be reduced, opportunities will still exist for unique or one-time service opportunities, as not all Citizens professional service needs will be satisfied through the primary pool of providers. Additionally, significant opportunities will still exist for firms working as sub-consultants, whether as a diversity firm or a local vendor. Second tier subcontracting opportunities will allow Citizens to continue its commitment to the economic viability of our communities through its support of local and diverse vendors.
We also recognize that the number of vendors being utilized by Citizens will vary over time due to issues such as changes in budgets, fluctuating workloads, vendor industry changes, and/or varying or evolving technical needs of Citizens. There are a number of other benefits to maintaining a more efficiently sized vendor pool that include:

1) a more predictable and consistent work volume with specific vendors;
2) reduced costs to Citizens through volume leveraging, less emphasis on marketing, and better allocation of supplier overhead across more work;
3) more consistent, higher quality deliverables for Citizens, as less variation in output across suppliers would be experienced; and
4) reduced supplier management efforts by Citizens.

Not being chosen for the final primary pool of providers does not necessarily reflect poorly on the firm; it only signifies that its scores were lesser in comparison to those of other respondents on this comprehensive evaluation.

As is the case with many industries, it is expected that this approach will bring greater value to Citizens, its suppliers, and our customers. We anticipate this process will be completed by the end of 2015. At that time, there will be communication to all respondents as to their supplier status and next steps. Additionally, all RFI participants will have the ability to know which vendors qualified as a part of the primary pool so that communication, subcontracting, and teaming opportunities may be enhanced.

In closing, this process will allow for vendor information updates that may be required in the future. Accordingly, if significant changes occur within or with your company, an update process will be allowed so that we have the most current information in our system. As this process and outcomes are evaluated by Citizens, we may also decide that an overall update may be warranted in the future. However, scoring and pending awards by Citizens is anticipated to be final at this time and not subject to re-evaluation.

Thank you for your partnership on this initiative, and we look forward to the continued relationships with ACEC and your key vendors.

Sincerely,

Mark C. Jacob, Vice President  
Capital Programs & Engineering  
Citizens Energy Group

Mary Owen, Director  
Supply Chain  
Citizens Energy Group

cc: File
1. General Information

1.1 Citizens Energy Group

Citizens Energy Group (Citizens) operates as a municipal utility and a public charitable trust engaged in a variety of businesses including:

- Citizens Gas - a local distribution company (LDC) transporting natural gas to nearly 266,000 customers in and around Indianapolis.
- Citizens Thermal - a district steam heating and chilled water cooling provider serving businesses and industrial facilities across the Downtown Indianapolis area.
- Citizens Oil - a producer of oil in Greene County Indiana
- Citizens Water - owner and operator of the drinking water system serving Indianapolis and Central Indiana
- Citizens Resources - a wholly owned subsidiary engaging and investing in various energy-related businesses.
- CWA Authority, Inc., an Indiana non-profit corporation that is an affiliate of Citizens Energy Group and for which Citizens is the trustee, owns and operates the wastewater collection and treatment system that serves Indianapolis and several nearby communities.

2. Purpose

2.1 Purpose

Citizens currently has a large number of Master Services Agreements (MSA) in place to provide Engineering, Inspection and Consulting Services and desires to create a more efficiently sized vendor pool. Thus, this Request for Information (RFI) is to solicit information from firms presently holding a MSA with Citizens to determine those firms with the proper capabilities to become a regular, volume partner with Citizens.

2.2 Point of Contact

This RFI is issued on behalf of Citizens by the Supply Chain Department which is the sole point of contact during the procurement process.

2.3 Non-binding Request

You may also respond offline by exporting the survey to Excel, completing it in Excel, and uploading it here. Afterwards upload all other attachments here.
3. Instructions to Participants

3.1

SmartSource
Citizens is utilizing the SmartSource application to manage this request process. Information shall be exchanged, and responses submitted via the SmartSource application. Non-compliance with this request will be viewed as non-responsive and result in disqualification.

3.2 Contents of Response

All attachments, additional pages, addenda or explanations supplied by the respondent with this response will be considered as part of the response.

3.3 Non-conforming Terms and Conditions

A response that includes contractual terms and conditions that do not conform to Citizens contractual terms and conditions (as provided herein) is subject to rejection as non-responsive. Citizens reserves the right to permit a respondent to identify and request exceptions to Citizens contractual requirements prior to making a determination of responsiveness.

3.4 Reservations

This request shall not commit Citizens to award a contract, to pay any costs incurred in the preparation of a response to this request, or to procure or contract for services or supplies. Citizens reserves the right to accept or reject any or all responses received as a result of this request, to waive minor irregularities in the procedure, to negotiate with any qualified source, or to cancel in part or in its entirety, this request, if it is in the best interest of Citizens to do so. The Supply Chain Department may require the respondent selected to participate in negotiations, and to submit such price, technical or other revisions in its response as may result from negotiations.

3.5 Amendment of responses

Citizens reserves the right to allow responses to be amended in response to further clarification, and/or requirements changes, new opening date, etc. Amendments will be communicated to participants for consideration. No response may be amended after the response due date unless requested by Citizens.

3.6 Withdrawal of Responses

Responses may be withdrawn only in total, and only by a written request to the Supply Chain Department prior to the time and date scheduled for opening of responses.

3.7 Supplier Diversity:

Strengthening a diverse business community contributes to the overall economic growth of
the communities we serve. Citizens supports the identification, development and utilization of local, minority, woman, and veteran owned businesses as part of its purchasing program so that jobs may be provided, entrepreneurship may be advanced and useful goods and services may be produced at competitive prices.

Citizens strives to meet or exceed goals with respect to the utilization of certified minority, women and veteran owned businesses of 15%, 8% and 3%, respectively.

Respondents are expected to make a "best value" effort in including local businesses as well as certified minority, woman, and veteran owned businesses to the maximum extent practicable with respect to the Work and/or Services described in this request.

Local businesses are those meeting any one of the following conditions:

- A business whose principal place of business is located in Indiana
- A business that pays a majority of its payroll (in dollar volume) to residents of Indiana
- A business that employs Indiana residents as a majority of its employees

Citizens reserves the right to independently verify the certification status of any minority, woman, or veteran owned firm proposed to be utilized. Citizens accepts authentic, current and unexpired certifications from the following recognized sources:

- City of Indianapolis, Department of Minority & Women Business Development (DMWBD)
- State of Indiana Department of Administration (IDOA)
- National Minority Supplier Development Council (NMSDC)
- Women Business Enterprise National Council (WBENC)
- National Women Business Owners Corporation (NWBOC)
- United State Department of Veterans Affairs (VA)

Respondents to this solicitation may be requested to produce copies of the authentic, current and unexpired certification(s) from any or all of the appropriate sources for all the minority, woman, and veteran owned businesses proposed to be utilized as sub-consultants, sub-contractors, or suppliers.

### 3.8 Community Investment

Citizens believes giving back to the community is a trait that should be present in the firms we consider for our business. Giving back includes such actions as volunteering, participation in community activities and philanthropy just to name a few.

### 3.9 Supplier Qualification

Factors which include, but are not limited to, purpose for which required, competency and financial capacity of respondent, ability to render satisfactory service and past performance will be considered in determining status as a responsible respondent. Citizens reserves the right to request additional information as may reasonably be required to make this determination and to further investigate the qualifications of the respondent as deemed appropriate.
3.10 Ownership of Materials

All responses and attachments provided thereto shall become the property of Citizens and shall not be returned to the respondent.

3.11 Response Costs

Any and all costs incurred by the respondent in the preparation and delivery of its response and/or subsequent negotiation of a resulting Agreement shall be borne entirely by the respondent.

3.12 Clarifications

Respondents are expected to raise any questions, exceptions, or additions they have concerning this request prior to the submission of the response. If a respondent discovers any significant ambiguity, error, conflict, discrepancy, omission or other deficiency within this request, the supplier should immediately notify Citizens of such error and request modification or clarification of the request. In the event that it becomes necessary to provide additional clarifying data or information that revises any part of this request, supplements or revisions will be provided to all recipients of this request.

3.13 Oral Presentations

Respondents may be required to give an oral presentation of its response at Citizens request.

3.14 Evaluation and Selection

The evaluation and selection of responses shall be based on the information called for in this request and in oral presentations (if requested). Selection can be made without discussion with respondents. Therefore, respondents are cautioned that responses should be submitted initially on the most favorable terms.

Selection shall be based on the highest value, responsible and responsive response.

When determining whether a response is responsive, Citizens shall consider the following:

- Conforms to instructions
- Conforms to directions

When determining whether a respondent is responsible, Citizens shall consider the following:

- Ability and capacity of the respondent
- Competence and experience of the respondent
- Financial position and capacity of the respondent
- Commitment to Supplier Diversity
3.15 Response Submission

The person submitting this Response represents and warrants that he/she is an officer of the Respondent and is duly authorized to submit this Response for Respondent, or if not an officer, is duly authorized by an authorized officer of the Respondent to submit this response for Respondent.

4. Project Information

4.1 General Scope

In keeping with Citizens Energy Group’s desire for continuous improvement and to strategically engage the services to meet the on-going operational needs of the utility, the purpose of this RFI is to identify those firms who can offer the services and bench strength necessary to meet the Citizens needs today and in the future.

Citizens has an identified budget to utilize for professional services and by leveraging those dollars with fewer firms we plan to establish relationships that will allow our dollars to cover more projects while allowing the firms to be confident they will be part of the success.

This RFI is requesting information from firms identified as having a Master Agreement, are in good standing with Citizens and can offer professional services. While there is no specific target on the number of firms that would be the perfect fit for Citizens, we do know that we have more firms under contract than are necessary to allow us to meet our goals.

4.2 RFI Request

By having a Master Agreement, it is evident you have worked with Citizens at some point in the past. However, Citizens needs to understand the entirety of the services and staff you have available to meet our needs.

This RFI contains requests for specific information, please be thorough and don’t assume anyone looking at the information is familiar with your firm. In addition to the specific requests, you are given the opportunity to attach a document that convinces the reviewers that you are the firm to choose. However, the document is limited in size and anything overly elaborate or that doesn’t meet the limits set for the submission may be disqualified.

5. Detailed Requirements

5.1* Diversity Participation

Enter your firm’s minimum, on-going commitment to diversity participation on projects if you are successful under this solicitation. While we understand this depends on the scope, we need to understand your firm’s standard commitment to diversity participation.
<table>
<thead>
<tr>
<th>Minimum Percentage of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>MBE Participation</td>
</tr>
<tr>
<td>(no answer)</td>
</tr>
<tr>
<td>WBE Participation</td>
</tr>
<tr>
<td>(no answer)</td>
</tr>
<tr>
<td>VBE Participation</td>
</tr>
<tr>
<td>(no answer)</td>
</tr>
</tbody>
</table>

* Red cells are required

### 5.2 Diverse Firm
If the Respondent is a diverse firm, please attach your certification(s) from one of the certifying authorities noted at 3.7 above.

(no answer)

### 5.3 Local Participation
Citizens is interested in the utilization of local companies on our projects. Please indicate which of the options best defines your company.

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is your corporate office located in Indiana?</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Do you pay more than 50% of your total payroll to residents of Indiana?</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Do Indiana residents make up more than 50% of your total workforce?</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Do you have an Indiana office?</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
</tbody>
</table>

### 5.4 Commitment to Community Investment
To the extent that your company captures community investment information, please complete the table to reflect your firm's commitment to community investment.

<table>
<thead>
<tr>
<th>Company Response</th>
<th>Percentage of pre-tax profits representing donations and contributions to qualifying charitable organizations (under section 501(c)(3) of the Internal Revenue Code) in the prior 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company Response</th>
<th>To the extent that employee voluntarism is formally tracked, enter the average number of volunteer hours per employee provided to qualifying charitable organizations (under section 501(c)(3) of the Internal Revenue Code) in the prior 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
</tbody>
</table>
5.5 Why This Firm?

Attach a document setting out the reasons Citizens should choose your firm as a strategic partner for professional services.

The attached must be 8 1/2 x 11 with type no smaller than 11 point, and no more than 10 double sided pages (20 single pages). Any submission not meeting these requirements may be disqualified.

(no answer)

5.6 Professional Certifications

Having professional certifications is important to any Professional Services firm and shows the importance of not only meeting regulatory requirements but adding to the education of the staff.

Please enter the number of personnel at your firm with a current certification for each type listed. If you have no staff with a given certification, simply enter zero.

If you have staff with certifications not reflected on this list, please feel free to attach a separate list for only those certifications.

<table>
<thead>
<tr>
<th>Certification Type</th>
<th># of Full Time Employees in Indiana</th>
<th># of Part Time Employees in Indiana</th>
<th># of Full Time Employees total firm</th>
<th># of Part Time Employees total firm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Professional Engineer</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>PE's practicing Civil Engineering</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>PE's practicing Structural Engineering</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>PE's practicing Mechanical Engineering</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>PE's practicing Electrical Engineering</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Professional Project Manager (PMP) certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Certified Construction Manager (CCM) certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Registered Professional Land Surveyor in State of Indiana</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>OSHA 10 hour training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certification</td>
<td>No Answer</td>
<td>No Answer</td>
<td>No Answer</td>
<td>No Answer</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>-----------</td>
<td>-----------</td>
<td>-----------</td>
<td>-----------</td>
</tr>
<tr>
<td>OSHA shoring/sheet certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>OSHA confined space certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>OSHA fall protection certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>APWA collection system construction inspection certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>AWWA distribution system construction inspection certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>HAZWOPER hazardous waste operations certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Leadership in Energy Efficiency Design (LEED) certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>GISP certification</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>National Association of Sewer Service Company certification (NASSCO)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Registered Architects</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Degreed Engineers but not PEs</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Geologist</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
<tr>
<td>Licensed Professional Geologist</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
<td>(no answer)</td>
</tr>
</tbody>
</table>

Optional Attachments:

5.7*

Company Experience

Attached please find an excel spreadsheet that requests specific information about your firm’s experience in specific scope categories. Please complete the spreadsheet and re-attach for evaluation.

There are two tabs to the spreadsheet, one for design and inspection information and the second for specific professional services.

Please limit the information on the spreadsheet to only that requested. Elaboration is not requested and could cause your submission to be rejected.

(no answer)
5.8* Bench Strength

It is important for Citizens to understand the bench strength available from the firms engaged for future business. The attached excel spreadsheet represents the types of work we anticipate and we need you to complete the spreadsheet as requested.

There are two tabs to the spreadsheet, one for design and inspection information and the second for specific professional services.

Once you complete the spreadsheet re-attach for evaluation. Do not attach anything to the spreadsheet and do not change it in any way other than entering the requested information. Altering the spreadsheet could be grounds for disqualification.

(no answer)

6. Summary

6.1* Professional Services and Professional Engineering Master Services Agreement

Any firm chosen as a result of this solicitation will be required to sign a Professional Services Master Agreement or Professional Engineering Master Services Agreement, as appropriate, a sample of both has been attached for your review.

Having reviewed the terms and conditions as specified in the Agreements attached hereto, should you be selected as a finalist from this RFI do you agree to sign the agreement without exception?

(no answer)

6.2* Professional Services and Professional Engineering Master Services Agreements

Do you have any exceptions to the general terms and conditions as identified in the Master Professional Services Agreement or the Professional Engineering Master Services Agreement attached hereto? If yes, please identify the exceptions in the space provided. Alternatively you may attach a document (General Terms and Conditions Statement of Exceptions) to this question.

We strongly discourage exceptions to our standard agreement but will review your concerns. Exceptions considered onerous by CEG could be grounds for removal of your firm from consideration under this RFI.

(no answer)

6.3* Financial & Safety Qualifications

Any firm that desires to work with Citizens must have a current financial and safety clearance. If your firm is current in these two categories, no further action may be necessary.
However, if your firm is not currently cleared, please indicate your willingness to take the steps necessary to get your firm financially and safety qualified.

(no answer)

You may also respond offline by exporting the survey to Excel, completing it in Excel, and uploading it here. Afterwards upload all other attachments here.