

April 27, 2017

Supervisor Scott Haggerty  
Chairman of the Board of Directors  
East Bay Community Energy Authority  
1221 Oak Street, Suite 536  
Oakland, CA 94612

RE: EBCE RFP for Data Management and Call Center Services

Dear Supervisor Haggerty:

Calpine Energy Solutions, LLC ("Calpine") looks forward to participating in East Bay Community Energy Authority's request for proposals for Data Management and Call Center Services that we understand will be issued shortly. We will be submitting a comprehensive and compelling proposal that addresses every area of EBCE's need for data management and call center services, bringing to bear our proven systems, processes and team of experts to help ensure the EBCE's success.

Based on Board direction in its April 12<sup>th</sup> meeting, we anticipate the RFP will contain most if not all of the same substantive requirements found in the initial RFP issued by the County of Alameda including the adoption of the County's stringent SLEB requirement.

Currently there is only one call center firm, Direct Line TeleResponse, that is a Certified SLEB. In the RFP process conducted by the County that was recently terminated, Direct Line partnered with Pilot Power, a competitor to Calpine, to jointly submit a proposal. We anticipate that Direct Line and Pilot Power will again partner to respond to the EBCE RFP.

The availability of a lone Certified SLEB call center firm introduces a potentially significant obstacle to providing competitive proposals. Without Direct Line, any proposal submitted by Calpine or other data management / call center service provider could immediately be disqualified from further consideration unless a waiver request was granted. Calpine submitted just such a waiver request in the County's RFP process, as there were no certified call center SLEBs at the time (Direct Line was not certified until the date the RFP responses were due), but our waiver request was denied. Even if a waiver were granted, the bonus scoring awarded to SLEB bidders could predetermine the award to the bidder that partners with Direct Line.

While Calpine would have been open to forming a partnership with Direct Line, this outcome is now infeasible. Direct Line's partner, Pilot Power, has publicly and wrongly attacked Calpine's previous attempts to form a business relationship with Direct Line as being "potentially a violation of statute and common law".

Calpine has reached out to all other non-certified local call center firms listed by the County but has been unable to identify any firms with call center capabilities broad enough to support the EBCE program like our preferred partner Energy Choice California. Energy Choice California, a woman-owned business that is preparing to open and staff an office in Alameda County, will provide a team of



managers and customer service representatives with deep knowledge of and a record of superior service to Community Choice customers. Furthermore, Calpine Corporation has had its regional headquarters in Alameda County for nearly 20 years.

Further, Energy Choice California has entered into a neutrality agreement with IBEW 1245 in support of EBCE's program goal of economic benefits to the region including union and prevailing wage jobs and local workforce development. However, Energy Choice California is new to Alameda County, and SLEB rules require that a local business have a fixed office address in Alameda County for a minimum period of six months before certification<sup>1</sup>.

To move the RFP process forward and make the RFP process inclusive to more bidders, Calpine proposes that the RFP allow for participation not only by Certified SLEBs but also other small, local (new or existing) and emerging businesses, provided they commit to implement the SLEB eligibility and certification process immediately following contract award. We would further propose that SLEB certification would be required before the selected provider can invoice EBCE for call center services.

We believe this solution would not only resolve the problem of the single Certified SLEB firm, but also advance the SLEB program goals to enhance contracting and procurement opportunities for small, local and emerging businesses within Alameda County. We ask that the Board consider and adopt the proposal prior to finalizing the EBCE RFP. As an alternative measure, we ask that the RFP provide a clear, upfront waiver process in the event the SLEB requirement limits participation to a single firm.

We thank you for your time and consideration of our concerns and look forward to participating in the RFP. Please contact me at the phone number or email below should you have any questions or need additional information.

Regards,

A handwritten signature in black ink, appearing to read 'Drake Welch', is positioned above the typed name.

Drake Welch  
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<sup>1</sup> See definition of Local Business in County of Alameda's SLEB Certification Instructions:  
<https://www.acgov.org/auditor/sleb/forms/VendorCertInstructions.pdf>