CITY OF HIGH POINT
AGENDA ITEM

HIGH POINT
NORTH CAROLINA'S INTERNATIONAL CITY™

Title: Agenda Item – E Source AMI Implementation

From: Jeremy Coble – Customer Service Director

Public Hearing: No

Attachments: E Source AMI Scope of Work

Meeting Date: March 21, 2022

Advertising Date Advertised By: N/A

PURPOSE:
To utilize the experience and expertise of E Source to help the City of High Point successfully implement Advanced metering infrastructure (AMI).

BACKGROUND:
The city has approximately 45,000 customers with a water and/or electric meter(s). These meters are currently read by a drive by process (Automatic Meter Reading "AMR", approximately 30,000 customers); or staff walking to locations (manual read, approximately 15,000 customers). On January 18, 2022, City Council approved a contract with Tantalus and a pilot project of approximately 500 customer locations has begun.

E Source has implemented utility information technology for approximately 20 years, including but not limited to Tantalus AMI and Cayenta CIS (The cities current utility billing system). E Source customers range from small to large municipalities, serving clients across North America, 20 million meters in total. E Source is the leading AMI consultant/implementer in the industry with more municipal AMI electric, water, and combined service utility experience than any other company, having completed similar services for more than 180 clients; including the City of Greensboro. E Source has the expertise and experience to assist with implementing the AMI project city wide.

Benefits of AMI include:
- Real time outage detection, resulting in more timely restoration
- Helps customers save by providing detailed consumption information
- Increased speed and quality of meter read collection
- Timely notification of leaks for customers
- Customers have full access to their water and electric usage data 24 hours a day
- Better customer service, providing increased information about customer usage
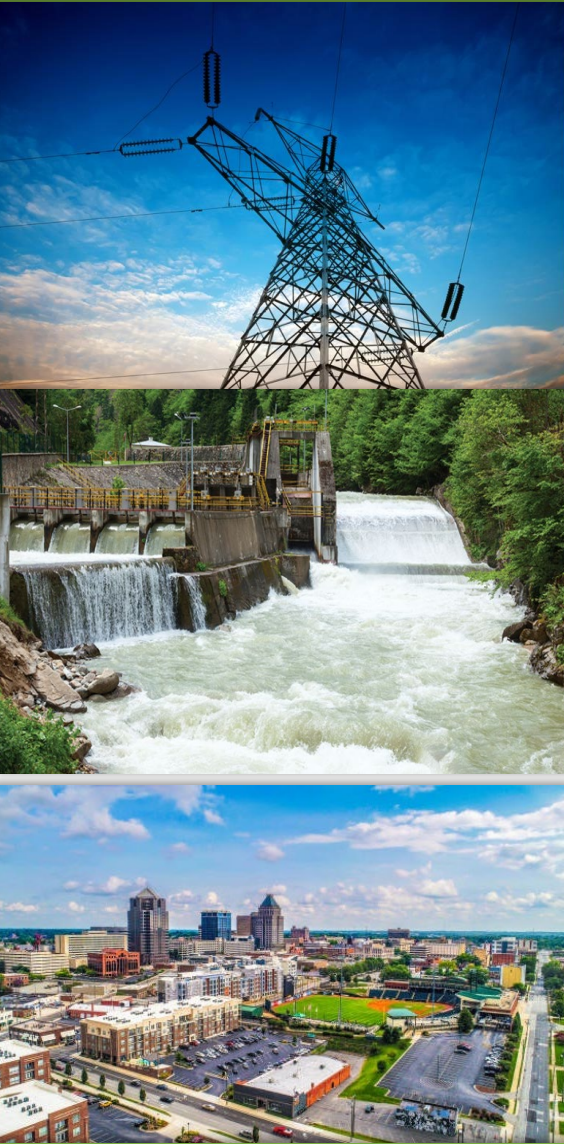
BUDGET IMPACT:
Funding is available in Electric Capital Projects Fund.

RECOMMENDATION / ACTIONS REQUESTED:
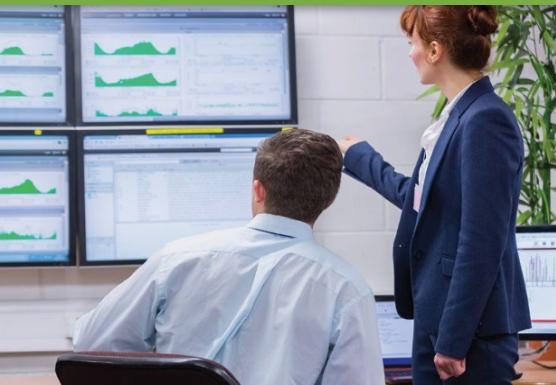Staff recommend that E Source become our approved Implementation Services Contractor for $1,148,225.00.

AMI Scope of Work

Advanced Metering Infrastructure (AMI) Implementation Professional Services

RFP Number 8023-020222

March 2022

Submitted by:
Kody Salem, Senior Vice President, Business Development
E Source Technology Planning and Implementation
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February 2, 2022

Mr. Erik S, Conti, CLGPO
Purchasing Manager
City of High Point
211 South Hamilton Street
High Point, NC 27261
via email to Erik.Conti@highpointnc.gov

Re: RFP Number 8023-020222 AMI Implementation Professional Services

Dear Mr. Conti and Members of the Selection Committee:

E Source Companies, LLC (E Source), the leading solver of challenges facing water, electric, and gas utilities and municipalities, is pleased to provide our proposal for our professional services related to the implementation of the City of High Point's (City's) Advanced Metering Infrastructure (AMI) project in response to the above referenced RFP.

The City is about to embark upon a transformative journey that will produce a holistic and integrated AMI solution, and one that serves current business needs as well as provides a foundation for future business and technology evolutions. E Source is the ideal partner to collaborate and help you implement the AMI solution.

The Technology, Planning and Implementation (TPI) Consulting Division of E Source consists of the former Excergy Corporation and UtiliWorks Consulting companies: the two leading firms in the utility operational technology (AMI) consulting space. We are the leading AMI consultant/implementer in the industry with more municipal AMI electric, water, and combined service utility experience than any other company, having completed similar services for more than 180 clients—including the nearby City of Greensboro.

Our staff is comprised of expert consultants who bring unparalleled knowledge and experience in AMI technology—they have been executing AMI planning, financial analysis, procurement, and implementation projects for more than 20 years. The range of services span from initial needs assessment and technology roadmaps to vendor RFPs, all the way through to successful implementation and "go-live" of a holistic and integrated systems. We are well positioned to help the City deliver on the promise of an exceptionally executed AMI implementation project.

Further, our staff have implemented or integrated virtually every major utility information technology system in the past 20 years, including Tantalus AMR/AMI and Harris Cayenta CIS, as well as MDMS, EAM, GIS, MWFM/WMS, OMS, Customer Portal and Communications, Data Analytics and many other utility operational technologies. *We understand the entire utility "system of systems."*

In summary, our *utility technology credentials* demonstrate an unmatched level of knowledge to successfully address the project scope. Our *proven delivery methodology* uses an integrated task approach that has led to 100% successful project outcomes and assures that all requested deliverables are thoroughly addressed. Our team of *focused experts*, with an average of 25+ years of experience, have successfully completed hundreds of assessments, studies, business cases, specifications, strategic roadmaps, vendor selections, and implementations. We firmly believe that integrating the *people side* of technology projects is critical to project success and we bring vast experience effectively leading the organizational change and fundamental business process transformation necessary to achieve the full benefits of AMI. Together, these elements form the foundation that makes E Source your *trusted AMI Implementation Professional Services partner*.

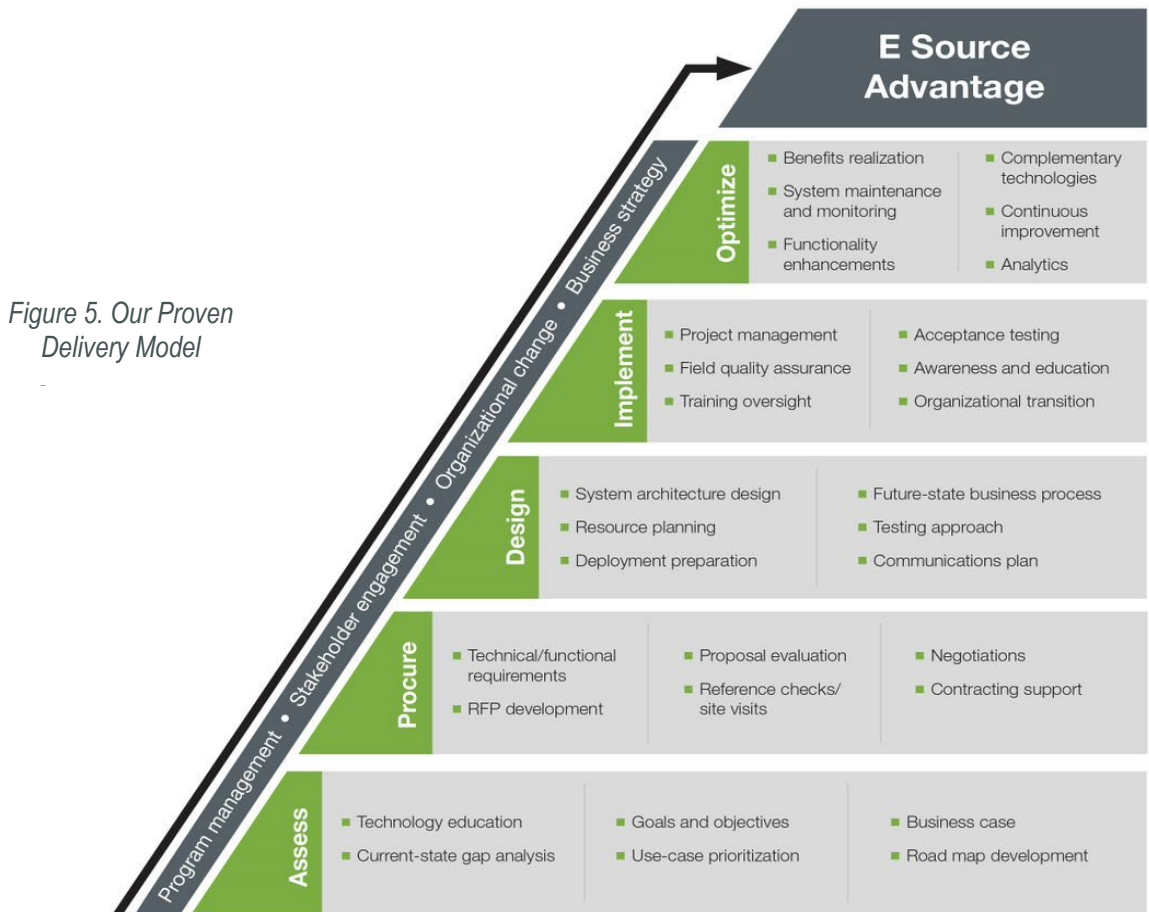We appreciate the opportunity to submit our proposal and thank you in advance for your consideration of our capabilities. Should you have any questions or require additional information, please feel free to contact me at 615-375-6396 or via email at kody_salem@esource.com. We look forward to hearing from you in the coming weeks.

Sincerely,

Kody Salem, Sr. Vice President, Business Development,
E Source TPI Division

Proposed Scope of Work Description

Our scope of services is designed around a proven, phased-based approach, known as E Source Advantage. Our approach is customized to your specific needs; we work on your behalf, "as an extension of your staff," ensuring your interests are the primary focus throughout the effort. Our ultimate goal is to facilitate the best-quality solution on time and on budget.

Figure 5. Our Proven Delivery Model

E Source Advantage

Optimize
- Benefits realization
- System maintenance and monitoring
- Functionality enhancements
- Complementary technologies
- Continuous improvement
- Analytics

Implement
- Project management
- Field quality assurance
- Training oversight
- Acceptance testing
- Awareness and education
- Organizational transition

Design
- System architecture design
- Resource planning
- Deployment preparation
- Future-state business process
- Testing approach
- Communications plan

Procure
- Technical/functional requirements
- RFP development
- Proposal evaluation
- Reference checks/ site visits
- Negotiations
- Contracting support

Assess
- Technology education
- Current-state gap analysis
- Goals and objectives
- Use-case prioritization
- Business case
- Road map development

Program management • Stakeholder engagement • Organizational change • Business strategy

E Source developed its system implementation process—E Source Advantage—based on industry standards including the Project Management Institute's (PMI's) Project Management Body of Knowledge (PMBOK), Carnegie Mellon's Capability Maturity Model Integrated (CMMI), and Rational Unified Process (RUP). The E Source Advantage was designed for establishing a documented, repeatable, and continuously improving delivery methodology, and emphasizes a strong project management and system engineering approach to implementing AMI projects. Internal and external processes are well defined, actively managed, and controlled to ensure that the overall development process, from initial requirements definition to acceptance testing, is performed smoothly and without surprises. Communication among all stakeholders is frequent and clear to facilitate common understandings and clear expectations.

In summary, our delivery model is an "integrated approach" that accommodates the tracks essential to proven technology implementations: project management, systems engineering (solution architecture, testing), deployment management, stakeholder engagement, organizational change management, test engineering, and business process design. Our blueprint for delivery provides activities that may be

managed by utility staff, by E Source, or by other parties. These activities can be expanded or reduced depending on project requirements, but in all cases, the activities need to be performed.

The documented benefits of our program management approach are myriad, but the effects are easy to see. Simply put, our programs deliver to their goals despite the inevitable hurdles present in any large-scale endeavor, as proven by our **100% project success rate.**

Task 1: AMI Strategy Development

Subtask 1.1: Infrastructure Deployment Plan

Through the RFP process, the City, Tantalus, and other selected vendors (installation, MDM, customer web portal) have the foundations of the infrastructure deployment plan. E Source will lead the City and all the vendors through the process of creating an integrated, infrastructure deployment plan. This is a subset of the overall implementation plan and it is documented as part of the Task 2 Project Execution Plan. Experience tells us the critical path for the infrastructure deployment plan usually runs through completing the required integrations. This year, vendor supply issues are the critical path. E Source will work with all parties to ensure the critical path and schedule risks are accounted for in the infrastructure deployment plan

E Source will assist in developing the AMI solution architecture based on 1) User data and functional requirements, 2) User process flows, 3) Automation requirements, 4) Integration requirements, 5) Industry best practices, 6) The E Source's Team's experience, 7) Implementation considerations and constraints,
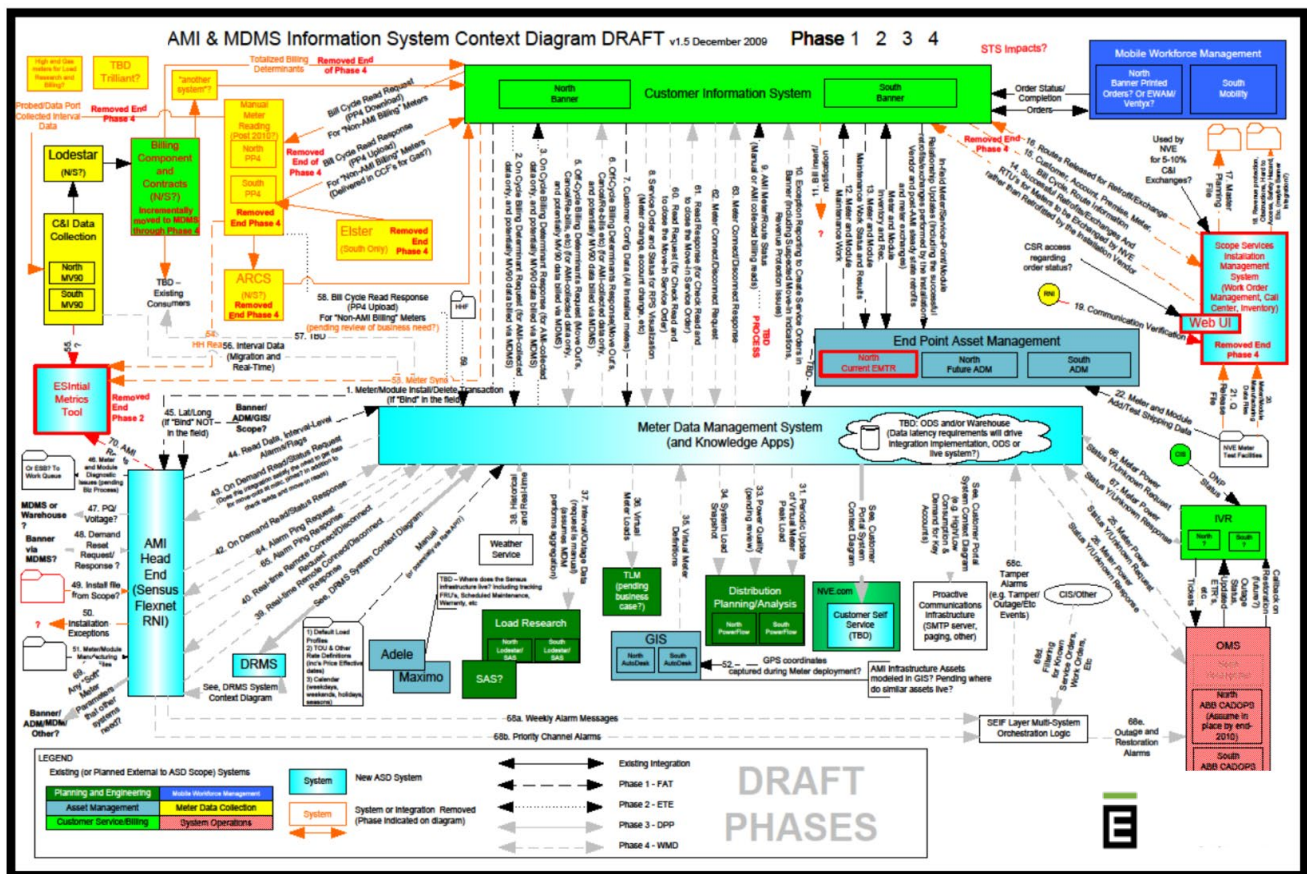

Figure 6. Example of a System Context Diagram in the Solution Architecture Document

8) Current and near-term future capabilities of commercial AMI technologies, and 9) Capabilities of commercial vendor software.

The technologies and integrations necessary to achieve the AMI plan will be included in this reference architecture. One of the areas that is often not given enough emphasis—but is critical to the successful implementation of AMI initiatives—is the integration with all of the other information systems such as outage management, work management, and customer systems. E Source's approach ensures that all of these critical integration points are identified and that impacts on other systems are factored into the strategy. The reference architecture will form the basis for the software, hardware, integration, implementation, services, and scheduling. An example of a System Context Diagram in the Solution Architecture Document is provided as Figure 6.

E Source, the City's AMI Project team members, Tantalus and other vendors will, through a facilitated discussion, develop the System Architecture/Technology Roadmap, through all of the subsequent phases (Plan, Design, Build, Run, and Transfer), addressing the major characteristics (Objectives, Capabilities, Values, and Technology Focus). E Source then provides subject matter expertise, industry best practices, integration tracking, and technical vendor oversight to assure that the architecture is built per the plan.

E Source will also work with the City to develop the Requirements Management Plan (RMP) and Requirements Traceability Matrix (RTM) that will collectively serve as the foundation throughout the design/develop/test phases of the software implementation and integration. Ultimately, complete traceability is ensured so that a system-level requirement can be followed through its breakdown into smaller requirements, into design elements and modules, and ultimately to the particular test case in which it is verified that the vendor successfully met the requirement.

Subtask 1.2: Facilitate Functional Business Process Optimization Plan

E Source will build the City's Optimization Plan and perform business process optimization through the 4 subtasks detailed below.

Subtask 1.2.1: Business Process Impact Assessment

The transformative nature of AMI technology requires the City adjust work processes and routines to realize benefits both internal and external to the organization. E Source will conduct a business process impact assessment to identify the City departments, business processes, and systems that will be impacted by the AMI implementation. E Source utilizes best practices to guide business process change which provides *end-to-end* process understanding, visibility and control while ensuring effective communication and engagement across an organization. While some technology partners skim over specific recommendations, E Source will draw from past technology deployments and industry best practices to guide the City toward making sound decisions for how to redesign processes, policies, and procedures related to an AMI program.

E Source begins with a workshop to gain understanding of the City day-to-day Meter-to-Cash (MTC) and operational business processes that will be affected by the deployment of AMI technology as well as provide recommendations for future processes that will be developed in order for the City to realize the expected benefits. This assessment will clarify business objectives and initiate the appropriate business process redesign activities to prepare the City for the future.
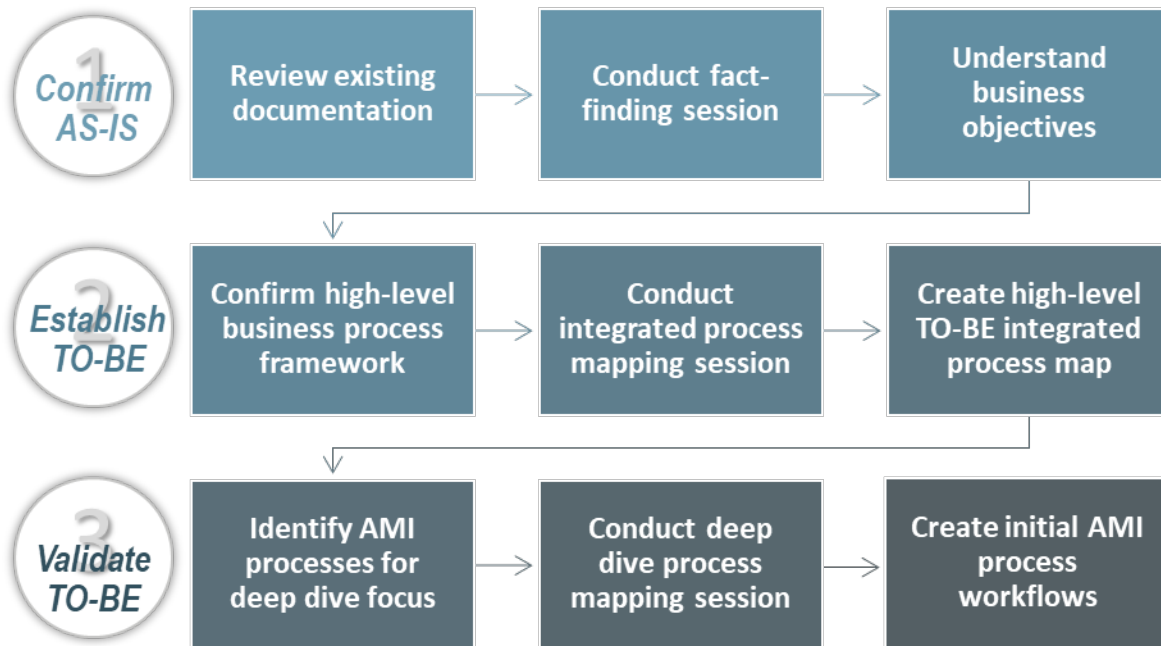
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1 Confirm AS-IS	Review existing documentation	→	Conduct fact-finding session	→	Understand business objectives
2 Establish TO-BE	Confirm high-level business process framework	→	Conduct integrated process mapping session	→	Create high-level TO-BE integrated process map
3 Validate TO-BE	Identify AMI processes for deep dive focus	→	Conduct deep dive process mapping session	→	Create initial AMI process workflows

Figure 7. End-to-end Business Process Design

Subtask 1.2.2: Current State Business Process

By defining and documenting current business processes, E Source gains a clear understanding of the operational and organizational characteristics of each business process. The team will work with the City to document current state business processes as part of cross-functional workshops, which includes a designated session for each business process. Supporting materials and demonstration of systems may be incorporated into the workshop agenda (for example, a walk-through of billing exception reporting in the CIS).

In addition to covering the step-by-step process itself, each session will also include ancillary discussions. These discussions include key performance indicators (KPIs); policies associated with the process that may be impacted by AMI; daily system monitoring, and operational use of the various system reports that are used to support the process (manually generated or system-generated); potential risks to the process in implementing AMI; and opportunities for process improvement.

Subtask 1.2.3: Conceptual Future State

The Conceptual Future State is the second of three (3) business process workshops that are planned for the development of the final business processes. This review of each business process will focus on the development of the future state, building upon what was developed in current state, and utilizing the new business applications (MDM system, AMI headend, and AMI meters, as applicable) and the interfaces that will be deployed (AMI/MDM, MDM/CIS, etc.). The timing is appropriate to assist the City in developing any new policies that will require review and approval.

In preparation for the workshop, E Source will perform a thorough review of the City's service regulations (or other appropriate documentation) to determine which current policies may need to be updated/altered to better align with AMI technology. In addition, E Source will discuss new policies which High Point may

need to create to successfully operate an AMI system, including opt-out, soft-off, and remote disconnect policies, for example.

Subtask 1.2.4: Final Future State Business Process Design

The Final Future State is the third of the three (3) business process workshops that are planned for the finalization of the business process flow diagrams and training materials. This final workshop will focus on addressing open items from earlier workshops; refining the City's decisions regarding new policies and procedures; and incorporating any new information following vendor training and configuration of systems. This iteration serves to bring the process diagrams and supporting materials to a final state that can be utilized for future internal training activity. This workshop will include time for demonstration of active (test or production) systems related to core business processes.

The Final Future State workshop typically follows all the City training in order to incorporate final design decisions into future state design.

Subtask 1.3: Create Approach to Enable and Track Expected Benefits:

During project kick-off activities (see Task 2 Project Management), E Source will begin to understand the City's key strategic and business objectives. E Source will review the City's AMI business case, if available, to identify the specific business benefits and metrics expected of AMI. These key inputs, along with the requirements traceability matrix will provide the framework to identify the expected benefits to track.

The Optimization Plan will reference this framework to verify the expected benefits can be achieved. Likewise, the solution architecture will do the same. Functionality, integrations, business processes, and installation planning can impact benefits realization. If any gaps are identified that will prevent the City from achieving expected benefits, these will be identified immediately for discussion and remediation.

The approach for tracking expected benefits will be documented in the Task 2 Project Execution Plan.

Subtask 1.4: AMI Admin Team Establishment:

As a result of the City's Optimization Plan, the City and E Source will have a clear understanding of the roles, responsibilities, and staffing gaps needed to support AMI and associated business processes. E Source will assist in the creation the City's staff hiring plan and associated work duties to maintain the future AMI. E Source understands different AMI organizational structures and how they are adapted to the unique City requirements. E Source has templates job skills to assist in creating position descriptions to assist in hiring.

ASSUMPTIONS

- E Source has identified the following minimum core business processes that will comprise the current state workshops: Billing & Read Validation; Customer Inquiry; Meter Exchange/Retrofit; Move-In/Move-Out; Non-Pay Disconnect/Reconnect; and System Events and Alerts.
- The City will identify pertinent team members that are most appropriate to participate in discussion of process change, along with other key personnel for participation in each workshop.
- The processes covered in the conceptual future state will be the same processes that were covered in Current State, except those new processes and sub-processes which will occur in the future but cannot be performed due to technological limitations in the current state.

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DELIVERABLES

- Vendor systems configuration/design workshop(s) participation, supplemented with additional workshops as necessary to define the system architecture.
- As-is and to-be system architecture including the system context diagram and the system component diagram
- Requirements Management Plan (RMP)
- Draft Requirements Traceability Matrix (RTM)
- PowerPoint process slides incorporating all business process decisions and workshop updates
- PowerPoint slides capturing notes from policies discussion
- PowerPoint slides incorporating all the City notes, decisions, and open items from workshop
- Finalized current state process diagrams (*.vsd)
- Draft future state process diagrams (*.vsd)
- Final future state process diagrams (*.vsd)
- Staff hiring plan for AMI

Task 2: Project Management

One of the primary factors that distinguish successful AMI projects is the quality of the overall project management. In the E Source model, based on the Project Management Institute's (PMI's) PMBOK® and Agile methodologies, our PM works very closely with the City project manager and uses proven process, methodologies, and templates to produce a robust, flexible implementation approach. Throughout all project phases we maintain and monitor the "iron triangle" dimensions of cost, quality, and schedule. We have found most vendors and many client owners do not have sufficient PM availability and/or capabilities, and we are very experienced in helping a combined vendor and the City team execute successfully to the project baseline.

In the deployment phase, the E Source PM will be responsible for supporting the activities listed in Table 5. Our PM will manage the monthly project status cycle for the City, which include measurement of progress towards the plan, performance status, risk management, items of concern, and open action items. These items will be managed regularly and will be consistently tracked.

Table 5. E Source Project Management Activities

PM ACTIVITY	DESCRIPTION
Scope Management	Ensure that the project plans outline all of the work required to complete the project successfully. Scope management consists of initiation, scope planning, scope definition, scope verification, and scope change control.
Change Management	Ensure that a baseline project plan is established at project initiation, and that a formal change control process is in place to control changes to the baseline project plan throughout the project lifecycle.
Integration Management	Ensure that the various elements of the project are properly coordinated. Integration management consists of project plan development, project plan execution, and overall change control.
Cost Management	Ensure that the project is completed within the approved budget. Cost management consists of resource planning, cost estimating, cost budgeting, and cost control.

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PM ACTIVITY	DESCRIPTION
Procurement Support	Acquire goods and services from outside the performing organization. Procurement support consists of procurement planning, solicitation planning, solicitation, source selection, contract administration, and contract closeout.
Quality Management	Ensure that the project will satisfy the needs for which it was undertaken. Quality management consists of quality planning, quality assurance, quality control, and configuration management.
Reporting Management	Ensure timely and appropriate generation, collection, distribution, and storage of project information. The project manager also handles reporting and status information management consists of communications planning, information distribution, performance reporting, and administrative closure.
Time Management	Ensure the timely completion of the project. Time management consists of activity definition, activity sequencing, activity duration estimating, and schedule development and control.
Resource Management	Ensure that qualified resources are available to perform each task defined in this SOW in accordance with the baseline project schedule. As necessary, the project manager ensures that resources have been provided with training to establish particular expertise required to perform tasks within the SOW. The project manager reinforces the importance of establishing and maintaining professional working relationships among the City and vendor team members, as well as monitors these relationships.
Risk Management	Identify and analyze project risks and respond to those risks. The E Source approach to risk management has three components—identification, prioritization, and management. Risks are identified at project inception and categorized based on probability and impact. A risk management plan is defined to impacts should the risk occur. The risk management plan is continuously re-evaluated during the project lifetime. Once a risk actually occurs, it is moved to the issue tracking process.

DELIVERABLES

– Project Execution Plan and Budget
– Periodic Status Reports and Invoices
– Biweekly or periodic meetings with the City's Project Team by phone or video conference
– Periodic updates for executive management and applicable governing board stakeholders
– Meeting Agendas and Minutes, including those for Steering Committee meetings
– Updated AMI Implementation Schedule
– End of Project Close Out/Summary Report

Task 3: Project Execution

In addition to our project management activities stated in Task 2 , E Source has vast experience managing the myriad of vendors needed to successfully implement an AMI project. We will organize a kickoff meeting with selected vendors and District staff to introduce key team members, review scope of work and deliverables, and discuss project schedule. We will also monitor budgets and schedules, perform check in calls with vendors and the District, as well as conduct any specific vendor due diligence the District may desire, such as:

■ Provide AMI vendor management support including serving as the primary liaison between the vendor(s) and project teams, managing the statement of work, advising the City on vendor deliverables and performance, managing change orders, and other appropriate actions.

■ Monitor City contracted third-party installers and other parties' compliance as the City's representative during solution installation, start-up, and execution to manage risks, ensure quality

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assurance and controls, and successful completion of milestones, deliverables, project and operational goals.

- Develop, maintain, and monitor the overarching field deployment strategy and plan to include field verifications and QA/QC. This includes oversite of meter installs.

- Lead project management activities supporting project execution, including the dissemination of status reports for executive staff and other audiences, maintenance and sharing of project schedule decisions, changes, issues, and risks, and supporting plans.

- Facilitate User Acceptance and testing activities, including developing test plan(s) to include unit, integrated solution test and user acceptance testing; document test scenarios and develop supporting test execution scripts, conduct requirements traceability, and monitor test execution.

- Review and audit AMI vendor test plans to ensure methodology, test procedures, and execution effectively validate solution functionality and requirements.

- Track, document, maintain and manage issues, defects, and errors for Phase one (1) and Phase two (2).

- Proactively scan, track, document, recommend and coordinate the remediation of risks.

- Develop the overall training plan strategy including employee and citizen education/ public awareness. Training plan shall include stakeholder training needs analysis, objectives/competencies to be addressed, approach, curriculum, and facilities/ equipment requirements.

- Develop, facilitate, manage, and monitor cutover and readiness plans.

- Working with the AMI vendor to ensure that the meter configurations are identified and understood.

- Overseeing the vendor patch and upgrade process ensure the proper requirements, design, and development activities are followed, and that software/firmware release plans do not negatively impact the system acceptance testing or ongoing utility operations.

- Overseeing the vendor software design and development activities with our proven software engineering methodology.

- Holding design reviews at the appropriate times to ensure vendors are properly interpreting the requirements.

- Providing system engineering oversight and activities needed to ensure that the vendor solutions are properly designed, developed, and unit tested prior to integration with the rest of the enterprise. A requirements update is necessary because despite the thoroughness of vendor RFP requirements, the vendors selected will most likely have additional constraints, limitations, unique strengths, and tradeoffs that need to be captured.

- Working with the City and the selected vendors to ensure that the project architectural, functional, performance, and integration specifications form the proper technical baseline for execution of the project. While most vendors have the basics for specifying their solution, we have found that there are inevitably gaps that need to be addressed, particularly at the integrated system level.

- Managing the baseline throughout the project lifecycle via our Requirements Management process using tools such as our Requirements Traceability Matrix (RTM). Complete traceability is ensured so that a system level requirement can be followed through its breakdown into smaller requirements, into design elements and modules, and ultimately to the particular test case to verify the vendor successfully met the requirement.

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Task 4: Performance Management

E Source will establish a comprehensive performance management and quality assurance model that reduces the City's risk by ensuring project, operational, and business results are achieved and sustained.

Requested Performance Management Activity	Accomplished By
1. Project health: identify and carry out performance and project quality control measures to ensure project deliverables are successfully met, including achieving business objectives and optimizing quality delivery through effective management of the project's schedule, cost, and scope.	Task 2: Project Management
2. Contractor performance (including third-party installers, AMI contractors and other appropriate parties): monitor contractor deliverables, communications, technical planning and solution development, configuration, integrations (i.e., including City applications such as CIS, billing, and outage management), testing, work, activities, and overall performance.	Task 3: Project Execution
3. Solution and technology performance: ensure hardware and software architecture, platform, integration, design, configuration, functionality, expandability, and performance meet City business objectives and improve operations.	Task 1: AMI Strategy Development Task 4: Performance Management

A graduated, thorough, and robust test program is needed for an AMI project, and E Source has implemented hundreds of successful integrated technology testing programs for our clients that trust that both our processes and the experience of our people.

E Source typically develops an overall test strategy to provide high-level guidance for the execution of the project test program that summarizes the test goals and objectives, as well as all known constraints (time, budget, resources, etc.), aligns all parties on testing phases and activities, and verifies the coordination mechanisms and timing with infrastructure and other system implementation activities. We also identify the necessary infrastructure, technology, communications, and IT requirements to execute the plan. In addition, the overall test strategy defines the approach to be used for testing cyber security for the project. We will develop the strategy via interactive workshops with the project team, the selected project vendors, and applicable business support groups. We will facilitate the workshops and provide the overall test strategy document.

Our test approach minimizes the City's risk by providing early validation of the technologies in steps, so that any problems are identified early and corrected. All discovered defects are formally logged, managed, and resolved as appropriate until acceptance is achieved. We will produce test plans and procedures that exercise the functionality of systems that must interface to meet business, technical, functional, integration, performance, and any other specified requirements. A Test Report is generated after each test phase is completed.

Should issues be identified during the testing process, we are ready and able to work with applicable vendors and development teams to resolve those issues. The clear documentation of the relationship

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between the requirement and test case included within the Requirements Traceability Matrix (RTM) makes it easier to pinpoint the problem that needs to be addressed. Once identified, we follow a rigorous corrective action process that ensures the problem is documented, root-cause determined, corrective and preventive actions are taken, and retesting is performed to verify that the problem has been corrected.

Our typical approach to a test strategy incorporates the following elements:

■ **Factory or Off-Site Testing –** These are vendor-performed tests that verify functionality of the system and may involve standard integration checks with other systems.

■ **Initial Bench Testing –** the City-led testing on a cross section of meter types/forms/sizes on a test bench (if available) or with a small quantity of field meters to confirm initial provisioning of the meters, register read accuracy, interval read accuracy, read resolution, meter configuration, alert functionality, AMI system two-way communications, base head-end system reporting, exporting to upstream systems, and other acceptance criteria as outlined in the Test Plan. This testing phase is critical to assure that the data produced by the meters and communicated by the collectors is accurate.

■ **System Integration Testing –** This brings all applicable systems together in testing to verify data sets are received and transformed properly, that data from a single source is properly routed to multiple destinations and that individual systems still perform as expected while integrated. This testing may also involve performance and security testing and is normally conducted within a QA/test environment.

■ **User Acceptance or Business Process Testing –** This testing verifies that the correct information flows through for a particular business process, including both mechanized and manual business processes. It is the final gate and ensures that the system functions and is aligned with requirements and processes that are used operationally. In this testing, a single trigger can initiate data transfers between multiple source and destination systems. It is the most comprehensive test of the complete set of business processes and maximizes to the extent possible the real-world use of the City's integrated systems. Test cases are executed by the City's users of the systems on a day-by-day basis. This testing may also involve performance and security testing and is normally conducted within a QA/Test environment.

■ **Field Acceptance Testing –** This testing verifies that the technical, functional and performance, and commercial specifications of the vendor Statement of Work (SOW) have been realized as expected for a subset of endpoints strategically deployed within the City service territory, referred to as the Initial Deployment Area (IDA).

Our overall testing strategy is illustrated in Figure 8 and incorporates optional Web Portal and Meter Data Management System (MDMS) components that may be installed in parallel with the AMI system.

Figure 8. Overall Testing Example
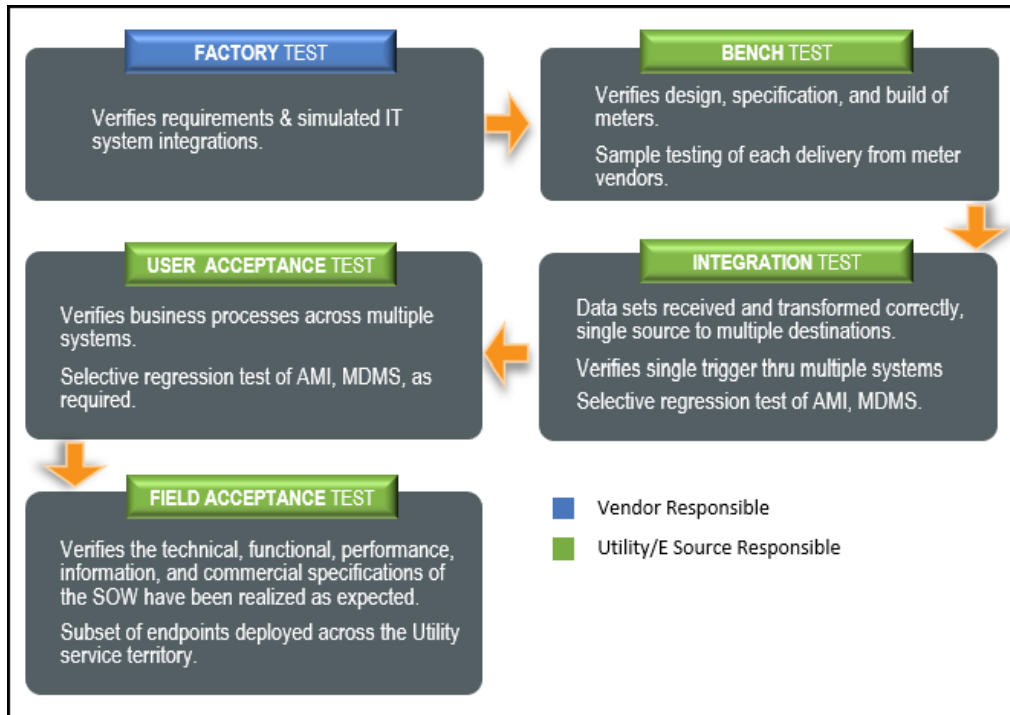
DELIVERABLES

- – AMI Test Strategy Document
- – Test plans for all the City-owned tests
- – Field Test Progress Reports and results interpretation
- – Reviewed test plans, procedures, results documentation
- – End-to-End Testing Procedures, Results, and Recommendations
- – UAT Procedures, Results, and Recommendations
- – Final Requirements Traceability Matrix

Task 5: Technical Service Delivery

Through our years of AMI implementation experience, E Source provides deep technical and management expertise for the City and vendors to identify and resolve technical issues during the life of an AMI program. E Source project management and delivery services include the following:

- Provide technical subject matter expertise to plan, evaluate, monitor, troubleshoot technical planning, implementation, issue resolution and user acceptance.
- Review issues, errors, defects, and other challenges, monitor response and remediation for all appropriate parties (vendors, City staff, Mgt Consultant members), recommend remediation/ fixes, and apply remediation/ fixes in coordination and as agreed upon between the Mgt Consultant, AMI Contractor(s) and City staff.

Task 6: Organizational Change Management and Communication

Subtask 6.1: Organizational Change Management

E Source does not believe in a "one-size fits all" or a prescriptive approach, we see OCM as a highly collaborative effort in which we employ our methodology as a basis. The E Source OCM methodology provides an approach that will guide the project team through a common methodology that integrates Kotter, Prosci, agile, design thinking and best practices. Our approach supports the following core change strategy principles: this change must feel different, simplicity over complexity, easy to use templates & tools, we are creating this change together and we are fast, iterative, and integrated. The E Source OCM methodology as shown in Figure 9, is laid out in six (6) phases flowing through the three (3) states of change and circling around "the change advantage" which is the opportunity at hand, so in the City's case, this is your AMI implementation project.
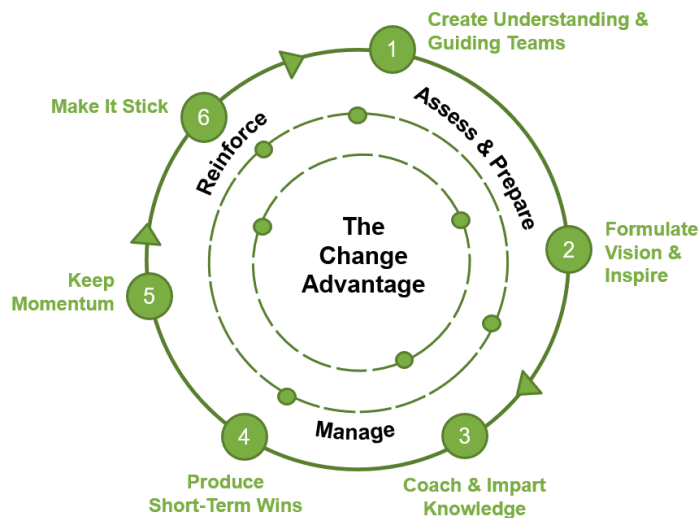

Figure 9. E Source OCM Methodology

Assess & Prepare for the Change

The assess & prepare stage launches detailed activities to assess the organization and detail change impacts, get the people right and inform the OCM strategy and overall approach.

OCM Assessment

This stage starts with E Source assessing the City and their relationship with change management. E Source asks a series of questions to the project team to help determine the level of change effort needed.

OCM Knowledge

After many years of incorporating change management into projects E Source understands how important it is for the people working on the project to have a base level knowledge of change management. Therefore, E Source provides OCM courses that can be modified based on audience and OCM knowledge to ensure everyone speaking the same language. These trainings are specifically developed to be inclusive of all types of learners keeping in mind the various types of learning styles, learning

preferences, learning time, information processing, and generational characteristics so that everyone is as engaged at their own unique level. Two trainings are typically done, one for the project team and one for the front-line managers & supervisors.

DELIVERABLES

– Change Management Plan (living document)

Manage the Change

This stage is all about managing the change by motivating action by the team and producing visible wins to assist in building support. E Source focuses on leveraging behaviors that drive results to get everyone involved at the right levels.

Generating & Prioritizing Wins Workshop

This stage is about generating short-term wins to create an ongoing flow of strategically relevant wins both big and small. Short-term wins provide the project team with credibility to the new way of doing things. Therefore, E Source will host a Generating Wins Workshop in which the project team will plan for visible improvements in performance, prioritize those wins, make a plan to achieve them and embed them into the project plan. This will be highly collaborative process that will help the team gain more buy-in from the stakeholder involved, sponsorship and move full force. The deliverables underlying this phase are below and they are based on the size of the utility.

DELIVERABLES

– Short-Term Win Plan

Reinforce the Change

This stage will define change network feedback mechanisms and assessment of OCM program results. Based on real performance and needs identified, E Source can advise on how to design and implement corrective actions, align performance, and celebrate successes. In this stage the change E Source will engage all six sources of influence that are shaping behaviors to get them working for the project team instead of against them.

Points of Intervention Workshop

In order to make change last, new behaviors need to become a part of the formal and informal systems, practices, and habits that form the organization's culture. Leaders must reinforce employees staying with the change. This is why E Source hosts a Points of Intervention Workshop to ensure that new behaviors are repeated even after the project team disassembles. In this session E Source will teach the team where targeted action can effectively open a system and clear the way for the change to stick.

DELIVERABLES

– Resistance Management Plan

ASSUMPTIONS

– The City will help create a sense of urgency throughout the City and make OCM a priority
– The City will have a dedicated OCM support team and a Communications lead with whom E Source will coordinate with to assist in executing the OCM plan

Subtask 6.2: Customer Marketing / Communication Plan

Of the many lessons learned in AMI projects, one of the most important is how critical it is to plan, manage, and engage stakeholders to build understanding and align expectations. Both internal and external stakeholders need to be engaged to address the needs of the community and support successful project implementation. Working with staff, our team will assess overall stakeholder endorsement levels and methods used, then develop engagement strategies leveraging—and perhaps expanding—those methods.

The goal of stakeholder engagement is to effectively inform and engage the supporters while minimizing the impact of resistors, by offering factual responses to concerns and options to meet their needs. For example, there are four known topics of concern that must be addressed in AMI projects: (1) price/rates; (2) privacy and data security; (3) health; (4) safety. Although public resistance to AMI projects has diminished over the last few years, recent experiences indicate that utilities must be prepared to address these issues. On the flip side, engaging those customers who are interested or even enthusiastic about the possibilities of new technology can build momentum for the entire effort.

E Source develops a clear plan for customer engagement activities that leverages existing the City practices and addresses tactical implementation. E Source activities will include the following:

- Conduct a discovery workshop to outline program goals, objectives, key messages, and strategy for stakeholder engagement.

- Support the development of the overall project branding.

- Identify requirements (i.e., content, methodology, timing) for informing electric customers and other stakeholders (i.e., Senior Management, Council, etc.) about the project before, during and after the transition to AMI technology.

- Identify topics that will be covered with stakeholder engagement and the communication channels that will be leveraged for both internal and external customers. Topics may include AMI project benefits and information sharing and transitional changes for the organization.

- Discuss concerns/issues that have been raised by the public on other AMI projects and manage customer expectations. E Source will provide educational materials to address common topics of concern with AMI technology and its impacts.

- Define and measure communication metrics to track the success of the program (e.g., customer contacts, media attention, web analytics).

- Develop a comprehensive stakeholder engagement plan and a tactical action plan considering timing of activities relative to project phasing and schedule.

- Work with the City to develop the content for a variety of customer-facing materials including:

  - Customer letter
  - Postcard
  - Door hanger
  - Press release
  - Webpage
  - Frequently asked questions
  - Brochure

E

ASSUMPTIONS

– The stakeholder engagement discovery workshop is commonly conducted onsite over a two-day period but can be hosted via webinar.
– E Source will assist in the development of content.
– the City will employ a graphic designer to assist with visual layouts and design.
– The printing, shipment, and dissemination of materials will be handled by the City.

DELIVERABLES

– Customer Marketing / Communication Plan with key messaging
– Tactical Action Plan (*.mpp)
– Host up to two (2) internal stakeholder education sessions
– Content for internal and external stakeholder communications
– Communication metrics report

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Pricing Schedule

The following proposed costs were calculated based on our experience with several similar projects and our interpretation of the level of effort desired by High Point from the RFP. E Source can adjust the scope of work to provide more or less support to match the needs of the City. To ensure we achieve the project's goals for each of its key deliverables and associated phases, we have calculated the expected level of effort (hours) by E Source staff members. This pricing includes all services and deliverables requested by the RFP. All tasks will be invoiced monthly based on progress against the percentage of task completion/by deliverable, unless noted in the assumptions.

Travel expenses are not included and will be submitted for reimbursement on an actual and reasonable basis, and will be invoiced monthly, at cost. E Source will seek to minimize expenses through the use of teleconferences when possible.

Phase/Task	Price
Task 1.1 Infrastructure Deployment Plan	$ 89,434.56
Task 1.2 Functional Business Process Optimization Plan	$ 89,392.08
Task 1.3 Approach to Enable & Track Expected Benefits	$ 14,379.48
Task 1.4 AMI Admin Team Establishment	$ 16,815.00
Task 2 Project Management	$ 285,111.60
Task 3 Project Execution	$ 426,612.48
Task 4 Performance Management	$ 75,204.37
Task 5 Technical Service Delivery	$ 43,542.00
Task 6.1 Organizational Change Management	$ 70,138.63
Task 6.2 Customer Marketing / Communication Plan	$ 37,594.80
Total:	**$ 1,148,225.00**

Assumptions:

- E Source's pricing to implement this Scope of Work is based on a timely start and timely completion of proposed tasks and subtasks.

- High Point will provide E Source with working space, network connections, infrastructure, administrative support, and other services and materials reasonably requested to perform project work while onsite at High Point offices, if requested.

- City personnel will support workshops and meetings as needed.

- Billing rates for subsequent years will be automatically adjusted annually by 3.0 percent on a compound basis.

- Outside firms/subconsultants will not be used in the competition of identified tasks

- These rates and estimates are exclusive of taxes. Any required state, city, or local government taxes, fees, or business licenses costs will be invoiced at actual cost incurred

- Travel expenses are estimated at $1,500 per person trip but will be billed

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RFP RECOMMENDATION REQUEST
FOR COUNCIL APPROVAL

DEPARTMENT:

COUNCIL AGENDA DATE:

RFP NO.:   DATE OPENED:

DESCRIPTION:

PURPOSE:

COMMENTS:

RECOMMEND AWARD TO: AMOUNT:

JUSTIFICATION:

ACCOUNTING UNIT	ACCOUNT	ACTIVITY	CATEGORY	BUDGETED AMOUNT
TOTAL BUDGETED AMOUNT				

DEPARTMENT HEAD: DATE:

The Purchasing Division concurs with recommendation submitted by the **and**
recommends award to **in the amount of $** **.**

PURCHASING MANAGER: DATE:

Approved for Submission to Council
FINANCIAL SERVICES DIRECTOR: DATE:

CITY MANAGER: DATE: