Briefing Paper
IT Integrated Solutions Project Update

June 12, 2010

Summary
This paper reports the status of the Integrated Solutions Project, scheduled for board action at the July meeting. For further detail, see the briefing paper provided for your May 5, 2010 meeting.

Background

- The Integrated Solutions Project (ISP) aims to replace two or more of our three main IT applications with a more tightly integrated solution.
- ISP's objectives are to:
    - Improve productivity and program management
    - Improve work flows by automating processes and eliminating unnecessary steps
    - Provide programs with stronger management and customer service tools
    - Provide a strong, flexible and scalable foundation for growing demands.
- A Steering Committee composed of senior staff, three outside experts, Al Jubitz and Dan Enloe oversees the project.
- A Request for Proposal (RFP) was issued March 19, 2010.
- A selection committee reviews and ranks the proposals. The committee is composed of Steve Lacey, Sue Meyer Sample, Peter West, Debbie Blanchard and Amber Cole, two outside experts (Mark Roller, IT Director for NEEA and Joe Prats, IE4Solutions, plus support from staff experts.

Responses

- Five complete responses and two partial responses were received. The partial responses were eliminated after an initial review. Two responses proposed a Microsoft Dynamics solution; one of these was eliminated after analysis of the strength of the implementation providers.
- Four proposals were selected for more thorough review:
    - One proposal is a fully-integrated, SAP All-in-one solution
    - One proposal offers a Microsoft Dynamics solution that integrates financial accounting, project tracking and customer contacts with custom development.
    - Two proposals, one using Epicor 9 and one using Netsuite, would use either a FastTrack retrofit or an additional software product to complete their solutions.

Ranking Criteria

- We are using the following criteria to score the proposals:
    - Strength of the solution (30%) – the software's ability to meet Energy Trust's requirements with minimal risk.
    - Strength of the implementation approach (20%) – the match of the implementation approach to Energy Trust's environment and risks.
    - Strength of the implementation services provider (25%) – the fit of the implementation service provider to the Energy Trust perspective and risks.
    - Cost (25%) – Total cost of ownership over a 15-year period, including implementation, licensing, maintenance and enhancement infrastructure.

Preliminary Cost Estimate

- Of the preliminary responses, three are within 10% of budget; one is 35% over.
- The following costs are still being developed:
  - Estimates for changing FastTrack to integrate with the partial solution options
  - Estimates for a 3rd party real estate add-in solution to integrate with the partial solution options
  - Solid consulting costs and software license estimates
  - Total cost of ownership for a 15 year system life
- The following table compares the proposals' cost estimates to the budget:

Description	***Budgeted***			***Proposals***	
ISP Cost Description	**2010 Estimated Cost**	***2011 Estimated Cost***	***Total***	***Low***	***High***
ISP software*	*350,000*	*150,000*	*500,000*	*190,404*	*732,000*
ISP consulting*	*594,000*	*740,000*	*1,334,000*	*528,600*	*1,559,200*
ISP Hardware*	*24,000*		*24,000*	-	*100,000*
Contract Project Manager*	*156,000*	*156,000*	*312,000*	*262,000*	*262,000*
Training content contractor	*25,000*	*53,000*	*78,000*	*134,000*	*260,000*
Training Implementation Services		*182,000*	*182,000*	-	-
IT specialized training		*18,000*	*18,000*	-	*16,000*
Business Process Analysts	*200,000*		*200,000*	*100,000*	*200,000*
ETO Backfill for IT resources	*69,000*	*165,000*	*234,000*	*234,000*	*234,000*
Staff Backfill/support**			-		
Ongoing Software License over total 5 years ***			-	*219,412*	*691,756*
Testing Services ***			-	*175,000*	*275,000*
Contingency			-	-	*238,328*
Bonus***					
Other (Vendor travel, other, misc) ***			-	-	*233,880*
Total estimate	*1,418,000*	*1,464,000*	*2,882,000*	*2,823,932*	*4,190,080*

* Capital costs total $2.17M, to be depreciated over 3 years
** Included in operating budgets
*** Unbudgeted or categorized costs

Preliminary Timeline

- The proposals estimate 6 - 10 months to implement a solution, not taking into account potential Energy Trust workload and resource constraints.

Next Steps

- To focus the process further, the Steering Committee decided that the top one or two vendors will be engaged in a one- to two-week design phase, to:
    - Better define deliverables and schedule
    - Allow us to “test out” the implementation provider teams’ fit and skill
    - Simplify contracting
- On-site demonstrations, with standardized scripts, are scheduled from June 1 through June 16. Selection committee members and Energy Trust subject matter experts will attend as appropriate.
- Scoring and ranking solutions
- Selecting top one or two vendors
- Detailed design effort utilizing balance of RFP budget to get firm estimates, schedules, resource pull and engagement terms
- July 29th - Board resolution to approve top vendor