

Energy Trust of Oregon

Retirement Plan Services - Third Party Administrator

Request for Qualifications

October 25, 2017

RFQ Submission Deadline: November 15, 2017, 5:00 p.m. (PST)

REQUEST FOR QUALIFICATIONS (RFQ) FOR RETIREMENT PLAN THIRD PARTY ADMINISTRATOR SERVICES

I. Introduction

Energy Trust of Oregon, Inc. (Energy Trust), an Oregon non-profit, 501(c)(3) corporation, is seeking qualifications from companies to provide third party administration services for its retirement plans. Energy Trust employs approximately 110 regular employees. Regular employees have access to Energy Trust's retirement plans, which permit the employer and/or employee to contribute pre-tax and after-tax dollars towards retirement savings accounts. Energy Trust currently maintains three different retirement plans, collectively the "Plans":

- 401(k) Profit Sharing Plan
- Supplemental Executive Retirement Plans (2)

The successful respondent will need to offer an excellent range of high-performing investment options for employees, robust and efficient plan administration, responsive and professional customer service, financial advice and suitable education, long-term stability, and reasonable plan expenses.

A. Energy Trust Overview

Energy Trust is an independent nonprofit organization, selected and overseen by the Oregon Public Utility Commission (OPUC), to lead Oregon utility customers in benefiting from saving energy and generating renewable power. Energy Trust services, cash incentives and energy solutions have helped participating customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista save nearly \$1.9 billion on their energy bills. The cumulative impact of this leadership since 2002 has been a contributing factor in the region's low energy costs and in building a sustainable energy future.

Some of Energy Trust's requirements in this RFQ and in any subsequent negotiating and/or contracting phases are driven by governing law, the provisions of the grant agreement with the OPUC (the OPUC Grant Agreement), and funding agreements with each utility. A copy of the OPUC Grant Agreement, as well as more information about Energy Trust's background, funding sources, strategic and action plans, policies and programs are available on the website at www.energytrust.org/about.

A key for a successful third party retirement plan administrator is the ability to work effectively with the employees of Energy Trust. Energy Trust employees are highly driven by the mission and goals of the not-for-profit organization. They are analytical and engaged. The culture of the organization strives to be inclusive, collaborative, transparent and supportive of work-life balance.

B. Retirement Program Overview

Energy Trust's Retirement Program provides participants with an attractive and diversified array of investment options. Total assets in these plans are approximately \$13 million. Current administrative fees are all paid by Energy Trust.

Relevant current plan provisions and statistics are summarized as follows:

Plan	Retirement Plan	SERP 1	SERP 2
Plan Name	Retirement Savings Plan	Supplemental Executive Retirement Plan #1	Supplemental Executive Retirement Plan #2
Established	1/1/2002	1/1/2005	3/1/2014
Reinstatement Effective Date	1/1/2015	n/a	n/a
Last Amendment Effective Date	1/1/2014	3/1/2014	n/a
Plan year	Calendar	Calendar	Calendar
Plan Document Sponsor/Type	401 (k) & Roth 401 (k)		457 (b) non-public
Custodian	Reliance Trust	Reliance Trust	Reliance Trust
Plan Administrator	Energy Trust or Board Appointed Administrative Committee	Energy Trust or Board Appointed Administrative Committee	Energy Trust or Board Appointed Administrative Committee
Third Part Administrator/Actuary	The Standard Insurance	The Standard Insurance	The Standard Insurance
Investments	See list of funds - Appendix 1	See list of funds - Appendix 1	See list of funds - Appendix 1
Plan Assets at 06-30-2017	\$ 12,030,752	\$ 498,372	\$ 423,859
2017 Budgeted Employer Contribution	\$ 620,000	\$ -	\$ -
2017 Employee Deferral	\$ 685,000	\$ -	\$ 81,500
Participants at 06-30-2017	103	< 10	7
Eligibility	Completion of 3 months of service	Directors only	Earn over \$100,000 per year
Entry Date	First day of the month coinciding with or next following the date employee satisfies the eligibility requirements.	Plan is closed for new participants	First day of the month coinciding with or next following the date employee satisfies eligibility requirements. If salary increase is to > \$100k then immediately

C. Role of the Retirement Plan Services Third Party Administrator

Energy Trust is seeking qualifications from firms to fill the role of and provide retirement plan third party administrator services (the “Services”).

Energy Trust is looking for respondents with:

- Relevant experience of working with organizations similar to Energy Trust and with plans of comparable size.
- A proven record of service to plan participants.
- Reasonable cost/pricing.
- A modern and intuitive website.
- An excellent range of suitable high-performing investment options.
- A demonstrated record of high quality employer/sponsor support.
- The ability to craft a change management plan and effect a seamless transition.

Energy Trust is seeking a provider of the Services who will develop deep knowledge of the organization and employees’ retirement needs. The successful respondent will be able to demonstrate excellence in terms of both participant service and administrative operations.

Specific services to be addressed in the response: Respondents to this RFQ must provide services related to plan design; plan installation; plan consolidation; plan termination; IRS qualification and tax filings and all other compliance-related work, including assistance with

audit responses; plan amendments; participant eligibility determinations; employer contribution calculations; excess contribution calculations; forfeiture calculations; employee loan servicing; distribution reporting (hardship, separation from service, etc.); retirement plan distribution processing and related tax disclosure preparation; vesting determinations; testing (including but not limited to Coverage Test, ADP/ACP Test, Top Heavy Test, IRC Section 415 Test); Summary Plan Description development; actuarial valuations and certifications; reporting; trust accounting and reconciliation; plan specification reporting; employee census reporting; Summary Annual Report and all other PBGC and DOL reporting (including but not limited to Form 5500 and all attachments); plan account balance statements; participant account and benefit statements; participant education; and other communication, recordkeeping, administration, or investment management services.

More specifically, a successful respondent will be able to demonstrate the follow traits:

1. Proactive – offering specific solutions to help maximize the retirement benefits to employees;
2. Collaborative – willing to meet on a regular basis with Energy Trust staff and Board regarding plan maintenance and with employees regarding enrollment and education;
3. Creative – presenting new ideas regarding possible plan design, administrative improvements, and participant education;
4. Responsive – responding to administrative and participant requests in a timely and effective fashion;
5. Professional – exhibiting at all times an ethical, meticulous, and highly-detail oriented manner; and
6. Comprehensive - able to coordinate all administrative requirements for the existing Plans, including investment management.

II. RFQ Schedule

Submittal Instructions

Respondents must submit to Energy Trust, by the Submission Deadline indicated in the table below, the following:

1. Four (4) original, complete, hard-copy responses via hand delivery, U.S. Mail or courier service to the address listed below. Faxed submittals will not be accepted.
2. One electronic copy of the proposal. This electronic copy must be sent via email to the email address below. Subject line of the emailed electronic copy must clearly state: ***Retirement Plan Services RFQ Response: Time Sensitive.***

To reduce waste, Energy Trust requires hard-copy responses with double-sided pages, and requests that you refrain from using spiral bindings or other non-recyclable binders/folders for the submitted hard-copies.

Original hardcopies

Energy Trust of Oregon
Attn: Cheryle Easton
421 SW Oak Street, Suite 300
Portland, OR 97204

Electronic copy

cheryle.easton@energytrust.org.

Notice of intent to respond

Energy Trust requests that firms intending to respond to this RFQ notify Energy Trust in advance by the date indicated in the RFQ Schedule table below. Please send this notice via email to cheryle.easton@energytrust.org

The subject line must read ***Intent to Respond: Retirement Plan Services RFQ*** and the notice should include the following:

- Company name
- Address
- Contact name
- Contact title
- Telephone number(s)
- Fax number
- Email address

Requests for clarification or additional information

Any questions and/or requests for clarification or additional information regarding this RFQ must be submitted in writing to cheryle.easton@energytrust.org by the deadline date indicated in the table below. Subject line of the emailed question/request must clearly state: ***Retirement Plan Services RFQ Request for Additional Information.***

Requests received prior to the stated deadline will be answered and posted on Energy Trust's website by the date indicated in the table below. Verbal requests will not be accommodated. Requests for additional information received via mail or fax will not be accommodated. All requests must be received via email.

Submission deadline

The RFQ schedule is set forth in the table below:

Posting of Request for Qualifications	Wednesday, October 25, 2017
Notice of Intent to Respond	Wednesday, November 1, 2017
Deadline to submit written questions	Wednesday, November 1, 2017
Posting of responses to submitted questions	Monday, November 6, 2017
Submission deadline	Wednesday, November 15, 2017, 5:00 PM
Selection and notification of respondents for interviews	Week of December 4, 2017
Interviews	Weeks of December 11 & 18, 2017

III. Response Requirements

Responses to the RFQ must be submitted in the format outlined below. Proposals should respond to the RFQ criteria and be no longer than 25 pages. Concise and complete submissions will be considered an indicator of the future effectiveness of the proposer.

RFQ format

- PDF
- 25-page limit, not including the cover page or any appendices
- 11 pt. Arial font
- Single spaced
- 1-inch margins
- Tabbed sections based on the RFQ outline

RFQ outline

Submissions must be organized using the outline below and be responsive to the RFQ criteria:

- **Signed Cover Page**
- **Section A. Executive Summary** (*Not to exceed 1 page*)
- **Section B. Statement of Qualifications** (*Not to exceed 23 pages*)
- **Section C. References** (*Not to exceed ½ page*)
- **Section D. Conflict of Interest Disclosure** (*Not to exceed ½ page*)

Cover Page. The submission must include a Cover Page with the following statement and signature of a representative authorized to submit the response on behalf of the respondent firm: ***By submitting this RFQ response, the respondent hereby represents that it explicitly agrees to and accepts all RFQ Governing Provisions as set forth in the RFQ. Additionally, respondent represents that the information contained in this response is true, accurate, and complete. [Signed by Authorized Representative]***

Sections. The content that must be included in each section of the submission is detailed below. These sections should all be answered as clearly and as concisely as possible.

Section A. Executive Summary (*Not to exceed 1 page*)

Respondent must include a brief summary of key information about their organization, and any other organizations that are part of the respondent's team. The executive summary should clearly and succinctly demonstrate respondent's understanding of the RFQ's objectives and requirements and summarize why respondent would be the best candidate to perform and complete the services described in this RFQ.

Section B. Statement of Qualifications (*Not to exceed 23 pages*)

Qualifications shall include, at a minimum, the following:

Company Background & Experience:

1. General background information about your firm, number of years in business, locations(s), and principal(s).
2. Total number of employees and a list of those that would be dedicated to Energy Trust's account(s) showing names, locations, and professional designations or other credentialing. Also, describe whether your firm has on-staff ERISA counsel.
3. Total number of clients.
4. Total number of 401(k), deferred compensation, and defined contribution plans administered.
5. Number of clients with plan assets between \$10 million and \$25 million.
6. Number of new and resigning clients in 2016, with a separate identification of how many of those are clients with plan assets between \$10 million and \$25 million.
7. A description of the demographics/diversity of your workforce.
8. A description of how your firm, and your people, are involved in the communities that it serves.

Service to Plan Participants:

9. A full and complete description of the process(es) by which you address participant requests of support, e.g., telephone-based response, web portal, and a description of the individual(s) at your firm who will be available to participants, and the location of these people.

10. Description of how you assist with new enrollee procedures, including whether you will provide representatives for on-site enrollment and other educational meetings.
11. A description of participant statements and whether they can be customized. Include samples and specify whether personalized rates of return are included. (Samples not included in page limit).
12. A description of all the types of plan documents you provide and support (standardized and non-standardized prototype plans, volume submitter, individually designed) and a list of potential plan custodians for each of these products.
13. A description of how and why your team is a good match to work with Energy Trust employees. For reference, see the description of Energy Trust's organizational culture in Exhibit 2.
14. A description of your strategy for participant education and the types of options that you provide.
15. A description of what you can do to improve employee participation, and any measurements and/or tracking data that you can provide on employee participation and engagement.
16. A link to your website that provides examples of the participant experience Energy Trust's employees could expect.
17. Provide your company's policy or commitment statement regarding electronic accessibility. Identify who in your company is responsible for the electronic accessibility policy and compliance. Specifically, identify the extent to which your products and services are accessible to people with disabilities, including people who are blind or have low vision, are deaf or hard of hearing, have mobility or dexterity limitations, and who have speech impairments. Describe the methods you used to determine the accessibility of your product or service. Where your product is not accessible, please describe options for improving the accessibility of your product through modifications, peripherals, or other add-ons as appropriate. Describe how you assure that you keep your product current with changing legal requirements and accessibility best practices.
18. A description of broader financial planning and/or education (i.e., beyond these retirement plans) that your firm can provide, and any fees that might be associated with this.

Suitable Investment Options:

19. A description of fund and fund family offerings included in your fee quote and any variations thereof, including maximum number of funds provided and any limitations on the number of funds or families offered with the total offering. Also specify whether it is possible to invest in funds not managed by your company or the custodian(s) with which you are affiliated.
20. A description of managed time-to-retirement and risk-based options available, as well as specific fund offerings for participants who wish to be more actively engaged in investment decisions.
21. A description of what information you will provide regarding funds and fund options; provide specimen copies of this material. (Specimens not included in page limit).

Employer/Sponsor Support & Cost/Pricing:

22. A description of your quality standards related to returning requests for administration assistance from your clients.
23. A full and complete description of the services you will and will not provide for each of the specific services to be addressed listed under 1C (Role of the Retirement Plan Services Third Party Administrator) above. Include your fee structure, consultant hourly rates and/or other pricing arrangements for annual plan administration fees itemized by

base fees, if applicable, and/or per participant fees. Also, describe any 12b-1 fees, commissions, rebates, asset-based fees, or other compensation received by you, your employees, or firm or a related/affiliated broker or other similar entity for any mutual funds that will be contained in Energy Trust's plans;

24. A full and complete description of any fees, commissions, revenue-sharing arrangements, commission recapture, or similar arrangements that are received by you, your employees, or firm from any related/affiliated entity associated with the servicing of Energy Trust's plans, but received from sources other than Energy Trust's plans.
25. A specimen copy of your client service agreement, contract, or other relevant document (not included in page limit).
26. A description and/or samples of plan management reports that include total assets, contributions, and other statistics and whether that information is available on a plan sponsor website (samples not included in 20-page limit).
27. A copy of your latest System & Organization Control (SOC) report or a statement that you do not have one (not included in page limit).
28. A description of your approach to providing fiduciary services as a third-party administrator.
29. A description of any trust/custody/recordkeeping/other system conversions planned in the next 12 months or an affirmative statement that there are none.
30. A description of your insurance coverages including Errors and Omissions, D&O and Fiduciary Liability, including names of carriers and limits.
31. Your privacy policy with regard to sharing client and account information to outside parties (not included in page limit).
32. A description of your data security policies and procedures, including those related to physical access, data encryption, back-ups, and disaster recovery.
33. A list and description of any current or pending administrative or similar actions against you or your firm or an affirmative statement that there are none (not included in page limit).

Section C. References *(Not to exceed ½ page)*

Please provide references for five not-for-profit organization clients with plan assets in the range of \$10 million to \$25 million, including organization name, contact, phone number and email, number of years as administrator, and number of participants. At least one of these should be a client that was new within the last 24 months that can address your organization's change management and transition planning. If you do not have a not-for-profit organization of this size that is new, then please provide a reference for at least one other organization with plan assets in this range that was new in the last 12 months.

Section D. Conflict of Interest Disclosure *(Not to exceed ½ page)*

The response must include a disclosure of any direct or indirect, actual or potential conflicts of interest with Energy Trust. A "direct or indirect conflict" is defined as any situation in which an individual or member of their family or close business or personal acquaintance, is employed by Energy Trust or the Oregon Public Utility Commission, or may be reasonably construed to have a direct or indirect personal or financial interest in any business affairs of Energy Trust, whether because of a proposed contract or transaction to which Energy Trust may be a party or may be interested, or is under consideration, or whether such conflict is purely conceptual, because of similarity of business interests or affairs. If no such conflict exists, provide an explicit statement to that effect. The determination of whether a conflict of interest exists is left to Energy Trust at its sole discretion.

Energy Trust reserves the right to request additional financial information from any RFQ respondent, such as copies of financial statements or credit or bank references.

IV. RFQ Governing Provisions

A. Agreement to All Terms: By submitting a response to this RFQ, respondent represents that it is authorized to submit a response, all information provided in the response is true and correct, and respondent explicitly agrees to and accepts the following provisions of this RFQ and all other terms and conditions set forth in this RFQ.

B. Right to Accept or Reject: This RFQ is not an agreement to purchase goods or services. Energy Trust is not bound to enter into a contract with any qualified respondent. Energy Trust reserves the right to modify the terms of this RFQ at any time in its sole discretion. This includes the right to cancel or revise this RFQ at any time. Further, Energy Trust reserves the right to waive any nonconformity in submissions received, to accept or reject any or all of the items in the submission, and award any ultimate contract in whole or in part as it is deemed in Energy Trust's best interest. No verbal agreement or conversation made or had at any time with any officer, agent, or employee of Energy Trust, nor any oral representation by such party shall add to, detract from, affect or modify the terms of the RFQ, unless specifically included in a written addendum to this RFQ issued by Energy Trust. In addition to any other enumerated reserved rights and/or options as stated in this RFQ, Energy Trust may, in its sole discretion, do any one or more of the following:

- Determine which responses are eligible for consideration in response to this RFQ.
- Negotiate with respondents to amend any response.
- Select and negotiate and/or enter into agreements with respondents who are most responsive to the RFQ and whose responses best satisfy the interests of Energy Trust and not necessarily on the basis of pricing alone or any other single factor.
- Issue additional subsequent solicitations for qualifications, including withdrawing this RFQ at any time and/or issuing a new RFQ that would supersede and replace this one.
- Vary any timetable or schedule, add and/or change any provisions discussed herein.
- Conduct any briefing session or further RFQ process on any terms and conditions.
- Suspend or modify the RFQ process at any time.
- Enter into relationships with more than one respondent.

Proposal selection will be the sole responsibility of Energy Trust and will be undertaken at the sole discretion of Energy Trust. Proposals may be eliminated from consideration at Energy Trust's sole discretion for any reason, but at a minimum, including but not limited to:

- The proposal is substantially incomplete or exceeds page limits.
- The proposal is not responsive to the objectives and requirements of this RFQ.
- There is evidence of financial, technical or administrative instability of the firm or team.
- The proposal is inconsistent with Energy Trust policies or requirements.
- A conflict of interest exists.

C. Ownership of Responses: All materials submitted in response to this RFQ shall become the property of Energy Trust and shall not be returned to the respondent.

D. Confidentiality: Respondent shall clearly identify those proprietary portions of their responses that it does not want revealed to third parties and label such portions as "Confidential Information." Except as required under Energy Trust policy, law or for regulatory purposes Energy Trust will maintain confidentiality of such information.

E. Respondent Expenses: Respondent is solely responsible for its own expenses in preparing a response and for any subsequent negotiations. Energy Trust will not be liable to any respondent for any claims, whether for costs or damages incurred by the respondent in preparing the response, loss of anticipated profit in connection with any final contract, or any other matter whatsoever.

F. Waiver of Claims: Respondent waives any right it may have to bring any claim, whether in damages or equity, against Energy Trust, Energy Trust Board of Directors or any of Energy Trust's agents, employees or contractors, with respect to any matter arising out of any process associated with this RFQ.

G. Criminal Record and Credit Check: Respondents selected as finalists to this RFQ may be required to consent to a combined criminal record and credit check in order to proceed in the process. Energy Trust will obtain the respondent's consent to proceed with these checks.

H. Resulting Contract: The selected respondent(s) would be required to execute a written contract with Energy Trust to perform the services as described in this RFQ. No award will be considered a commitment, and no obligations or legal relations shall exist between Energy Trust and any selected respondent until a final and binding written contract has been executed by and between Energy Trust and such selected respondent. Key terms in any resulting contract would include the following: appropriate license and certification requirements, timely and accurate invoicing requirements, intellectual property provisions, conflict of interest disclosure requirements, confidential information nondisclosure requirements, indemnification for third party claims and limitation of liability provisions, and insurance requirements. Time is of the essence, and prolonged contract negotiations will not be undertaken. Any party involved in these contract discussions can terminate negotiations at any time and for any reason. If it appears that contract negotiations are not proceeding in a timely manner, Energy Trust may opt to terminate the discussions and select another respondent.

Exhibit 1. Energy Trust of Oregon Retirement Plans – Funds Offered

<u>Fund Name</u>	<u>Fund Ticker</u>	<u>401(k)</u>	<u>SERP 1</u>	<u>SERP 2</u>
The Standard Stable Asset A	XSAFA	X	X	X
PIMCO Total Return ESG Instl	PTSAX	X		
PIMCO Total Return Instl	PTTRX	X		
Templeton Global Bond R6	FBNRX	X		
Green Century Balanced	GCBLX	X		X
Vanguard Balanced Index Adm	VBIAX	X	X	X
Vanguard STAR Inv	VGSTX	X		
American Beacon Lg Cp Va Ins	AADEX	X	X	X
TIAA-CREF So Ch Eq Ins	TISCX	X		
Vanguard 500 Index Adm	VFIAX	X	X	X
Mainstay Large Cap Growth R6	MLRSX	X		
Neuberger Berman Soc Res Ins	NBSLX	X		
JP Morgan Mid Cap Value L	FLMVX	X		
Wells Fargo Spec MdCpVal Ins	WFMIX	X		
Vanguard Mid Cap Index Adm	VIMAX	X	X	X
Hartford Midcap Y	HMDYX	X	X	X
Vanguard Small Cap Index Adm	VSMAX	X	X	X
Vanguard Dev Mkts Index Adm	VTMGX	X	X	X
American Funds EuroPacific R6	RERGX	X	X	X
Oppenheimer Develop Mkts I	ODVIX	X	X	X
Mainspring Managed Acct 00	INV00	X		
Mainspring Managed Acct 10	INV10	X		
Mainspring Managed Acct 20	INV20	X		
Mainspring Managed Acct 30	INV30	X		
Mainspring Managed Acct 40	INV40	X		
Mainspring Managed Acct 50	INV50	X		
Mainspring Managed Acct 60	INV60	X		
Mainspring Managed Acct 70	INV70	X		
Mainspring Managed Acct 80	INV80	X		
Mainspring Managed Acct 100	INV100	X		
Metropolitan W Tot R Bd Plan	MWTSX		X	X
Invesco Equity & Income Y	ACETX		X	X
Vanguard FTSE Social Idx Inv	VFTSX		X	X
T. Rowe Price Blue Chip Gr-T	TRBCX		X	X
Wells Fargo Spc MdCp Val R6	WFPRX		X	X

Exhibit 2. Summary of Energy Trust of Oregon Organizational Culture

- Mission-Driven – Energy Trust staff are goal-oriented and committed to the mission of the organization, which is focused on helping customers save energy and generate renewable power. It’s motivating for many staff that this work helps address the challenges of climate change and achieve environmental goals.
- Analytical – Energy Trust staff are smart, well-educated and thoughtful. The work and their approach to it is forward-thinking, anticipatory and planning-oriented. Staff tend to be analytical and quantitative. At the same time, this “thinking” culture is balanced by a “feeling” element, which staff describe as caring, compassionate, genuine, and sincere.
- Engaged – The culture of the organization is inclusive, in that staff are collegial and very much engaged in the work and in how decisions are made. Communication and transparency is valued, and staff expect to understand the context for their individual work within the larger organization.
- Balanced – Energy Trust is a not-for-profit organization. Staff are proud of the work and the success of the organization, and are looking to be innovative and to deliver results and to meet goals. At the same time, the culture is collaborative and mutually supportive. Work-life balance is important and many report managing to achieve that.