Residential Distributed Energy Storage Pilot Program

Request for Quote ("RFQ")

1. OVERVIEW

To support the deployment of its Distributed Energy Storage Pilot Program ("DESPP"), El Paso Electric (EPE) is seeking information from qualified Vendors. The goal of the DESPP is to deploy energy storage systems at residential customer homes to enable peak shaving, load shifting, and enhanced grid reliability, particularly in capacity-constrained segments of EPE's electric grid. EPE is seeking qualified proposals that can enable up to 10 MW of residential energy storage solutions to be online before summer peak of 2026 (before June 2026). VendorVendor should propose one or both of the following options: a) EPE-owned energy storage systems, installed and maintained by the VendorVendor, and/or b) and VendorVendor-owned energy storage systems, with the critical requirement that EPE retains full operational control of the battery systems in either scenario. The following RFQ outlines the technical, operational, and commercial criteria for VendorVendor responses.

2. EL PASO ELECTRIC COMPANY SYSTEM DESCRIPTION

EPE is a public utility engaged in the generation, transmission and distribution of electricity in an area of approximately 10,000 square miles in the Rio Grande Valley in West Texas and south-central New Mexico. As of December 2024, EPE serves approximately 465,000 residential, commercial, industrial and wholesale customers. EPE distributes electricity to retail customers, principally in El Paso, Texas and Las Cruces, New Mexico, utilizing remote and local generating stations.

For a complete history of the Company and its services, please visit its web site at: https://www.epelectric.com/company/about-epe

3. REQUEST FOR INFORMATION

1. Solution Overview and Program Design

- Describe your proposed residential, customer-sited energy storage solution to achieve a total cumulative capacity of 10 MW.
- Please specify the total MWH that could be leveraged by EPE for grid support.
- Describe the total MWH that would be reserved for the hosting customers to maintain resiliency during an outage.
- Describe proposed program design (customer incentives, home resiliency, and overall participation benefits).
- Outline how your system would support peak shaving, load shifting, and grid reliability.
- Provide a summary of system architecture including hardware, software, and communications.

2. Ownership Models and Control

- **Provide details for:**
    - EPE-owned model: Vendor supplies, installs, and maintains energy storage systems, EPE retains ownership, but the Vendor is responsible for ongoing operations and maintenance ("O&M").
    - Vendor-owned model: Vendor owns and operates batteries, offering capacity pricing in $/kW/year including O&M.
- **Regardless of ownership model, EPE must retain full operational control over:**
    - Dispatch and scheduling
    - Monitoring and performance data through utility dashboard or other means
    - Integration with utility systems (if applicable).
    - Customer participation settings (e.g., opt-out, overrides).
    - Describe how your system architecture and service model support this requirement.

3. System Capabilities

- Detail energy storage system specifications (kW power and kWh energy capacity, expected degradation, chemistry, lifecycle, warranty, state of charge limits, seasonal limitations, annual cycle limitations).
- Provide lead times for delivery of the proposed energy storage systems.
- Detail specifications for other associated equipment (inverters, ATS, etc.)
- Describe inverter and control system capabilities (if applicable)
- Would your proposed solution work for customers that do not currently have a solar system in their home?
- Describe any software platforms or mobile apps included with your solution: does your system include a customer-facing dashboard? What data can customers and utilities view (e.g., energy usage, battery status, grid interaction)? Is the dashboard customizable or can be integrated with utility platforms?
- Outline your energy storage systems installation process:
    - Is customer onboarding included in your proposal?
    - What is the typical timeline from customer contract execution to system commissioning?
    - Would you perform the installation or do you subcontract this work?
    - Are permits or inspections required, and who handles them?
- Explain how the system supports:
    - Peak shaving
    - Load shifting
    - Backup power
    - Grid services (e.g., frequency regulation, voltage support)

4. Software and Platform Integration

- Describe your energy storage management software features:
    - Predictive analytics and forecasting of available storage capacity ready for discharge
    - General and targeted dispatch

    - Fault detection and diagnostics
    - Remote monitoring and control
- Explain interoperability with third-party systems (e.g., inverters, SCADA, meters).
- Provide screenshots or demos of the utility interface.

5. Customer Experience

- Describe EPE's expected role in program marketing
- Describe customer journey (from learning about the program to signing an agreement and participating)
- Vendors must carry liability insurance covering fire, electrical failure, and property damage.
- Vendors must provide proof of coverage; customers may be advised on optional homeowner policy endorsements.
- Insurance terms will align with any applicable Texas and New Mexico regulations.
- Describe customer process of unenrolling from the program.
- Describe offered customer service support, if any.
- How will you support outreach and education to residential customers? Do you provide marketing materials or campaigns to help promote the program? Will you assist with customer enrollment or interest tracking?
- Outline mobile/web accessibility and dashboard customization.
- Explain how customers interact with the system (alerts, controls, reporting).
- Describe your process for executing agreements with customers. Do you provide standardized contract templates or support for customization? How do you manage customer consent, data privacy, and service terms? Please provide a customer agreement template.
- Standardized agreements will outline installation process, and any fees (if applicable), utility control, and dispute resolution.
- Marketing outreach should highlight safety, reliability, and benefits like backup power and incentives (if applicable).
- Targeted campaigns should focus on customers in EPE's problem feeder(s) areas.

6. Scalability and Deployment

- Detail installation timelines, logistics, and geographic considerations.
- How many MW of energy storage can you install and commission by June 2026?
- Describe scalability to support future program expansion, potentially to EPE's New Mexico service territory.
- Explain how your system adapts to different home configurations and grid conditions.

7. Security & Data Protection

- Please complete the New Vendor Cybersecurity Questionnaire included at the end of this document on pages 10-11.
- Data Storage: Where is customer data stored geographically? What physical and digital protections are in place?

8. Compliance & Certifications

- Is your proposed equipment compliant with IEEE 1547 and UL 9540 standards? If applicable, please describe how your system ensures compliance with these standards, including any certifications, audits, interconnection, or data handling protocols.

9. Support and Maintenance

- Outline technical support levels and response times.
- Describe training and documentation provided to EPE and customers.
- Explain software update and hardware maintenance policies.

10. Performance Guarantees and SLAs

- Provide up-time guarantees and service level agreements.
- Describe how performance is monitored and reported.

11. Installation Models: BTM and FTM

- Describe your capabilities and experience with both Behind-the-Meter (BTM) and Front-of-the-Meter (FTM) battery storage installations.
- Provide technical and operational differences between BTM and FTM deployments in residential settings.

- Indicate whether your solution supports hybrid configurations or transitions between BTM and FTM models.
- Include control, and integration considerations for each model.
- Please provide a template one-line diagram for both BTM and FTM configurations.

12. Pricing

- Please provide a detailed and itemized breakdown of all project costs associated with the proposed 10MW energy storage solution for one or both ownership models. This should include:
- **Upfront Costs:** Hardware, installation, software, and support (including any mobilization fees, if applicable).
- **Ongoing Fees:** Must be clearly specified on an annual basis for the full operational lifetime of the energy storage systems.

Ownership Models:

EPE-Owned Model

- Provide itemized pricing for:
    - Hardware
    - Installation
    - Software
    - Support
    - Customer incentives/fees (if applicable)
- Include:
    - Recurring fees
    - Optional services

Vendor-Owned Model

- Provide capacity pricing in $/kW/year, inclusive of operations and maintenance (O&M).
- Describe any applicable:
    - Revenue-sharing arrangements
    - Customer incentives/fees (if applicable)

14. Reporting

- Provide sample reports or templates:
  Include examples of the types of reports, dashboards, or documentation that would be shared with EPE throughout the project lifecycle.

    - What standard reports are generated (e.g. performance summaries, installation progress, customer engagement metrics)?
    - Are templates available for on-demand customization by EPE staff?
    - Can reports be accessed via a portal or dashboard, and are they exportable in formats like PDF or Excel?
    - Do you offer automated reporting or alerts for system performance, outages, or customer activity?

15. References and Experience

- Provide case studies of similar deployments completed by your company.
- List supported battery manufacturers and vendors.
- Include client references and testimonials.

4. RFQ COMMUNICATIONS

All communications from Vendors to EPE, including questions regarding this RFQ, must be submitted via electronic mail. Based upon the nature and frequency of the questions EPE receives, EPE will choose to respond to individual Vendors either directly, post a response to the question on EPE's website, or address the question through a conference call. All submittals, inquiries, and communications related to this RFQ should be directed solely to the following EPE point of contact:

Enrique Acosta
Contract Negotiator
E-mail: enrique.acosta@epelectric.com

Confidentiality of Responses: EPE will consider proposals and associated information submitted by Vendors to be confidential. It is the Vendors' responsibility to clearly indicate in its proposal what information it deems to be confidential. Vendors may not mark an entire proposal as confidential but instead must mark specific information on individual pages to be confidential in order to receive confidential treatment. Except as required by regulatory reviews, EPE will use reasonable efforts to avoid disclosure of information designated as confidential to persons other than those involved with the evaluation, selection and any subsequent negotiations. To the extent that Vendors receive information from EPE, Vendors shall maintain the confidentiality of such information and such information shall not be available to any entity before, during or after this RFQ process unless required by law or regulatory order. Vendors shall be aware that information received in response to this RFQ will be subject to the review of applicable local, state and/or federal regulatory agencies, specifically including, but not limited to the New Mexico Public Regulation Commission (NMPRC) and the Public Utility Commission of Texas (PUCT). All Vendors shall cooperate with EPE in making technological descriptions, pricing and other contract terms available for review as part of any regulatory approval process as EPE deems necessary or appropriate. EPE will follow applicable orders and rules of the NMPRC, PUCT and/or other applicable agency, including any protective orders issued, such as disclosure of price, terms or other information as required; therefore, EPE cannot promise that information marked as confidential will not be publicly disclosed, and, as such, EPE cannot be held liable for any information that is ordered to be released or that is inadvertently released. Moreover, information submitted in response to this RFQ may become subject to federal or state laws pertaining to public access to information as a result of any reviews conducted by the aforementioned agencies. EPE shall not be liable for the release of any information subject to disclosure under any laws pertaining to public access to information.

5. RFQ SCHEDULE

The following schedule and deadlines apply to this solicitation:

RFQ Issuance Date	**October 3, 2025**
RFQ Due Date	**October 17, 2025**
EPE Selection of Vendor - Tentative Date	**October 24, 2025**
Contract Negotiations and execution of agreements - Tentative Date	**January 16, 2026**
DESPP Project Implementation Date – Tentative Date	**Q1-Q2, 2026**

EPE reserves the right to modify, cancel or withdraw this RFQ and to revise the schedule specified above if, in the sole discretion of EPE, such changes are necessary. To the extent reasonably possible, EPE will inform Vendors of any schedule change.

New Vendor Cybersecurity Questions

Purpose

This document lists the basic cybersecurity requirements EPE should be asking new possible vendors to describe and adhere to. As vendor evaluations and selections become clearer, Information Security may ask for more detailed questionnaires such as the SIG Lite or SOC II reports.

Scope

All new IT vendors.

Requirements

1. Vendor shall provide summary documentation of the product's security features and security-focused instructions
2. Does vendor have an Information Security Policy implemented across the organization which includes officer level approval?
3. Would they be able to share a SIG-Lite Questionnaire or SOC II report (if solution is hosted)?
4. Authentication and password management
    a. Active Directory Integration?
    b. SSO/Azure AD
    c. Support for Multi-Factor Authentication
5. Authorization and role management
    a. Must support role-based access
6. Audit logging and analysis
    a. Account activity must be logged
    b. Must have time stamps and control access to audit trails and log files
    c. Log export should be supported
7. Network, host and data security
    a. Data Storage Locations
        i. Provide detailed information on where our data will be stored when using your services. Do you have different geographical regions as an option?
        ii. What are the physical and digital security measures implemented at these data storage locations?
    b. Do you support Conditional Access?
    c. Firewalls
    d. If multi-tenet, will EPE be separate from other tenets?
    e. Multi-Factor?
        i. Is MFA authentication used for all remote administrative access including access to production environments?

f. Do you support VPN connectivity?
g. Types of end-point security (AV, Malware, EDR, etc.)
h. IDS/IPS/HIDS

8. Patch Management and validation testing
    a. How are vulnerabilities found and patched?
    b. Is there a regular patch release schedule?
    c. Vendor needs to provide appropriate software and service updates and/or workarounds to mitigate all vulnerabilities
9. Cryptography and key management
    a. Encryption at rest
    b. Encryption in transit
        i. Must support TLS 1.2 and above
    c. If Hosted, is it Azure, AWS, Google?
10. Physical Security
    a. How does the vendor secure it's data centers, offices?
11. Data validation and sanitization
    a. Web Application Firewall support?
12. Third party component analysis
    a. What third-party components are required? (i.e. Java, .NET, Apache, etc.)
    b. Does the system depend on any legacy applications that are no longer supported?
       i.e. End-of-Life Windows or SQL/Oracle versions
13. Backup and Recovery
    a. Explain Data Retention/Archival policies
    b. Ransomware protection