

Louisiana Public Service Commission



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August 25, 2017

VIA EMAIL

Re: Docket No. U-34630, Southwestern Electric Power Company (SWEPCO), ex parte. In re: Application for Certification of the Leaside Way Transmission Project.

To all LPSC qualified consultants:

Enclosed please find a Request for Proposals ("RFP") for **outside independent technical consultant** issued by the Louisiana Public Service Commission for the above referenced subject. If your firm is interested in submitting a proposal, please review the RFP carefully to determine whether your firm meets the specific requirements to qualify for this representation.

All Proposals must include a showing that your firm possesses the requisite qualifications and experience to represent the Commission in this matter. Also, please note that all Proposals, including the **original, plus (5) five copies and an electronic copy** must be received on or before **September 14, 2017**. Selection of a consultant is anticipated to take place at the Commission's **September 20, 2017 Business and Executive Session**.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Melanie A. Verzwylvelt".

Melanie A. Verzwylvelt
Staff Attorney

MAV/kst
Enclosure

RFP 17-12
LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSALS (“RFP”)

August 25, 2017

DOCKET NO. U-34630 – Southwestern Electric Power Company (SWEPCO), ex parte. In re: Application for Certification of the Leaside Way Transmission Project.

The Louisiana Public Service Commission (“Commission” or “LPSC”), in accordance with the requirements of the LPSC General Order dated November 10, 2014 regarding the selection of contract employees (the “Contract Order”) to represent the Commission, issues this Request for Proposals (“RFP”) to **outside consultants** who will assist the Commission in its review of the application filed by Southwestern Electric Power Company (“SWEPCO” or “the Company”). The application seeks approval for the siting, construction and operation of the Leaside Way Transmission Project, consisting of a new 138/69kV substation to be located approximately six (6) miles north of Keithville, Louisiana, and 3 new 138kV transmission lines, a project costing approximately \$24.7 million.

SWEPCO seeks this approval in accordance with the Commission’s General Order dated October 10, 2013 in LPSC Docket No. R-26018 – *LPSC, ex parte. In re: Determination as to whether the Commission should issue a General Order asserting jurisdiction over the certification of utility transmission projects and the determination of whether these projects are in the public interest.* Qualifying proposals will be placed on the September 2017 Open Session agenda for Commission consideration.

I. Overview

SWEPCO is an operating company and subsidiary of American Electric Power Company, Inc. (“AEP”), which is an investor-owned electric public utility holding company with subsidiaries serving over 5 million retail customers in eleven states. SWEPCO is an electric public utility that serves customers throughout central, western and northwestern Louisiana, as well as Texas and Arkansas, and its Corporate Headquarters located in Shreveport, Louisiana with the mailing address 428 Travis Street, Shreveport, Louisiana 71101. The Leaside Way Transmission Project is located off Highway 171 in Southwest Caddo Parish, Louisiana, near the Summer Grove substation.

In support of its application SWEPCO contends that The Leaside Way Transmission Project is needed for SWEPCO to continue providing reliable service to SWEPCO customers in the southwest Caddo Parish area and that it will reduce time delays and voltage drops during faults that impair service to approximately 26,653 SWEPCO customers representing approximately 200 MW of load, including the Calumet Refinery. According to SWEPCO the project will also reduce the need for other transmission line work saving ratepayers approximately \$17 million as the work can be deferred for at least another 10 years beyond 2026, with expected load growth.

SWEPCO obtained a Siting Study from Power Engineers Inc., which evaluated rights of way, land use and environmental considerations in connection with the Transmission Project, and which supports the selection of the preferred route.

SWEPCO's application was docketed as U-34630 and published in the Commission's Official Bulletin dated August 25, 2017 for a 25-day intervention period.

II. Scope of Representation

All proposals shall include an outline of a plan of action for conducting the review of the application. Additionally, the consultant must be prepared to assist Commission Staff in drafting and responding to discovery, preparing direct and cross-answering testimony, reviewing and analyzing stipulation terms, testifying before an administrative law judge, and conducting informal meetings with the parties as necessary. However, the Commission and its Staff shall have the right to determine how the tasks will be carried out. In addition, all proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to meet the requirements of this RFP. Deviations from the requirements contained herein, or conditional bid amounts may result in rejection of the bid as non-conforming.

III. Period of Representation

The time period estimated to complete the Scope of Representation is approximately 4-6 months. This is merely an estimate and the Commission makes no representations as to the accuracy of the Period of Representation.¹

IV. Minimum Requirements

To be considered, all applicants must meet the following minimum requirements in addition to those provided in this Commission's General Order dated November 10, 2014. Applicants shall be qualified and prepared to render expert testimony, and be cross-examined, with respect to all of the issues addressed in this request for proposals and which are likely to arise in the proceeding. All proposals shall demonstrate satisfaction of the minimum requirements.

Applicants should be familiar with and have experience involving transmission construction, certification and cost-allocation as well as the operation of the LPSC requirements applicable to LPSC-jurisdictional electric utilities, including state and federal jurisdictional and regulatory compliance issues related to transmission planning and construction. Consideration will be given to factors such as educational background and achievement, practical experience in the field of transmission planning, engineering, design or construction, and experience before other regulatory agencies or public utility commissions.

¹ Applicants should refer to the procedures found in the General Order dated October 10, 2013 (Order No. R-26018) as they require a statement within 45 days of publication of the application.

Applicants shall, in addition to those requirements expressed above, be qualified and prepared to render expert testimony regarding and have knowledge of:

- 1) Public interest criteria for approval and monitoring of electric generating and transmission facilities;
- 2) Construction, design and operation of transmission facilities;
- 3) NERC, SERC, SPP, MISO, and any other applicable standards associated with bulk electric transmission facilities to be located in the State of Louisiana;
- 4) Environmental criteria associated with the design and construction of bulk electric transmission facilities;
- 5) Appropriate accounting standards and practices applicable to the Leaside Way Transmission Project;
- 6) Cost allocation methodologies for the allocation of investment and expenses among affiliates and utilities, including the relationship of a parent company to its subsidiary operating companies; the transfer of investment and costs among affiliates and utilities, and the provision of services among affiliates and utilities; and
- 7) Applicable utility tariffs including SEPCO's Formula Rate Plan, Southwest Power Pool ("SPP") tariffs.

V. Estimate of Costs

All proposals shall include fees and costs associated with consulting in the dockets. All applicants responding to this RFP shall quote their rates on an hourly basis and submit a total budget, and shall separate professional fees from costs. However, applicants shall only be allowed to charge for actual hours of work performed and costs incurred. Once selected, an applicant's rates and budget shall not be altered except by formal approval of the Commission.

VI. Conflicts of Interest

Applicants shall prominently and separately disclose current, as well as past employment, which could possibly result in a conflict of interest. In addition, applicants shall disclose matters in which they currently represent clients before the Commission.

VII. Billing Guidelines

As required by the November 10, 2014 General Order, all bills will be rendered monthly and shall specifically identify and describe all work performed, the person performing such

work, the time and charge for such work, and shall additionally show the total amount billed to date and the authorized original estimate. Bills will be rendered in strict accordance with the Commission's guidelines. Expenses shall also be separately disclosed with proof of such expenses attached.

Expenses, where applicable, shall be reimbursed at state authorized rates as specified in the Travel Policies and Procedures Memorandum issued by the State of Louisiana, Division of Administration in effect at the time such expenses are incurred ("Allowable Expenses"). Any expenses that exceed the Allowable Expenses shall be borne by the contract employee and shall not be reimbursed by either the Commission, or the correspondent utility, unless otherwise specified by the Commission.

VIII. Reservation of Rights

The LPSC reserves the right to reject any and all proposals, to amend and/or supplement this RFP at any time, and to consider proposals or modifications thereof received at any time prior to LPSC vote at Open Session, if such action is found by the LPSC to be in the public interest. Pursuant to the General Order regarding the selection of contract employees, the LPSC has the right to accept other than the lowest offer with regard to price. In addition, there is also no assurance, express or implied, that an award will necessarily be made pursuant to this RFP.

IX. Submission of Proposals

Interested parties should submit the **original (hard copy), 5 copies, and e-mail an electronic copy** of the proposal to:

Kim Trosclair
Louisiana Public Service Commission
Office of the General Counsel
602 North Fifth Street (Galvez Building) (70802)
P.O. Box 91154
Baton Rouge, Louisiana 70821-9154
Phone: (225) 342-9888
Fax: (225) 342-5610
Email: kim.trosclair@la.gov
melanie.v@la.gov
rene.robertson@la.gov

To be considered, an original, five copies, and the electronic copy of the proposal must be received on or before **September 14, 2017**. **Selection of consultants is anticipated to take place at the Commission's September 20, 2017 Business and Executive Session.** Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.