

Louisiana Public Service Commission



POST OFFICE BOX 91154
BATON ROUGE, LOUISIANA 70821-9154
www.lpsc.louisiana.gov

COMMISSIONERS

Clyde C. Holloway, Chairman
District IV
Scott A. Angelle, Vice Chairman
District II
Foster L. Campbell
District V
Lambert C. Boissiere, III
District III
Eric Skrmetta
District I

Telephone: (225-342-9888)

March 16, 2016

EVE KAHAO GONZALEZ
Executive Secretary

BRANDON FREY
Executive Counsel

JOHNNY E. SNELLGROVE, JR
Deputy Undersecretary

VIA E-MAIL:

Re: RFP 16-02 Docket No. U-33983 Entergy Gulf States Louisiana, LLC, ex parte. In re: Motion for Extension of Entergy Louisiana, LLC's Gas Rate Stabilization Plan.

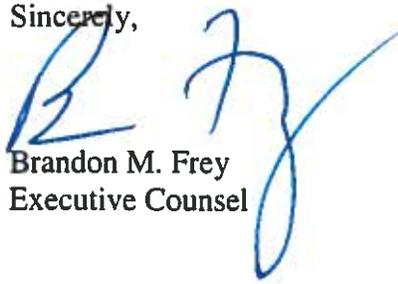
To all LPSC qualified consultants:

Enclosed please find a Request for Proposals ("RFP") for outside **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 **Wednesday, April 6, 2016**. Selection of a consultant is anticipated to take place at the Commission's **April 2016 Business and Executive Session**.

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

Sincerely,


Brandon M. Frey
Executive Counsel

cc: Eve Kahao Gonzalez
Melissa Watson

REQUEST FOR PROPOSAL 16-02

In Re: Docket No. U-33983 Request for Proposals for outside consultant to assist Staff with the review of Entergy Louisiana, LLC's Motion for Extension of Gas Rate Stabilization Plan

Pursuant to the provisions of the Louisiana Public Service Commission's ("LPSC" or "Commission") General Order dated November 10, 2014 regarding the selection of contract employees to represent the Commission, Executive Counsel, on behalf of the Commission, is seeking proposals from independent technical consultants to assist the Commission in conducting a review of Entergy Louisiana, LLC's ("ELL" or the "Company") Motion for Extension of Gas Rate Stabilization Plan ("RSP"), and to assist with review of Annual Evaluation Reports for each of the three proposed test years. (2016-2018). ELL's Gas Operations RSP was originally established by Commission Order No. U-28035 (July 19, 2005), and most recently modified by Orders U-32425, U-32682 and U-33244-A. The current RSP is in its final year and will expire unless extended.

Bidders who submit proposals should demonstrate their familiarity with Rate Stabilization Plans/Formula Rate Plans or like methods of rate evaluation for utilities. All proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to meet the requirements of this RFP.

I. Scope of Representation

The independent technical consultant retained by the Commission shall assist the Commission's in house Staff in analyzing the proposed RSP extension, as well as each of the three proposed Annual Evaluation Reports for test years 2016-2018 and determine whether disallowances or adjustments are warranted and if ELL's filings comply with the RSP. The applicant will also be responsible for reviewing the annual Rider IIRR-G filings submitted contemporaneous with the RSP Annual Evaluation Reports. Rider IIRR-G was approved in Commission Order U-32682-A dated January 27, 2015. In performing these duties, the consultant shall review the filing and the accompanying testimony; draft and assist in the drafting of data requests; analyze data responses; participate in formal status conferences, pre-trial conferences, depositions, and hearings; draft and prepare pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting the pre-filed testimony; and assist in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission.

With respect to the individual test year filings, the consultant shall review the filing and the accompanying work papers and the Company's financial data; draft and assist in the drafting

of data requests; analyze data responses; participate in formal status conferences, pre-trial conferences, depositions, and hearings; draft and prepare audit memoranda and/or pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting; and assist in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission.

Additionally, the consultant shall be available to participate in informal conference calls, meetings and conferences with the Commission and its Staff, as well as attending any Business and Executive Sessions that the Staff deems necessary. The scope of the work shall continue through the conclusion of each test year through Commission vote, regardless of whether said vote is the result of a stipulated agreement or contested hearing.

II. Period of Representation

This RFP covers review of the motion for extension, and a review of each of the three proposed test years: 2016, 2017, and 2018. The time anticipated to conduct a review of the motion for extension is approximately 6 months, and the time period estimated to conclude each test year is approximately four months. This is merely an estimate and may vary greatly depending upon whether the matters are contested, and as such the Commission makes no representations as to the accuracy of the Period of Representation.

III. Minimum Requirements

To be considered, in addition to those requirements addressed in the scope of representation above, all applicants must meet certain minimum requirements. Applicant shall at a minimum be experienced in analyzing the operations, books and records of utility companies for the purpose of setting just and reasonable rates, including, but not limited to, calculation of rate base, rates of return, and capital structure and Rate Stabilization Plans/Formula Rate Plans or like methods of rate evaluation for utilities. Applicant shall be qualified and prepared to render expert testimony with respect to the following:

- (1) appropriate accounting standards and practices for public utilities, public utility accounting, and generally accepted auditing standards;
- (2) the appropriate ratemaking adjustments to be made to the utility's Annual Evaluation Report based on the RSP as initially established in Order U-28035, and as has been, and may additionally be modified;
- (3) the determination and calculation of the appropriate rate base, capital structure and return on rate base and equity of a utility;
- (4) the cost allocation methodologies for the allocation of investment and

expenses between affiliates, including the relationship of the holding company to its subsidiary operating companies, the transfer of investment and costs between operating companies, and the provision of services between affiliates;

- (5) the allocation of investment and expenses between the non-regulated and regulated operations at the holding company and at the operating company level;
- (6) familiarity with just and reasonable costs and prudent investments associated with providing reliable and quality service as recommended by NARUC; and
- (7) depreciation and taxation.

Consideration will be given to factors which indicate degrees of competence, such as educational background and achievement, amount of practical experience in the field of public utility practice, and similar practice before this or other regulatory agencies, in addition to the applicants knowledge of Louisiana ratemaking standards and regulatory law.

IV. Estimate of Cost

All applicants responding to this Request for Proposal shall quote their rates on an hourly basis and shall also submit a total budget, which shall separate professional fees from expenses. However, Applicants shall only be allowed to charge for actual hours of work performed and expenses incurred. Once selected, an Applicant's rates and budget shall not be altered except by formal approval of the Commission.

V. Conflict of Interest

Previous or current employment, which could result in a conflict of interest, shall be prominently and separately disclosed. In addition, applicants shall disclose matters in which they currently represent private clients before the Commission.

VI. Disclaimer

The LPSC reserves the right to reject any 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 Commission's November 10, 2014 General Order, the LPSC has the right to accept bids other than the lowest offer with regard to price. In addition, there is also no assurance, express or implied, that an award will be made pursuant to this RFP.

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. Submission of Proposals

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

Kathleen Richardson
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
Email: Kathleen.richardson@la.gov; brandon.frey@la.gov

To be considered, an original, five copies, and the electronic copy of the proposal must be received on or before **Wednesday, April 6, 2016**. Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.