

Louisiana Public Service Commission



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June 3, 2016

EVE KAHAO GONZALEZ
Executive Secretary

BRANDON FREY
Executive Counsel

JOHNNY E. SNELLGROVE, JR
Deputy Undersecretary

VIA E-MAIL:

Re: RFP 16-12

To all LPSC qualified consultants:

Enclosed please find a Request for Proposals ("RFP") for an **outside contract regulatory consultant** issued by the Louisiana Public Service Commission. 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 **July 15, 2016**. Selection of a consultant is anticipated to take place at the Commission's **July 27, 2016 Business and Executive Session**.

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

Sincerely,

A handwritten signature in blue ink that reads "Brandon M. Frey".

Brandon M. Frey
Executive Counsel

BF/khr

RFP 16-12
LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSAL (“RFP”)

The Louisiana Public Service Commission (“Commission” or “LPSC”), in accordance with the requirements of the LPSC’s General Order dated November 10, 2014 regarding the selection of contract employees to represent the Commission, (“Contract Order”) issues this Request for Proposals (“RFP”) to **outside contract regulatory consultants** who will assist the Commission in reviewing the issues related to electromagnetic pulse (“EMP”), the threat it poses to Commission-jurisdictional utilities, and steps that may be taken to mitigate those threats. Currently the Commission, in docket R-32702, is in the process of studying both the cyber and physical security of Commission-jurisdictional utilities. Some initial discovery has been issued and received regarding EMP-related issues. However, it is contemplated that the issues regarding EMP will be further studied in more detail in either a standalone EMP docket, or in a physical security docket. Cyber security issues will be addressed in a standalone docket as well. Specifically, for purposes of this RFP, **bids are being solicited to assist regarding the “EMP” issue only**. The Commission reserves the right to reject any proposal or decline to undertake this review at this time.

I. Overview

Staff, pursuant to Commission directive, previously opened rulemaking docket R-32702 with the goal of reviewing existing regulations and plans, as well as those being proposed in other jurisdictions, to ensure the physical and cyber security of utility systems are protected. Potential modifications to existing Orders, if necessary, to address the above goals, as well as look at establishing a set of rules and regulations to further the stated goals, are also being considered. However, as part of the review, additional questions and concerns were raised regarding EMP-related issues. While an initial review of this issue is being addressed in the existing docket, the Commission will be focusing specifically on those issues in a soon to be opened stand-alone docket.

II. Scope of Representation

Applicants will be expected to formulate policy recommendations regarding the EMP threat to electric utility systems. At a minimum, this will include assisting in-house Staff,

including Staff counsel, in formulating issues list(s), reviewing existing EMP plans and protocols, reviewing utility-submitted plans, reviewing comments filed by intervening and interested parties, participating in any technical conferences scheduled, and drafting and defending recommendations and participating in open sessions wherein the matter is discussed. The applicant will also be expected to assist in the preparation of discovery and other tasks normally associated with the rulemaking process, and draft a report for filing into the record of the proceeding.

All proposals shall include an outline of a plan of action for conducting the rulemaking, technical conferences, if any, together with estimated time-lines and separate fees and costs associated with each phase of the representation. However, in the event an applicant is chosen, 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.

III. Period of Representation

The time period (“Period of Representation”) estimated to complete the Scope of representation is approximately 6-12 months. This is merely an estimate and the Commission makes no representations as to the accuracy of the Period of Representation.

IV. Minimum Requirements

To be considered, all applicants must meet the requirements contained in this Commission’s General Order dated November 10, 2014. In addition, Applicant shall have, at a minimum, experience in matters involving physical security issues involving electric utilities, and in particularly those security issues related to EMP. Consideration given to indicia of competence such as previous experience and success in regulatory rulemaking processes, success on appeals, publications of a regulatory nature, educational achievement and other previous employment suggesting competence in the matters involving the above areas; significant personal experience before regulatory agencies such as the FERC, NERC, NRC or other state regulatory commissions may be a favorable factor. Firm size may be considered in matters likely to be prolonged, complex, or involving multiple forums. Consideration will be given to factors which indicate degrees of competence, such as educational background, particularly in computer-related fields, 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.

Consultants shall acquire a working knowledge of Louisiana Public Service Commission rulemaking and jurisdictional issues; applicable Commission regulations; full understanding and ability to analyze the issues being addressed in the rulemaking; and all applicable Commission orders.

V. Estimate of Costs

All proposals shall include fees and costs associated with consulting in the docket. 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. Conflict of Interest

Applicants shall prominently 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:

Kathleen Richardson
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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: 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 **July 15, 2016**. **Selection of consultants is anticipated to take place at the Commission's July 27, 2016 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.