

Louisiana Public Service Commission



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February 15, 2022

VIA EMAIL

RFP 22-10 Docket No. R-36263, Louisiana Public Service Commission, ex parte. In re: Consideration of whether the Commission should adopt minimum physical capacity threshold requirements for Load Serving Entities.

To all LPSC qualified consultants:

Enclosed please find a Request for Proposals (“RFP”) for **outside consultants** issued by the Louisiana Public Service Commission for the above referenced docket. 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 (2) two copies and an electronic copy must be received on or before Thursday, March 10, 2022 at 4:30p.m. Selection of consultants is anticipated to take place at the Commission’s March 2022 Business and Executive Session.

If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Bowman'.

Kathryn Bowman
Executive Counsel

Encl.

cc.: Brandon M. Frey, Executive Secretary
Lauren Evans, Associate Counsel

RFP-22-10
LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSALS

February 15, 2022

Docket No. R-36263, Louisiana Public Service Commission, ex parte, *In re: Consideration of whether the Commission should adopt minimum physical capacity threshold requirements for Load Serving Entities.*

The Louisiana Public Service Commission, in accordance with the requirements of the LPSC General Order dated November 10, 2014 regarding the selection of contract employees (the “Contract Order”) issues this Request for Proposals (“RFP”), for **outside consultants** to assist the Commission in the analysis of whether there should be minimum physical capacity threshold requirements for Load Serving Entities (“LSE”) within Louisiana.

Deviations from the requirements contained herein, or conditional bid amounts may result in rejection of the bid as non-conforming. Consideration of qualifying bids received in response to RFP 22-10 are anticipated to be on the Commission’s March 2022 Business and Executive Session (“B&E”), which is currently scheduled for March 23, 2022.

I. Overview

At the Commission’s January 2022 B&E, the Commission voted to adopt the Final Recommendation of the Administrative Law Judge in Docket No. U-35927, which included a recommendation to open a rulemaking docket. The relevant language from Order No. U-35927 states:

We decline to establish minimum physical capacity threshold requirements in this proceeding. While we share ELL’s concerns regarding grid reliability and the potential tightening of capacity that could occur if all regulated utilities relied on the market, given that the 1803 Portfolio will add capacity to the state, and specifically MISO South Load Zone 9, we do not believe this is a concern in the current proceeding and one that should be undertaken in a generic rulemaking.

...

We decline to establish minimum capacity threshold requirements in this proceeding and instead direct Staff to open a rulemaking consistent with this Order...

Consistent with Order No. U-35927, Staff opened Docket No. R-36263 and published notice of the same in the Commission’s Bulletin. As of this RFP, there have been interventions by: Southwest Louisiana Electric Membership Corporation, 1803 Electric Cooperative, Inc., Association of Louisiana Electric Cooperatives, Inc., Cabot Corporation, and Entergy Louisiana, LLC.

II. Scope of Representation

Applicants will be assisting Commission Staff with the drafting, reviewing, and potential follow-up to request for information and/or comments; conducting independent research and analysis on grid reliability, capacity markets, potential tightening of capacity, and Load Zones within Louisiana; reviewing and analyzing comments filed by all parties; participating in technical conferences; participating in meetings with stakeholders, jurisdictional utilities, and Commissioners, as deemed necessary; preparing technical analysis as requested by Staff; assisting with the drafting of a Staff recommendation, including the possibility of rules; defending, participating and testifying regarding any proposed recommendations and rules; ensuring that any rules and regulations issued by the Commission conform with the national regulatory standard for regulated utilities; and attending any B&E Sessions as needed. The scope of representation will go through a Commission vote on this matter.

All proposals shall include an outline of a plan of action for this scope of representation. 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 this docket is estimated at approximately 6-8 months. This is merely an estimate and may vary greatly; as such, the Commission makes no representations as to the accurateness of the Period of Representation.

IV. Minimum Requirements

To qualify, all Applicants must have requisite knowledge of the topics listed below, in addition to those provided in Commission General Order dated November 10, 2014. *The Commission's Contract Order requires Applicants to be pre-qualified by the Commission in order to be considered eligible.*

At a minimum, Applicants shall be experienced in participating in cases involving public utility regulation, including analysis and providing recommendations and/or testimony regarding the same. Consideration will be given to factors such as educational background and achievement, practical experience in the field of public utility practice and similar practice before other state public utility commissions, and knowledge of Louisiana ratemaking standards, regulatory law, and formula rate plans. Applicants shall, in addition to those requirements expressed above, be qualified and prepared to render, and defend, expert testimony regarding and have knowledge of:

- (1) Principles associated with electric generating facility construction projects and the competitive process, including but not limited to analyzing whether or not a particular resource meets a utility's need for power and whether the considered resources are able to meet those needs;

- (2) Resource planning methods to improve the efficiency and reliability of a utility's power supply operations;
- (3) Public interest criteria for approval of purchase power contracts, electric generating facilities, and transmission projects;
- (4) RTOs generally, with particular knowledge regarding MISO and SPP, including but not limited to such RTOs' tariffs, rules, planning processes, resource adequacy planning processes, use of zonal resource credits, and the various markets;
- (5) Commission's IRP Rules;
- (6) Policies related to Distributed Generation and their applicability to resource planning; and
- (7) Policies related to Transmission and their applicability to resource planning.

All proposals shall demonstrate that the Applicant has the qualifications and experience necessary to meet the requirements of this RFP. Applicants will only be considered if proposals meet all of the requirements of this RFP and the Commission's Contract Order. All proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to meet the requirements of this RFP.

V. Estimate of Cost

Applicants shall provide an overview of the estimated costs in the summary of the bid proposal. All proposals shall include fees and expenses associated with Applicant's services described in the scope of representation above. Applicants responding to this RFP shall quote their rates on an hourly basis, and shall submit a total budget, separating professional fees from expenses.

Applicants shall only be allowed to charge for actual hours of work performed and costs incurred. Once selected, an Applicant's hourly rates and budget shall not be altered except by formal approval of the Commission.

VI. Conflict of Interest

Applicants shall prominently and separately disclose current, as well as past, employment which could possibly result in a conflict of interest. Potential conflicts could include, but are not to be limited to, employment with regulated utilities, affiliates of regulated utilities, consumer advocacy groups, or any other party that comes before the Commission. In addition, Applicants shall disclose matters in which they currently represent clients before the Commission.

VII. Billing Guidelines

As required by the Contract 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 Contract Order, 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), 2 copies, and e-mail an electronic copy** of the proposal to:

Kimberly N. O'Brian
Kathryn H. Bowman
Louisiana Public Service Commission
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.obrian@la.gov
kathryn.bowman@la.gov

To be considered, an original, two copies, and the electronic copy of the proposal must be received on or before **Thursday, March 10, 2022 at 4:30 p.m.** **Selection of consultants is anticipated to take place at the Commission's March 2022 Business and Executive Session, which is currently tentatively scheduled for March 23, 2022.** Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.