

Louisiana Public Service Commission



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

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

Telephone: (225-342-9888)

August 5, 2016

EVE KAHAO GONZALEZ
Executive Secretary

BRANDON FREY
Executive Counsel

JOHNNY E. SNELLGROVE, JR
Deputy Undersecretary

VIA E-MAIL:

RFP 16-17 - Entergy Services, Inc's Upcoming Requests for Certification arising out of the 2015 RFP

To all LPSC qualified counsel:

Enclosed please find a Request for Proposals ("RFP") for outside **counsel** 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 **August 25, 2016**. Selection of outside counsel is anticipated to take place at the Commission's, **August 31, 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
Enclosure

RFP-16-17
LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSALS
August 5, 2016

Entergy Services, Inc's Upcoming
Requests for Certification arising out of the 2015 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 ("Contract Order") issues this Request for Proposals ("RFP") seeking **outside legal counsel** to assist Commission Staff and its Consultant, Henderson Ridge, in the review and analysis of Entergy Services, Inc's ("ESI" or "Entergy") upcoming resource certification applications resulting from its 2015 ELL/EGSL RFP for Long Term Developmental and Existing Capacity and Energy Resources. ESI's notice of its selection along with the draft and final RFP documents, Bidder Q&A and other RFP-related documents can be found on ESI's RFP website: <https://spofossil.energy.com/ENTRFP/SEND/2015ELLEGLSLRFP/Index.htm>.

I. Overview

In September 2015, ESI issued an RFP for 1,000 MW of long-term capacity, energy, and related products from Developmental Resources (to be located in the Louisiana portion of the West of the Atchafalaya Basin "WOTAB" region) and/or existing resources (to be located within the MISO South footprint) with service beginning on or before June 1, 2020. Entergy reserved its rights to select more than the targeted amount. In house Staff, with the assistance of Henderson Ridge Consulting, Inc., as well as the Independent Monitor Wayne J. Oliver, Merrimack Energy Group, Inc., have been actively involved in the RFP process. On July 13, 2016, ESI notified the Commission that it had elected to proceed with the Lake Charles Power Station ("LCPS"), a self build CCGT that would be built at EGSL's Nelson site in Westlake, Louisiana, as well as a power purchase agreement ("PPA"). Upon receipt of regulatory approvals, ESI expects the Lake Charles Power Station to begin service in June 2020.

The Commission's General Order dated September 30, 1983 ("1983 Order"), as amended by the Commission's Order R-30517, dated October 29, 2008, provides that no electric public utility shall enter into any contract for the purchase of capacity or electric power without first having applied to the Commission for a certification that the public convenience and necessity would be served by entering into the contract. Any firm power supply resources acquired by the Companies must be certified by the Commission in a docketed proceeding pursuant to its 1983 General Order. As a result, when a utility seeks to acquire or build capacity resources, it is required to make a formal application with the LPSC including detailed planning information.

II. 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.

Consideration will be given to factors such as educational background and achievement, practical experience in the field of public utility regulation, and similar practice before other regulatory agencies or public utility commissions. Applicants shall be qualified and prepared to assist in the preparation and drafting of expert testimony, and assist in all pre and post trial proceedings, with respect to all of the issues addressed in this request for proposals and which are likely to arise in the proceeding.

Applicants shall, at a minimum, be experienced in regulatory matters involving utility companies, and be qualified and prepared to provide legal experience and have knowledge of:

- 1) appropriate accounting standards and practices for electric utilities;
- 2) the Commission's Rules and Orders pertaining to the RFP process as it relates to the acquisition of power supply resources, including but not limited to the Commission's Market Based Mechanisms Order and its 1983 General Order, as amended;
- 3) 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 the utility's need for power and whether the considered resources are able to meet those needs;
- 4) whether or not a resource will provide reliable service at the lowest reasonable cost;
- 5) resource planning methods to improve the efficiency and reliability of a utility's power supply operations and whether the utility is making use of any such methods;
- 6) public interest criteria for approval and monitoring of electric generating facility projects;
- 7) Commission rules on affiliate transactions and cost recovery mechanisms for power supply resources, including the ELL and EGSL Formula Rate Plans, and the Commission's Fuel Clause Recovery Order (Commission General Order U-21497 dated November 6, 1997);
- 8) any FERC-approved tariffs among Entergy affiliates; and
- 9) MISO tariffs, rules and planning processes, generally, and specifically related to resource adequacy planning processes and use of zonal resource credits.

All proposals shall include a plan of action, estimated timeline, and fees and costs associated with completing the scope of representation, below. This will result in one proposal. However, in the event an applicant is chosen, Commission and its Staff shall have the right to determine how the tasks will be carried out. In addition, all proposals shall demonstrate that the Applicant has the qualifications and experience necessary to meet the requirements of this request for proposals. Applicants will only be considered if proposals meet all of the requirements of this request for proposals and the Commission's Contract Order.

III. Scope of Representation

Applicants will be assisting Commission Staff with two (2) separate certification proceedings pursuant to the Commission's 1983 General Order once Entergy files for certification of the selected resources, which are the LCPS and PPA. Applicants will review the testimony filed by the Companies to support their requests for certification, along with any testimony filed by Intervenors. The applicant will be expected to assist in conducting discovery, assist in the preparation and defending of Commission direct testimony in both proceedings, participate in certification hearings, and make recommendations to the Commission. Applicants are also required to participate in informal meetings, conference calls, attend depositions, status conferences or any other meetings scheduled in the proceedings. Applicants will also be assisting Staff in preparation of any post-hearing briefs or filings, assisting in any settlement discussions and/or stipulation hearings and attendance and testifying at the Commission's Business and Executive Session. The scope of representation is through a final Commission vote on both certifications.

IV. Period of Representation

The time period ("Period of Representation") estimated to complete the Scope of Representation is approximately 12 months.¹ This is merely an estimate and the Commission makes no representations as to the accuracy of the Period of Representation.

V. Estimate of Costs

All proposals shall include fees and costs associated with the LPSC certification process. All applicants responding to this request for proposals shall quote their rates on an hourly basis and submit a budget that separates 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 prominently disclose all matters in which they currently represent clients before the Commission.

VII. Disclaimer

The LPSC reserves the right to reject any and all proposals, to amend and/or supplement this request for proposals 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

¹ Staff anticipates approximately 12 months from the date of the certification application for the LCPS certification and a shorter amount of time for the PPA certification which will likely proceed in parallel with the LCPS certification.

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 request for proposals.

VIII. 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. 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.

IX. Submission of Proposals

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

Attention: 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
Phone: (225) 342-4999
Fax: (225) 342-5610
Email: kathleen.richardson@la.gov

To be considered, an original, six copies, and the electronic copy of the proposal must be received on or before **August 25, 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.