

Louisiana Public Service Commission



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January 26, 2018

VIA EMAIL

Re: Docket No. R-34738 - Louisiana Public Service Commission, ex parte.
In re: Proceeding to establish rules regarding electric utility tariff filings and related review, including site specific rate filings.

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 **February 15, 2018**. Selection of a consultant is anticipated to take place at the Commission's **February 21, 2018 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 "Melanie A. Verzwyvelt".

Melanie A. Verzwyvelt
Staff Attorney

MAV/kst
Enclosure

RFP 18-02

**LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSALS (“RFP”)
January 26, 2018**

DOCKET NO. R-34738 - Louisiana Public Service Commission, ex parte. In re: Proceeding to establish rules regarding electric utility tariff filings and related review, including site specific rate filings.

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 with the above-captioned rulemaking. Qualifying proposals will be placed on the February 2018 Business and Executive Session agenda for Commission consideration.

I. Overview

This rulemaking docket was initiated in accordance with an unopposed directive made by LPSC Chairman Skrmetta at the Commission’s December 20, 2017 Business and Executive Session. Electric utilities are required to file tariffs with the Commission in accordance with Commission rules, including but not limited to General Order No. 2 dated July 1, 1921. This rulemaking is intended to establish procedures for reviewing electric utility tariff filings as well as memorialize the process for filing and reviewing such tariff filings including filings for site specific rates.

II. Scope of Representation

Applicants will be assisting in-house Staff counsel as well as outside counsel, if retained, in formulating issues list(s), drafting requests for comments and reviewing responses to requests for comments filed by intervening and interested parties, participating in any technical conferences scheduled, drafting and reviewing rules, reports and recommendations and participating in open sessions wherein the matter is discussed.

All proposals shall include an outline of a plan of action for conducting the rulemaking, technical conferences, and a recommendation/proposed rule if any, together with estimated timelines and separate fees and costs associated with the representation. However, in the event an applicant is chosen, the Commission and its in-house 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 résumé indicating the qualifications and experience necessary to meet the requirements of this RFP.

III. Period of Representation

The time period estimated to complete the Scope of Representation is approximately 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 following minimum requirements in addition to those provided in this Commission's General Order dated November 10, 2014.

Consultants shall have a working knowledge of Louisiana Public Service Commission rulemakings and jurisdictional issues; applicable Commission and federal regulations; and applicant shall, at a minimum, have knowledge of:

- (1) The Commission General Order No. 2 dated July 1, 1921 requiring all regulated companies to maintain tariffs on file with the Commission as well as the "filed rate" doctrine.
- (2) Electric utility ratemaking issues including accounting standards and practices, including but not limited to:
 - a. NARUC approved cost-of-service methodologies;
 - b. cost recovery mechanisms for power supply resources, including rates of return, Formula Rate Plans, and the General Orders relating to purchased power and fuel adjustment clauses (Commission General Orders dated June 27, 1985 and November 6, 1997, Docket No. U-21497);
 - c. the determination and calculation of the appropriate rate base of a utility plant investment dedicated to providing service;
 - d. traditional cost-of-service and cost allocation methodologies supporting the revenue requirements among classes of customers;
 - e. 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; and
 - f. Commission methodologies for calculating avoided costs pursuant to the Commission's General Order dated April 26, 2007(Docket No. U-22739), recently amended by the General Order dated January 19, 2018 (Docket No. R-34366) and Order No. U-32628-A.
- (3) The Commission General Order dated March 12, 1974 prohibiting "promotional practices" by public utilities; and
- (4) Midcontinent Independent System Operator ("MISO") and Southwest Power Pool ("SPP") tariffs, rules and planning processes generally.

Applicants shall also, at a minimum, be experienced in participating in cases involving public utility regulation, or other regulatory issues on administrative and judicial levels, including the presentation of direct testimony or report and recommendations, assistance in developing cross examination of adverse witnesses, and the analysis of comments and exceptions to proposed recommendations. Consideration is given to indicia of competence such as previous experience in complex cases, publications, educational achievement and other previous employment suggesting competence in regulatory matters involving the above areas; significant personal experiences before regulatory agencies such as the SEC, FERC, FCC, or other similar entities may be a favorable factor. Firm size may be considered in matters likely to be prolonged, complex, or involving multiple forums.

All proposals shall include a plan of action, estimated timeline, and fees and costs associated with completing the scope of representation. 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.

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. Conflict of Interest

Applicants shall prominently and separately disclose any current or past employment that may 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

To be considered, an original, five copies, and the electronic copy of the proposal must be received on or before **February 15, 2018**. **Selection of consultants is anticipated to take place at the Commission's February 21, 2018 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.