

# Louisiana Public Service Commission



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June 29, 2018

## VIA EMAIL

**Re: LPSC RFP 18-13, Docket No. S-34879, Atmos Energy Corporation, ex parte. In re: Petition Requesting Renewal of the Asset Management Plan for the Period April 1, 2019 Through March 31, 2024.**

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 **July 23, 2018 at 4:30 p.m.** Selection of a consultant is anticipated to take place at the Commission's August 1, 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 "Melissa Watson".

Melissa Watson  
Deputy General Counsel

Enclosure

**RFP-18-13**  
**LOUISIANA PUBLIC SERVICE COMMISSION**  
**REQUEST FOR PROPOSALS**  
**June 29, 2018**

**DOCKET NO. S-34879 Atmos Energy Corporation, ex parte, In re: Petition Requesting the Renewal of Asset Management Plan for the Period April 1, 2019 through March 31, 2024.**

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 seeking an **independent technical consultant** to assist Commission Staff in the review and analysis of Atmos Energy Corporation’s (“Atmos”) request for renewal of its Asset Management Plan (“AMP”) for the period April 1, 2019 through March 31, 2024, including a review of all transactions under the currently authorized AMP. Qualifying proposals are anticipated to be placed on the August 1, 2018 Business and Executive agenda for Commission consideration.

Bidders who submit proposals should demonstrate their familiarity with public utility audits in general, and review of asset management or similar programs, as well as any other experience in reviewing management agreements of similar energy providers. All proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to meet the requirements of this RFP. Bidders may wish to familiarize themselves with the most recent Purchase Gas Adjustment audit of Atmos conducted in LPSC Docket No. U-34324 whereby the Commission ordered that all transactions under the current AMP be reviewed prior to any Commission approval for renewal beyond April 1, 2019. Bidders may also wish to familiarize themselves with the last renewal of Atmos’ AMP in Docket No. S-32919.

This request conforms with the directives of Louisiana Public Service Commission General Order dated November 10, 2014 which provides in pertinent part that “Contract attorneys and consultants shall be retained by the Commission only in those instances in which the Commission has determined that such is necessary for the Commission to fulfill its constitutional mandate, due either to insufficient available manpower within existing Commission staff, or the necessity of specific areas of expertise not represented within existing Commission staff.”

**I. Scope of Representation**

The independent consultant retained by the Commission shall assist the Commission’s Legal, Audit and Utilities Divisions in its review of the pending application for renewal of the AMP. As ordered by the Commission in Order No. U-34324, all transactions under the current AMP are to be reviewed prior to any renewal beyond April 1, 2019. Such review can be used in the evaluation of whether the AMP should be renewed and under what terms and conditions. In performing this duty, the consultant shall review all transactions under the current AMP; review the proposed renewal of the AMP; draft data requests and review responses, accompanying work papers and the company’s financial data potentially participate in formal status conferences, pre-trial conferences, depositions, and hearings; prepare for filing recommendation memoranda

and/or pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting the memoranda and/or pre-filed testimony; 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 the docket through Commission vote, regardless of whether said vote is the result of a stipulated agreement or contested hearing recommendation.

Consultant shall assist Commission Staff in reporting Staff's findings in writing to the Commission, identifying any irregularities detected in the AMP transactions. The report should also include a written or executive summary which identifies whether the renewal of the AMP is still in the best interest of ratepayers, and whether the current AMP provided the anticipated savings projected.

## **II. Period of Representation**

The time period estimated to complete this docket is estimated at approximately 6-12 months. This is merely an estimate and may vary greatly depending upon whether the matter is contested, and as such the Commission makes no representations as to the accurateness of the Period of Representation.

## **III. Minimum Requirements**

Applicant shall be experienced in analyzing the operations, books and records of utility companies, be familiar with costing methodologies utilized by the LPSC, affiliate transactions of utilities, and shall be qualified to provide expert assistance with respect to the following:

(1) 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. Proposals that do not conform to the Commission's General Order will not be considered. 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.

(2) Applicant shall be qualified and prepared to assist in drafting and issuance of expert testimony, and cross-examination of company and intervenor witnesses with respect to all of the issues addressed in this RFP and which are likely to arise in the proceeding. Applicant shall have a full understanding and ability to analyze the proper application of the Commission's General Order dated March 24, 1999 ("PGA Order"), including the AMP's connection.

(3) Applicant shall, at a minimum, be experienced in public utility regulations and have knowledge of: Louisiana Public Service Commission ratemaking; PGA and jurisdictional issues; asset management or similar programs; and knowledge of appropriate accounting standards and practices for gas utilities.

(4) All proposals shall include a plan of action, estimated timeline, and fees and costs associated with evaluation of the audit. This will result in one proposal. 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 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.

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 the Request for Proposal shall quote their rates on an hourly basis and shall also submit a total budget, which 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.

#### **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. 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.

## **VII. 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.

## **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:

Attention: 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) 342-4999  
Fax: (225) 342-5610  
Email: [kim.trosclair@la.gov](mailto:kim.trosclair@la.gov)  
[melissa.watson@la.gov](mailto:melissa.watson@la.gov)

To be considered, an original, five copies, and the electronic copy of the proposal must be received on or before **July 23, 2018. Selection of consultants is anticipated to take place at the Commission's August 1, 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.