

# Louisiana Public Service Commission



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Executive Counsel

January 19, 2021

JOHNNY E. SNELLGROVE, JR.  
Deputy Undersecretary

## VIA EMAIL

***RFP 21-02- Docket TBD – 1803 Electric Cooperative, Inc., ex parte. In re: Request for Certification of Long-Term Power Purchase Contracts and/or Generating Capacity resulting from Docket No. X-35283.***

To all LPSC qualified outside counsel:

Enclosed please find a Request for Proposals (“RFP”) for **outside counsel** 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 **Friday, February 12, 2021 at 4:30 p.m.** Selection of consultants is anticipated to take place at the Commission’s February 2021 Business and Executive Session.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "KHB", written over a light blue circular stamp.

Kathryn H. Bowman  
Executive Counsel

Enclosure

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

**RFP 21-02**  
**LOUISIANA PUBLIC SERVICE COMMISSION**  
**REQUEST FOR PROPOSALS (“RFP”)**  
**January 19, 2021**

***DOCKET NO. TBD – 1803 Electric Cooperative, Inc., ex parte. In re: Request for Certification of Long-Term Power Purchase Contracts and/or Generating Capacity resulting from Docket No. X-35283.***

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 counsel** who will assist the Commission in its review and analysis of the certification proceeding(s) of resources selected out of the RFP filed by 1803 Electric Cooperative, Inc. (“1803” or the “Co-op”) in June 2019. The RFP sought competitive solicitation for long-term power purchase contracts and/or generating capacity to serve the 1803’s member electric cooperatives.<sup>1</sup>

**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 21-02 are anticipated to be on the Commission’s February 2021 Business and Executive Session for consideration, which is currently scheduled for February 24, 2021.**

**I. Overview**

1803 is currently seeking Commission authorization to be considered a Louisiana electric cooperative and is owned by five LPSC regulated Member Cooperatives.<sup>2</sup> The Member Cooperatives currently each have full-requirements wholesale power contracts that expire either in 2024 or 2025. 1803 was created to combine the power needs of the Member Cooperatives and to jointly seek power supply opportunities upon the expiration of each Member Cooperative’s respective full-requirements wholesale contracts. 1803 initiated a competitive solicitation for long-term purchase power contracts and/or generating capacity identifying a total capacity need of 1,000 MW over the 2025-2044 time period, with nearly 100% of firm energy and generation capacity sources in the first five (5) years (2025-2029). 1803’s RFP was issued earlier this year, and in-house Staff, with the assistance of J. Kennedy and Associates, have been actively involved in the RFP process.<sup>3</sup> Based upon conversations with 1803, the RFP is nearing completion and a selection of bid(s) should occur soon.

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<sup>1</sup> 1803 is owned by Beauregard Electric Cooperative, Inc., Claiborne Electric Cooperative, Inc., Northeast Louisiana Power Cooperative, Inc. South Louisiana Electric Cooperative Association, and Washington-St. Tammany Electric Cooperative, Inc. (“Member Cooperatives”).

<sup>2</sup> This authorization is taking place in Docket No. S-35709.

<sup>3</sup> Pursuant to the scope of the RFP where J. Kennedy was retained, J. Kennedy will also participate and assist in any certification filing.

Upon completion of the RFP process, and selection of bid(s), 1803 has indicated that it plans to file a request for certification and approval of said bid(s) with the Commission pursuant to the Commission's General Order dated September 30, 1983 ("1983 Order"), as amended by the Commission's Order No. R-30517, dated October 29, 2008. Further, 1803 has indicated it plans to file only one application for certification any/all resources selected. The anticipated certification filing is expected to be filed in February 2021. For more information on 1803's RFP, and what type of resources the Co-op is seeking, please refer to Docket No. X-35283 or to <https://www.acespower.com/1803lrfp2019/>.

The Commission's 1983 Order 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 Cooperative 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 Commission including its detailed planning information.

## **II. Scope of Representation**

Applicants will be assisting Commission Staff with 1803's certification proceeding, pursuant to the Commission's 1983 General Order, of selected bid(s). Applicants will review the testimony, and any supporting documentation, filed by 1803 to support their request for certification, along with any testimony filed by intervenors. The Applicant will be expected to assist in conducting and reviewing discovery, assist in the preparation of direct and cross-answering testimony, review direct and cross-answering testimony prepared by other parties, and prepare for and participate in a certification or stipulated hearing. Applicants will also be assisting Staff in preparation of any pre- and post-hearing briefs or filings, assisting in any settlement discussions and/or stipulation hearings and attendance and testifying at Commission B&E Sessions where the certification proceeding may be considered. Applicants are also required to participate in informal meetings, conference calls, attend depositions, status conferences, or any other meetings scheduled in the proceeding. The scope of representation will be through a final Commission vote on any certification of resource(s) selected through 1803's RFP process.

All proposals shall include an outline of a plan of action for conducting the review of the current application as well as the anticipated certification filing. 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 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 have knowledge and experience with the following minimum requirements *in addition to those provided* in this Commission's General Order dated November 10, 2014.

- 1) Appropriate accounting standards and practices for electric utilities, especially those for electric cooperatives;
- 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 of purchase power contracts, electric generating facilities, and transmission projects;
- 7) Commission rules on affiliate transactions and cost recovery mechanisms for power supply resources, including the Member Cooperative's Formula Rate Plan (if applicable), the Commission's Purchased Power Costs Adjustment for retail electric cooperatives (Commission General Order dated June 27, 1985), and the Commission's Fuel Clause Recovery Order (Commission General Order U-21497 dated November 6, 1997); and
- 8) MISO tariffs, rules and planning processes, generally, and specifically related to resource adequacy planning processes and use of zonal resource credits.

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, RFP processes and resulting certification proceedings, 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. 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 direct costs associated with Applicant's services described above. 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. Along with providing the above, Applicants should provide an overview of the estimated costs in the summary of the bid proposal. 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. 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), 2 copies, and e-mail an electronic copy** of the proposal to:

Kathryn H. Bowman  
Louisiana Public Service Commission  
Office of Executive 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: [kathryn.bowman@la.gov](mailto:kathryn.bowman@la.gov)

To be considered, an original, three copies, and the electronic copy of the proposal must be received on or before **Friday February 12, 2021 at 4:30 p.m.** **Selection of outside counsel is anticipated to take place at the Commission's February Business and Executive Session, which is currently scheduled for February 24, 2021.** Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.