

Louisiana Public Service Commission



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EVE KAHAO GONZALEZ
Executive Secretary

BRANDON M. FREY
Executive Counsel

November 28, 2016

JOHNNY E. SNELGROVE, JR.
Deputy Undersecretary

Re: Solicitation for under \$50K bids from outside consultant to assist Staff in reviewing Entergy Louisiana, LLC's Application for Authorization to Amend a Contract for the Purchase of Capacity and Electric Power from Occidental Chemical Corporation's Taft Facility (Docket No. U-34303)

Dear Consultants:

The Louisiana Public Service Commission ("LPSC" "Commission") has received the above-referenced application from Entergy Louisiana, LLC ("ELL" or "Entergy") seeking a 10-year extension, until 2028, of a purchase power agreement ("PPA") between ELL and Occidental Chemical Corporation ("Oxy"). Under the amended PPA, ELL will purchase between 480 MW and 520 MW of capacity, energy, and other products from Oxy's Taft Cogeneration Facility in Taft, Louisiana. By way of this bid solicitation letter, the Commission is seeking bids from independent technical consultants to assist the Commission in conducting a review of Entergy's filing and to work closely with in-house Legal and Auditing Staff.

Bidders who reply should demonstrate their familiarity with the Commission's Orders related to PPAs, namely; Order No. U-28804-A dated October 28, 2008, the order approving the original PPA between ELL and Oxy, and the Commission's 1983 General Order and 2009 amendments; the Commission's Orders regarding the Formula Rate Plans of Entergy; the Commission's Orders regarding the Fuel Adjustment Clause recovery mechanism for Entergy. Bidders should also demonstrate familiarity with the public interest criteria for approval of contracts including whether a contract should be exempt from the MBM; resource planning methods; and be able to make a determination of whether the resources that are the subject of this proceeding will provide reliable service at the lowest reasonable cost. All proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to assist the Commission with this project.

The retained consultant will assist the Commission's Legal and Audit Divisions in reviewing the filing and supporting documentation as well as additional testimony and support filed by ELL and intervenors; prepare for filing pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting the pre-filed testimony. The scope of the work shall continue through a

Commission Order resolving this proceeding.

The November 10, 2014 General Order states,

Contracts for consulting and/or legal services which are anticipated to result in a maximum bid amount of compensation, including all professional fees but excluding expenses, to not exceed fifty thousand dollars (\$50,000.00), may be considered and approved by the Commission without the necessity of an RFP. The expenses allowed for such services shall be limited to twenty percent (20%) of the total bid amount, unless the Commission specifically authorizes a greater amount.

The Commission Staff anticipates that, based on prior proceedings, the consultant hired in this proceeding will be able to satisfactorily perform the services described herein for a bid amount less than \$50,000.00 and, thus, an RFP is not mandated.

ELL is requesting a decision within the 120-day certification period set forth in the 1983 General Order; therefore, the Commission intends to retain outside assistance at the Commission's December 21, 2016 Business and Executive Session. If you would like to submit a bid, please do so electronically to brandon.frey@la.gov and Kathleen.richardson@la.gov **on or before Tuesday, December 13, 2016.**

Sincerely,


Brandon M. Frey
LPSC Executive Counsel