

Louisiana Public Service Commission



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June 22, 2016

EVE KAHAO GONZALEZ
Executive Secretary

BRANDON FREY
Executive Counsel

JOHNNY E. SNELGROVE, JR
Deputy Undersecretary

Re: Solicitation for under \$50K bids from outside consultant to assist Staff in conducting a financial audit of a cross-section of towing companies as part of the rulemaking in R-33916.

Dear Consultants:

The Louisiana Public Service Commission ("LPSC" "Commission") Staff opened a rulemaking in docket R-33916¹ in order to comply with the Commission's General Order dated March 26, 2010, which ordered the use of the Consumer Price Index to adjust the LPSC's rates for nonconsensual towing services every two years. In that rulemaking docket, the LPSC Staff received requests for a review of all of the rates in the Commission's General Order dated April 17, 2014. 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 a cross-section of nonconsensual towing companies and to work closely with in house Transportation and Auditing Staff in making a recommendation regarding whether the current rates should be changed.

Bidders who reply should demonstrate their familiarity with common carrier and public utility regulation in general, and specific experience in auditing the revenue and expenses of private companies. All proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to assist the Commission with this project.

Applicants will be assisting the Commission's Legal and Audit Divisions in auditing a cross-section of no fewer than ten towing companies located throughout the state, preferably at least two from each Commission district. In performing this duty, the consultant shall review the income and expenses of the companies, properly allocating revenue and expenses for non-consensual towing, storage, and any non-regulated activities of the company. The scope of the work shall continue through a Commission vote on Staff's Recommendation and any request for rehearing.

¹ Staff's proposed recommendation in Docket R-33916 is scheduled to be voted on at the Commission's July 27, 2016 Business and Executive Session. One of Staff's recommendations is that outside assistance be obtained to assist with this review.

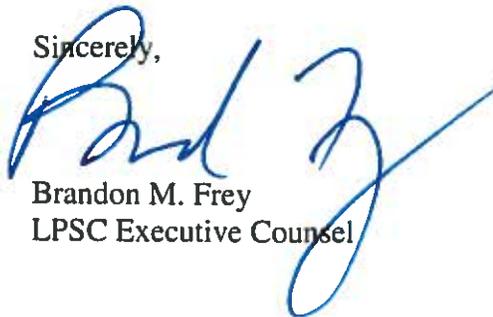
The November 10, 2014 General Order states,

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.

Although the Commission has not conducted a similar review of towing companies in the past, the Commission Staff anticipates that the consultant hired in this proceeding will be able to satisfactorily perform the services described herein for a bid an amount less than \$50,000.00 and, thus, an RFP is not mandated. As a reminder, any bid submitted pursuant to this request shall comply with the requirements of the November 10, 2014 General Order.

The Commission will be considering Staff's initial recommendation in docket R-33916, which recommends obtaining outside assistance, at the July Business and Executive Session; thus Staff intends on having the Commission consider any hire consistent with this bid solicitation also at the July 27, 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 Wednesday, July 13, 2016 at 4:30 PM.

Sincerely,



Brandon M. Frey
LPSC Executive Counsel