

Louisiana Public Service Commission



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August 12, 2024

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Executive Counsel

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Deputy Undersecretary

VIA EMAIL ONLY

RFP 24-08, Docket TBD, Entergy Louisiana, LLC, ex parte. In re: Request for Proposals for Long-Term Developmental Combined-Cycle Combustion Turbine Resources.

To all LPSC qualified consultants:

Enclosed please find a Request for Proposals ("RFP") for an **outside consultant** issued by the Louisiana Public Service Commission for the above anticipated docket. If your firm is interested in submitting a proposal, please review the RFP carefully to ensure you adhere to the requirements contained therein, as well as to determine whether your firm meets the specific requirements of the RFP. All Proposals must include a showing that your firm possesses the requisite qualifications and experience to represent the Commission in this matter. Please note that deviations from the requirements contained in the RFP, or conditional bid amounts, shall result in the rejection of a proposal as non-conforming.

All Proposals, including the original, plus (2) two copies, and an electronic copy must be received on or before Tuesday, September 3, 2024. Selection of consultants is anticipated to take place at the Commission's September 2024 Business and Executive Session.

If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "KB", with a horizontal line extending to the right.

Kathryn Bowman
Executive Counsel

Encl.

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

24-08
LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSALS (“RFP”)
August 12, 2024

DOCKET NO. TBD, Entergy Louisiana, LLC, ex parte. In re: Request for Proposal for a Long-Term Developmental Combined-Cycle Combustion Turbine Resources.

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”) for **outside consultants** to assist Commission Staff in its participation in Entergy Louisiana’s (“ELL” or the Company”) upcoming Request for Proposal (“RFP”) for a long-term developmental combined-cycle combustion turbine resources, as well as any request for certification and cost recovery that comes out of ELL’s RFP.

Consideration of qualifying proposals is anticipated to be on the Commission’s September 2024 Business and Executive Session (“B&E”). Should an Applicant be selected at the Commission’s B&E, this RFP and the Applicant’s proposal shall constitute the contract between the parties, including all terms and conditions. The Commission will not accept new terms, conditions, or proposals once an Applicant has been retained.

Please note, deviations from the requirements contained herein, or conditional bid amounts, shall result in rejection of the proposal as non-conforming.

I. Overview

On July 23, 2024, Entergy Services, LLC, on behalf of ELL, filed a notice letter with the Commission indicating its intent to issue an RFP for long-term developmental combined-cycle combustion turbine (“CCCT”) resources on behalf of ELL (“Notice Letter”). Per the Notice Letter, the draft RFP is expected to be issued no earlier than September 23, 2024, with the final RFP issued at least 60 days following the issuance of the draft RFP, which complies with the Commission’s Market-Based Mechanisms General Order (“MBM Order”) notice requirements.¹

The draft RFP would be open to developmental CCCT resources in the Midcontinent Independent System Operator, Inc., Local Resource Zone 9. Further Entergy Services expects that the RFP will market test self-build generating projects to be located in the Amite South planning region and at the Nelson site; therefore, an independent monitor has been retained by ELL. Mr. Wayne Oliver has been selected as the procurement process independent monitor; he has had no business relationship with ELL in the last three years other than in the capacity of an independent monitor.

¹ General Order dated February 16, 2004, Docket No. R-26172 Subdocket A, In re: *Development of Market-Based Mechanisms to Evaluate Proposals to Construct or Acquire Generating Capacity to Meeting Native Load*, Supplements the September 20, 1983 General Order (as amended by General Order, Docket No. R-26172 Subdocket B, dated November 3, 2006, and further amended by the April 26, 2007 General Order and General Order, Docket No. R-26172, Subdocket C dated October 29, 2008.

It is anticipated that through the Company's RFP process, one or more resources would be selected by ELL, thus requiring the Company to file an application with the Commission in accordance with General Order dated September 20, 1983 ("1983 GO").² Commission RFP 24-08 is also seeking services to assist Commission Staff in any certification proceeding(s) resulting from ELL's RFP process. Please note, this could be more than one certification proceeding.

II. Scope of Representation

This scope of representation covers both participation in ELL's RFP process, as well as any certification proceeding(s) arising therefrom. For the RFP process, assistance will include participation in each stage thereof, including technical and bidders' conferences, review of and comment on draft documents, informal meetings, preparation of a report upon completion of the RFP process, coordination with the independent monitor, and any other steps necessary to ensure a fair and reasonable RFP process.

In addition to the RFP process, Applicants will review any certification application(s), along with testimony and exhibits; draft and assist in the drafting of data requests; analyze data responses; participate in formal status conferences, pre-trial conferences, depositions, and hearings (whether contested or stipulation); draft and prepare pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting the pre-filed testimony; review and respond to any rebuttal testimony; assist in preparing any necessary direct and cross-answering testimony; assist in trial preparation, including cross-examination of witnesses and drafting pleadings, motions, and exceptions related thereto; review and analyze potential stipulation terms; and assist in drafting briefing sheets and orders of the Commission, as necessary. Additionally, Applicants shall be available to participate in informal conference calls, meetings and conferences with the Commission and Staff as well as attending any B&Es related to any certification proceedings arising from the RFP. The scope of the work shall continue through the conclusion of the certification docket(s) through Commission vote, regardless of whether said vote is the result of a stipulated agreement or contested hearing recommendation.

All proposals shall include an outline of a plan of action for this scope of representation, including both the RFP process and potential certification process(es) arising therefrom. 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.

All proposals shall include: 1) a summary outlining the proposal, including the cost estimate; 2) an outline of a plan of action for this scope of representation, including not only participation in the RFP process, but also any certification proceeding(s) arising therefrom; and 3) a professional

² General Order dated September 20, 1983, In re: *In the Matter of the Expansion of Utility Power Plant; Proposed Certification of New Plant by the LPSC*, as amended by General Order (Corrected) in Docket No. R-30517 (In re: *Possible modifications to the September 20, 1983 General Order to allow (1) for more expeditious certifications of limited-term resource procurements and (2) an exception for annual and seasonal liquidated damages block energy purchase*) dated May 27, 2009.

firm resume, including the Applicant's qualifications and experience necessary to meet the requirements of this RFP. This shall be one proposal to the Commission.

The Commission and its Staff reserve the right to determine how tasks under this RFP will be carried out, including setting internal deadlines to ensure the proceeding moves along in an orderly fashion. **Deviations from the requirements contained herein, or conditional bid amounts shall result in reject of the bid as non-conforming.**

III. Period of Representation

The time period estimated to complete the Scope of Representation will last approximately 8 months for the RFP process, and if sources are selected through the RFP process, approximately 10-12 months for the certification proceeding(s). However, this is merely an estimate and the Commission makes no representation as to the accuracy of the Period of Representation.

IV. Minimum Requirements

To qualify, all Applicants must have requisite knowledge of the topics listed below, in addition to those provided in the Commission's Contract Order. Consideration will be given to factors which indicate degrees of competence such as the amount of practical experience in the field of public utility, similar experience before this or other regulatory agencies, in addition to the Applicant's knowledge and experience regarding Louisiana resource acquisitions, certifications, ratemaking standards, and regulatory law.

Applicants shall at a minimum be experienced in participating in technical and/or bidder's conferences, experienced in drafting and rendering expert testimony, and cross-answering testimony, be able to be cross-examined with respect to all of the issues addressed in this RFP, which are likely to arise in these proceedings, and be qualified and prepared to render expert testimony regarding the topics in this RFP at a hearing and/or B&E.

Applicants shall also have a working knowledge of LPSC rulemakings and jurisdictional issues, and have, at a minimum, knowledge of:

1. The Commission's Rules and Orders pertaining to the RFP process and acquisition of power supply resources, including but not limited to the Commission's MBM Order and its 1983 GO, as amended;
2. Principles associated with resource acquisitions and the competitive process, including but not limited to analyzing utility resource needs and whether the considered resource(s) is able to meet those needs;
3. Whether or not a resource will provide reliable service at the lowest reasonable cost;
4. Resource planning methods to improve the efficiency of a utility's power supply operations and whether the utility is making use of any such methods;

5. Familiarity with just and reasonable costs and prudent investments associated with providing reliable and quality service as recommended by NARUC.
6. Public interest criteria for approval of resources and purchase power contracts;
7. LPSC rules on affiliate transactions and cost recovery mechanisms for power supply resources, ELL's current rate structure, and the Commission's General Order dated November 6, 1997 in Docket No. U-21497 regarding fuel cost recovery;
8. Appropriate accounting standards and practices for electric utilities, especially those for investor-owned utilities;
9. A detailed understanding of the major functional areas of a regulated electric utility, particularly an investor-owned.
10. MISO tariffs, rules and planning processes, generally, and specifically related to resource adequacy planning processes and use of zonal resource credits, specifically Local Resource Zone 9, but not necessarily limited to LRZ 9.

V. Estimate of Costs

Applicants shall provide an overview of the estimated costs in the summary of the bid proposal. All proposals shall include fees and direct costs (expenses) in order to provide the services described above. For an Applicant's fees, the quote shall be based upon an hourly basis, which shall be included with any proposal submitted. All cost proposals shall submit a total budget, separating professional fees from direct costs. If Applicants wish to provide a cost breakdown between the RFP process and any certification proceedings, they may do so; however, there still should be one total not-to-exceed budget submitted for Commission consideration.

If selected, Applicants shall only be allowed to charge for actual hours of work performed and costs incurred. Further, 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. Potential conflicts could include, but are not to be limited to, employment with regulated utilities, affiliates of regulated utilities, consumer advocacy groups, or any other party that comes before the Commission. 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 to the Commission 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. Pursuant to La. R.S. 45:1180, ELL is the ultimate responsible party for payment of services provided pursuant to this RFP; therefore, timely submittal of invoices to the Commission facilitates timely payments to Applicant.

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 its B&E, 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 proposals 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:

Kimberly N. O'Brian
Kathryn H. Bowman
Louisiana Public Service Commission
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.obrian@la.gov
kathryn.bowman@la.gov

To be considered, an original, two copies, and the electronic copy of the proposal must be received on or before **Tuesday, September 3, 2024**. Selection of consultants is anticipated to take place at the Commission's September 2024 Business and Executive Session, which is currently scheduled for May 22, 2024. Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.