

# Louisiana Public Service Commission



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August 11, 2022

## VIA EMAIL

***RFP 22-23 Docket No. X-36498, Southwestern Electric Power Company, ex parte. In re: Notice of Intent to conduct a Request for Proposals for the purchase of diverse resources, including natural gas, solar and/or wind renewable energy resources in accordance with the Commission's Market Based Mechanism Order.***

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 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 Thursday, September 1, 2022 at 4:30 p.m. Selection of consultants is anticipated to take place at the Commission's September 2022 Business and Executive Session.

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

Sincerely,

A handwritten signature in blue ink that reads "Kathryn Bowman". To the right of the signature, there is a handwritten mark that appears to be "-KOB".

Kathryn Bowman  
Executive Counsel

Encl.

cc.: Brandon M. Frey, Executive Secretary  
Justin Bello, Staff Attorney

**RFP 22-23**  
**LOUISIANA PUBLIC SERVICE COMMISSION**  
**REQUEST FOR PROPOSALS (“RFP”)**  
**August 11, 2022**

***DOCKET NO. X-36498, Southwestern Electric Power Company, ex parte. In re: Notice of Intent to conduct a Request for Proposals for the purchase of diverse resources, including natural gas, solar and/or wind renewable energy resources in accordance with the Commission’s Market Based Mechanism Order.***

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”), issues this Request for Proposals (“RFP”) to **outside consultants** who will assist Commission Staff in the review of Southwestern Electric Power Company’s (“SWEPCO”) Request for Proposals (“RFP”) for diverse resources.

**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 22-23 are anticipated to be on the Commission’s September 2022 Business and Executive Session (“B&E”).**

**I. Overview**

On June 27, 2022, SWEPCO provided notice to the Commission of its intention to conduct an RFP for the purchase of diverse resources, including solar and/or wind renewable energy resources pursuant to the Commission’s Market Based Mechanisms (“MBM”) Order<sup>1</sup> and intended such notice to serve as the advanced notification required in paragraph 14 of the MBM Order. On August 1, 2022, SWEPCO provided Staff with its informational filing, including the draft RFPs. SWEPCO’s informational filing was published in the Commission’s Official Bulletin dated August 5, 2022 and docketed as Docket No. X-36498.

Per SWEPCO, the Company issued an RFP to seek solar and wind resources identified in its Integrated Resource Plan (“IRP”) proceeding,<sup>2</sup> and held stakeholder conferences on March 29<sup>th</sup> and July 20<sup>th</sup>, 2022. Additionally, SWEPCO agreed to conduct an RFP for solar resources pursuant to Order No. U-35324. This RFP intends to meet the requirements of that Order.

Along with the notice, SWEPCO submitted two draft RFPs. One seeks up to 500 MW of solar energy resources and the other seeks up to 1,900 MW of wind energy resources. In both RFPs, SWEPCO has indicated there is no intention of a self-build; therefore, no independent market monitor is necessary. Per the draft RFPs, SWEPCO intends to issue the RFP September 29, 2022 with final project selection occurring on February 1, 2023.

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<sup>1</sup> Docket No. R-26172, Sub-Docket C, In re: *Possible suspension of, or amendments to, the Commission’s General Order dated November 3, 2006 (Market Based Mechanisms Order) to make the process more efficient and to consider allowing the use of on-line auctions for competitive procurement, as amended October 29, 2008.*

<sup>2</sup> Docket No. I-36242, SWEPCO, ex parte. In re: *2021 Request to Initiate Integrated Resource Planning Process pursuant to the General Order (Corrected) in Docket R-30021 dated April 20, 2012.*

Applicants will be assisting Commission Staff in SWEPCO's RFP process and review any resulting acquisition requests to ensure compliance with all applicable Commission Orders, including any certification proceedings resulting from either RFP.

## **II. Scope of Representation**

The scope of representation consists of both the RFP process and any certification application(s) that may result from SWEPCO's RFP process. For the RFP process, assistance will include participation in each stage of the RFP, including technical and bidders' conferences, review of and comment on draft documents, informal meetings, preparation of a report upon completion of the RFP process, 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, 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.

## **III. Period of Representation**

The time period estimated to complete the Scope of Representation is approximately 9 months for the RFP process, and if resources are selected through the RFP process, approximately 10 months for the certification proceeding. This is merely an estimate and the Commission makes no representations 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 Commission General Order dated November 10, 2014. Consideration will be given to factors which indicate degrees of competence such as the amount of practical experience in the field of public utility practice, similar practice before this or other regulatory agencies, in addition to the Applicant's knowledge and experience regarding Louisiana resource acquisitions, certifications, regulatory law, and ratemaking principles.

Applicants shall, at a minimum, be qualified and prepared to participate in the RFP process, including, but not limited to, the technical and/or bidder's conferences; draft and render a report on the RFP process; draft and render expert testimony and be cross-examined with respect to all of the issues addressed in this RFP and which are likely to arise in a certification proceeding; and be qualified and prepared to render testimony at a hearing and/or a B&E regarding the same.

Applicants shall have a working knowledge of Commission rulemakings and jurisdictional issues and applicable Commission and federal regulations. Applicants shall also, at a minimum, have 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 Order, 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, particularly for renewable/solar resources;
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. Public interest criteria for approval of resources and purchase power contracts, particularly renewable/solar resources;
6. LPSC rules on affiliate transactions and cost recovery mechanisms for power supply resources, SWEPCO's current rate structure, and the Commission's General Order dated November 6, 1997 in Docket No. U-21497 regarding fuel cost recovery;
7. Appropriate accounting standards and practices for electric utilities, especially those for investor-owned utilities; and
8. SPP tariffs, rules and planning processes, generally, and specifically related to resource adequacy planning processes and use of zonal resource credits.

## **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 in order to provide the services described above. Applicants responding to this RFP shall quote their rates on an hourly basis, and shall submit a total budget, separating professional fees from direct costs.

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. 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 shall 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 any offer and does not have to accept the lowest bid amount. 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](mailto:kim.obrian@la.gov) and [kathryn.bowman@la.gov](mailto:kathryn.bowman@la.gov)

To be considered, an original, two copies, and the electronic copy of the proposal must be received on or before **Thursday, September 1, 2022 at 4:30 p.m.** Selection of consultants is anticipated to take place at the Commission's **September 2022 Business and Executive Session, which is currently scheduled for September 14, 2022.** Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.