



Louisiana Public Service Commission

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June 9, 2025

VIA EMAIL ONLY

RFP 25-06, DOCKET NO. X-37602, Louisiana Public Service Commission, ex parte. In re: Audit of Purchase Gas Adjustment filings for CenterPoint Energy Arkla for the period of January 2023 through March 31, 2025;

DOCKET NO. X-37604, Louisiana Public Service Commission, ex parte. In re: Audit of Purchase Gas Adjustment filings for CenterPoint Energy Entex for the period of January 2023 through March 31, 2025; and

DOCKET NO. X-37603, Louisiana Public Service, ex parte. In re: Audit of Purchase Gas Adjustment filings for the natural gas division of Entergy Louisiana, LLC for the period of January 2023 through June 30, 2025.

To all LPSC qualified outside 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 Wednesday, July 30, 2025. Selection of consultants is anticipated to take place at the Commission's August 2025 Business and Executive Session. If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

Kathryn Bowman
Executive Counsel

Encl.

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

RFP 25-06
LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSALS (“RFP”)
June 9, 2025

DOCKET NO. X-37602, Louisiana Public Service Commission, ex parte. In re: Audit of Purchase Gas Adjustment filings for CenterPoint Energy Arkla for the period of January 2023 through March 31, 2025;

DOCKET NO. X-37604, Louisiana Public Service Commission, ex parte. In re: Audit of Purchase Gas Adjustment filings for CenterPoint Energy Entex for the period of January 2023 through March 31, 2025;

and

DOCKET NO. X-37603, Louisiana Public Service, ex parte. In re: Audit of Purchase Gas Adjustment filings for the natural gas division of Entergy Louisiana, LLC for the period of January 2023 through June 30, 2025.

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 three separate purchase gas adjustment (“PGA”) audits. The three PGA audits are for CenterPoint Energy Arkla (“Arkla”), CenterPoint Energy Entex (“Entex”), and the natural gas division of Entergy Louisiana, LLC (“ELL”) (hereinafter referred collectively as the “Utilities”).

Consideration of qualifying bids received in response to RFP 25-06 are anticipated to be on the Commission’s August 2025 Business and Executive Session. 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 bid as non-conforming.

I. Overview

Pursuant to Commission General Order dated March 24, 1999 (“PGA Order”), Commission Staff issued Notices of Proceeding commencing the final PGA audits on Arkla, Entex, and ELL’s purchase gas adjustment filings. The audit period for Arkla and Entex is January 1, 2023 through March 31, 2025, and the period for ELL is January 1, 2023 through June 30, 2025 (“Audit Period”).

These Audit Periods cover the final purchase gas adjustment filings for Arkla, Entex, and ELL as all three entities have been purchased by Delta North Louisiana Gas Company, LLC and Delta South Louisiana Gas Company, with the closing for Arkla and Entex occurring on April 1, 2025 and on June 30, 2025 for ELL.

The Commission's PGA Order outlines the audit procedures as follows:

- a.) An investigation into the purchased gas costs incurred by the utility during the designated review period for compliance with the requirements of the PGA Order.
- b.) A review and analysis of the utility's monthly comprehensive purchase gas adjustment schedules filed with the Louisiana Public Service Commission.
- c.) If applicable, the development and improvement of internal staff procedures to effectively monitor and evaluate a utility's performance in areas impacting the gas costs which are reflected in the utility's monthly purchase gas adjustment filings with the Commission.
- d.) A review of the utility's price risk management guidelines pertaining to purchased gas (including policies regarding physical hedging, fixed price transactions, index transactions, fixed for floating price swaps, options to purchase, and other arrangements) to determine their propriety and a recommendation of modifications if appropriate;
- e.) A quantification of the adverse impact on ratepayers, if any, for each audit topic.

II. Scope of Representation

In assisting Staff, Applicants will review and analyze each Utilities' fuel purchases and usage; draft, review, and analyze discovery and associated responses for each PGA audit and Audit Period; review accompanying workpapers and each Utilities' financial data; review historical data involving prior PGA audits for the Utilities; identify any irregularities detected in the monthly filings; prepare three separate audit reports and direct testimony – as deemed necessary, which shall include a written or executive summary identifying any costs included in the audits found to be in violation of the PGA Order; prepare three recommendations as to the appropriate methodology to provide for recovery of any irregularities – as necessary; participate in meetings and conference calls with the Commission, Staff, or the parties, as deemed necessary by Staff; assist in the preparation of briefing materials for Staff and Commissioners.

Upon completion of the three audits, each Staff audit report shall be filed with notice of the same published in the Commission's Official Bulletin allowing for public inspection and potential intervention.¹ This scope of representation does not include the contemplation of a contested hearing; however, Applicant should anticipate to defend each audit report by assisting in responding to discovery on each of Staff's audit reports; participate in meetings and conference calls regarding Staff's audit report; and appear before the Commission at B&Es where any of these matters will be discussed. Should any audit report be contested and a procedural schedule need to be established for a contested hearing, Applicants will be allowed to submit a proposed budget for

¹ Should any Utilities designate any information as confidential pursuant to Commission Rule 12.1, that information shall be redacted from the audit report available for public inspection.

the contested hearing. The scope of representation provided herein shall continue through conclusion of the dockets, including Commission consideration at a B&E or B&Es.

All proposals shall include an outline of a plan of action for this scope of representation. However, the Commission and its Staff shall have the right to determine how the tasks will be carried out, including setting internal deadlines if necessary to ensure all work is completed timely. Please note that the use of ChatGBT or any other AI type platform is strictly prohibited when performing the scope of services contained herein.

III. Period of Representation

The time period estimated to complete the Scope of Representation is approximately 18 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 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 practice, similar practice before this or other regulatory agencies, and knowledge of Louisiana ratemaking standards and regulatory law.

Applicants shall at a minimum be experienced in analyzing the operations, books, and records of utility companies for the purpose of fuel audits, and have familiarity with the Commission's PGA Order.

Applicants shall at a minimum be qualified and prepared to 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 the proceeding, including but not limited to:

1. Appropriate accounting standards and practices for public utilities, public utility accounting, and generally accepted auditing standards;
2. The appropriate fuel adjustments to be made by a utility pursuant to the Commission's PGA Order;
3. Any specific adjustments allowed by the Commission to be flowed through the Utilities' PGA; and
4. A detailed understanding of natural gas utility regulation.

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

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. 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 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, Arkla, Entex, and ELL are the ultimate responsible parties for payment of services provided pursuant to this RFP; therefore, timely submittal of invoices to the Commission facilitates timely payments to any retained consultant.

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

Applicants should submit the **original (hard copy), 2 copies, and an electronic copy (via email)** 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 and kathryn.bowman@la.gov

To be considered, an original, two copies, and the electronic copy of the proposal must be received on or before **Wednesday, July 30, 2025. Selection of consultants is anticipated to take place at the Commission's August 2025 Business and Executive Session, which is currently scheduled for August 20, 2025.** Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.