

Louisiana Public Service Commission
RFP to Provide Advisory Services
RFP Number: 26-04



Respondent: Drexel Hamilton, LLC
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Proposal for Consulting Services

Outside Consultant to the **Louisiana Public Service Commission**

RFP: 26-04

Respondent: Drexel Hamilton, LLC

Federal EIN: 20-8032934

Date: June 4, 2026

Description

Drexel Hamilton is a full-service financial services and advisory firm that focuses on corporate, municipal and securitization finance with a strong concentration in the power & utilities sector.

Drexel Hamilton and its team of sub-advisors have strong backgrounds in various aspects of finance, securities law, regulation and general utility advisory services, matched with long transactional track records spanning their careers.

As has been communicated, the **Louisiana PSC** seeks to retain an outside consultant(s) who will assist the Commission review of three separate purchase gas adjustment (“PGA”) audits. The three PGA audits are for the Delta Utility Companies – Delta North Louisiana Gas Company, LLC (“Delta North”), Delta South Louisiana Gas Company, LLC (“Delta South”), and Delta Capital Gas Company, LLC (“Delta Capital”) (hereinafter collectively “Delta Utility Companies”). The advisory team at Drexel Hamilton feels it has the ability to fulfill these and all other related duties successfully due to their long track record and knowledge of all aspects of the legal and structuring tasks that go along with executing these difficult requirements related to PGA.

Given Drexel's transactional track record both with public service commissions and other regulated entities, team members feel they have had the broadest and most up-to-date experience with product and a solid perspective on what it takes to complete a successful transaction in the current market environment.

Beyond their knowledge and experience, the team carries a high level of professionalism and an adaptive nature that always seeks the absolute best possible results for its clients. The firm's professionals have earned the respect of many in the finance, legal, corporate and regulatory communities which has translated into a steady flow of business and new opportunities which continues to this day.

Advisory Team Professionals

The advisory team at Drexel Hamilton is comprised of financial services and energy professionals who have significant decades experience in their respective roles. They have long track records in utility projects and securitization finance and regulation.

Jeremy Traska – Managing Director. Mr. Traska heads the debt capital markets & advisory effort for power & utilities and oversees all transactions related to the sector. He brings with him a wealth of experience, having spent the last 25+ years in the financial services industry, including senior management leadership positions in investment grade and high yield capital markets and research with a focus on the power, utility, and energy sectors. Prior to working at Drexel Hamilton, Mr. Traska worked at firms such as Credit Suisse, Deutsche Bank, Cohen & Steers and Oppenheimer & Co. with responsibilities ranging from capital markets and advisory to investment grade and high

yield credit research. Mr. Traska is a graduate of Virginia Tech with a Bachelor of Science degree in Finance and served in the United States Coast Guard Auxiliary.

Hemant Jain – Managing Director, A2A Energy. Mr. Jain leads all regulatory advisory for the various aspects of utility engagements related to generation, transmission / distribution, and delivery to end-use customers (C&I and Residential). His track record spanning nearly 35 years in both regulated and de-regulated utility markets, including recent senior leadership position at New York Power Authority, makes him uniquely qualified to provide the expertise necessary for these projects.

Other Internal Staff and Resources

Drexel Hamilton has a dedicated structured products group that participates in primary issuance and secondary trading for all classes of structured products, including ABS, MBS and CLOs, and acts as an excellent resource that the advisory team can call upon for all information and insights related to the capital markets and investor sentiment.

To monitor all factors affecting utility financials and long-term secular fundamentals the advisory team can also call upon the firm's dedicated power & utility banking and M&A team which in the past has acted as a valuable resource insight into many of these topics.

Precision Analytics – Larry Wadler

For analytical support, Drexel Hamilton has an exclusive partnership with Precision Analytics Inc. ("Precision"), led by Larry Wadler, who has an almost thirty year track record of providing structuring services and transactional and programmatic cash flow verifications to such utility-related issuers as the Southern California Public Power Authority, the Black Belt Energy Gas District, the

Southeast Energy Authority, the Tennessee Energy Acquisition Corporation, the Central Plains Energy Project, the Municipal Electric Authority of Georgia (“MEAG”), the South Carolina Public Service Authority (Santee Cooper), the Long Island Power Authority (“LIPA”), the Power Authority of the State of New York, and the Department of Water and Power of the City of Los Angeles.

Precision’s structured finance/cash flow verification services for these clients encompass a wide range of transaction types including commodity (gas and electric) prepayment securitizations and complex taxable and tax-exempt revenue bond transactions. Precision also provided cash flow analysis/structuring support for multi-layered project finance plans, as in the case of MEAG’s financing of its two new nuclear plants, and for comprehensive ongoing financing programs, as in the case of LIPA.

A2A Energy – Paul Gonzalez

For all utility data collection, analytics and reporting, Drexel Hamilton’s partnership with A2A Energy enables the firm to carry out strategic initiatives related to the utility sector. A2A Energy, led by Hemant Jain and Paul Gonzalez, provide comprehensive utility data collection, analytics and advisory support for all of Drexel’s utility clients, inclusive of Public Service Commissions and other regulatory bodies in the Power and Natural Gas domestic markets. The Service Disabled Veteran-Owned Small Business (SDVOSB) has a 10-year track record of operations management and cloud-based data services for utility off-takers and rate makers alike.

Paul Gonzalez leads operations and data teams in all aspects of A2A’s delivery of strategic analytics around utility usage and planning for large commercial, industrial and institutional off-takers.

I. EXECUTIVE SUMMARY

Drexel Hamilton, LLC (“Drexel Hamilton”), in partnership with A2A Energy (“A2A”), respectfully submits this proposal in response to RFP No. 26-04 issued by the Louisiana Public Service Commission (“LPSC” or “Commission”) to assist Commission Staff in the review of three separate purchase gas adjustment (“PGA”) audits for the Delta Utility Companies – Delta North Louisiana Gas Company, LLC (“Delta North”), Delta South Louisiana Gas Company, LLC (“Delta South”), and Delta Capital Gas Company, LLC (“Delta Capital”) (hereinafter collectively “Delta Utility Companies”). Time Period covered: April 1, 2025 through March 31, 2026

The A2A-DH team brings together deep regulatory expertise, hands-on utility operations experience, and rigorous analytical capability to assist Commission Staff throughout the PGA audit process—from technical conferences and discovery through testimony, hearings, and final Commission acknowledgment under the PGA requirements.

II. PROJECT UNDERSTANDING - SCOPE OF SERVICES AND APPROACH

Drexel recognizes that the PGA review and audit is a complex, multi-layered regulatory process.

We understand that the Commission’s PGA assessments are not merely analytical, but procedural and evidentiary, requiring work products that withstand stakeholder scrutiny, discovery, and—if necessary—contested hearings consistent PGA ongoing Schedule of Events.

Scope of Services

Consistent with the PGA requirements within the RFP, Drexel will assist Commission Staff in the review of three separate PGA audits for the Delta Utility Companies. Services include:

- Lead and manage all aspects of the PGA audit engagements for the three investor-owned utilities

- Complete comprehensive investigation / analysis into the purchased gas costs incurred by each utility during the designated review period for compliance with the requirements of the PGA Order.
- A review and analysis of the utility's monthly comprehensive purchase gas adjustment schedules filed with the Louisiana Public Service Commission.
- Analysis and recommendations for 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.
- Evaluation of 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).

All services will be performed in strict compliance with Commission Rules, Orders, and the prohibition on the use of AI platforms when reviewing or analyzing information submitted to the Commission.

Details – Time Requirements (85 hour estimate)

- Due Diligence - Contract review and reporting construct - 10 hours
- Due Diligence - Data Collection - 10 hours
- Analysis - 20 hours.
- Preliminary report -10 hours
- Risk Management policy review and product structure review – 10 hours.
- Final report with recommendations – 20 hours
- Final closing presentation to the LSPSC staff – 5 hours

III. QUALIFICATIONS AND EXPERIENCE

Regulatory and Utility Expertise

The Drexel Team brings extensive experience conducting regulatory and operational audits at both the state and federal levels. Their work is supported by well-established methodologies for internal and external data collection, rigorous analytical review, and the preparation of audit reports that deliver actionable recommendations. Their approach also includes the development of structured monthly reporting frameworks designed to enhance transparency and mitigate cost impacts to ratepayers.

Hemant Jain also offers deep subject-matter expertise in fuel procurement and cost recovery mechanisms based on his prior role overseeing the commercial management of generation assets (fossil, hydro-power, and battery storage) at the New York Power Authority. His experience includes developing and implementing hedging strategies in coordination with advisory firms, ensuring alignment with corporate risk management policies to reduce price volatility and manage cash flow exposure.

Representative Audit Experience Includes:

- Fuel cost justification audit for a 60 MW generation facility in York, Pennsylvania, in support of PJM Market Monitor requirements
- Demand response program audits, including performance verification and cost-of-production analyses supporting economic dispatch of non-generation assets
- Pennsylvania Act 129 demand response audit, including compliance, performance validation, and reporting
- FERC demand response audit engagements, including cost justification for auction participation, performance assessment, and participant payment allocation

Other Key qualifications:

- Extensive experience with Public Utility Regulation (PUR) at both state and federal levels
- Tariff development and cost justification for rate cases, primarily from the utility perspective

- Direct engagement with utility regulators across nearly 20 states, including:
 - PJM (PA, MD, DC, DE, OH)
 - ISO-New England (MA, CT, NH, ME)
 - NYISO, including LIPA
- Experience interacting with federal regulators on wholesale market, transmission, and reliability matters

Wholesale Market and Resource Planning Experience

Drexel offers hands-on experience across the full spectrum of resource planning and market participation, including:

- Participation in PJM wholesale markets, covering:
 - Generation resources and interconnection
 - Load forecasting and supply planning
 - Demand response programs
 - Renewable resource integration
- Direct experience managing generation assets, demand response portfolios, and renewable resources
- Participation in the development of long-range load forecasts and resource capability determinations supporting system reliability and market-based ratemaking
- Retail market participation as an aggregator in deregulated Mid-Atlantic and Northeast states

Data, Metering, and Infrastructure Capabilities

- Extensive experience with metering, data collection, and billing infrastructure, from cost development through implementation
- Ability to translate granular operational data into actionable regulatory insights

- Support of indirect testimony in rate cases and deregulation proceedings through analytical and technical contributions

IV. TEAM ORGANIZATION AND RESOURCES

Drexel and its advisors will serve as prime consultant, with A2A Energy providing utility data collection, analytics, and regulatory advisory support as directed. The team will draw upon additional internal and affiliated resources as necessary to meet the Commission's needs, consistent with prior PSC engagements.

V. CONFLICTS OF INTEREST

Drexel will disclose all current and prior engagements that could potentially create a conflict of interest in accordance with RFP 26-04 and Commission General Orders.

VI. COSTS AND BILLING

Drexel will submit a detailed hourly rate schedule and total budget consistent with guidelines set in RFP 26-04, separating professional fees from reimbursable expenses. As a Rough-Order-of-Magnitude ("ROM") summary, the cost of the fuel adjustment clause and actual cost analysis and studies support will require approximately 85 hours at the rate of \$300/hr. or \$25,500/utility, plus expenses (\$5,000) in accordance with Commission rules. **TOTAL Not to Exceed (NTE) = \$81,500.**

Billing shall be commensurate with specific requirements as outlined by LPSC. If acceptable, detailed invoices shall be completed bi-weekly for the term of the engagement, or as otherwise directed by the LPSC and agreed to by Drexel.

Our team at Drexel appreciates the opportunity to serve the LPSC as an Outside Consultant on this Docket. We believe our team has the expertise and overall abilities to meet and exceed the Commission's requirements, and we look forward to future engagements.

Very Respectfully,

A handwritten signature in black ink that reads "Paul Gonzalez". The signature is written in a cursive style with a large, prominent initial "P".

Paul Gonzalez

The Drexel Team