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January 29, 2016

EVE KAHAO GONZALEZ
Executive Secretary

BRANDON FREY
Executive Counsel

JOHNNY E. SNELGROVE, JR
Deputy Undersecretary

VIA E-MAIL:

***Re: RFP 16-01 Docket No. X-33876 Entergy Services, Inc., ex parte.
In re: Potential Request for Proposals for Renewable Resources.***

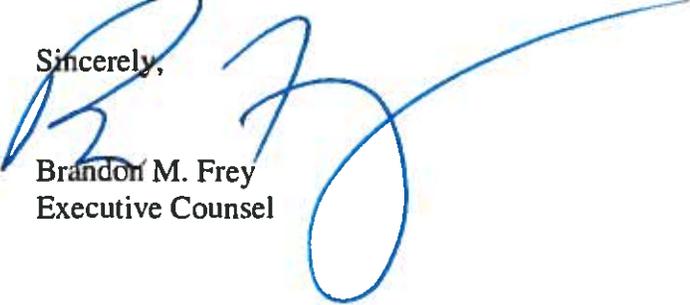
To all LPSC qualified consultants:

Enclosed please find a Request for Proposals ("RFP") for outside **technical consultant** issued by the Louisiana Public Service Commission for the above referenced subject. 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 (5) five copies and an electronic copy** must be received on or Thursday, February 18, 2016. Selection of a consultant is anticipated to take place at the Commission's February 2016 Business and Executive Session.

Should you have any questions, please do not hesitate to contact me.

Sincerely,


Brandon M. Frey
Executive Counsel

cc: Eve Kahao Gonzalez

RFP 16-01
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. X-33876
Entergy Services, Inc., ex parte.
In re: 2016 Request for Proposals for Renewable Resources

Executive Counsel, on behalf of the Louisiana Public Service Commission (“Commission”), is seeking proposals from independent technical consultants to assist the Commission Staff (“Staff”) in the review and analysis of Entergy Services, Inc.’s (“Entergy”) upcoming Request for Proposals (“RFP”) for up to 200 MW of renewable resources and to assist Staff with any related LPSC resource certification applications that may be filed by or on behalf of Entergy Louisiana, LLC (“ELL”). Entergy expects to issue a Draft RFP on or about February 17, 2016 and to hold a Bidders’ Conference in mid-March 2016. All proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to meet the requirements of this RFP.

According to ESI’s advance notice submitted October 30, 2015, ELL has identified a need to add approximately 2,000 MW of capacity by 2019 to address forecasted load growth, purchased power agreement expirations, and potential unit deactivations. While pursuing a strategy to add mostly CCGT resources, ESI acknowledged that renewable resources continue to make improvements in efficiency and cost and can provide fuel diversity and other benefits to customers. Accordingly, ESI expects to issue a draft RFP no earlier than February 17, 2016 to identify potentially economic renewable resources to meet capacity needs.

This RFP is also intended to address stakeholder concerns regarding the valuation of renewable energy in Entergy’s 2015 Final IRP in Docket I-33014. Order No. I-33014 issued December 17, 2015 provides that Entergy’s renewable RFP is a reasonable mechanism for resolving any disputes with regard to its valuation of renewable energy in the IRP, and “The Commission should closely monitor Entergy’s upcoming renewable RFP process to ensure fairness and the acquisition of economic resources”.¹

This RFP is being issued in accordance with the requirements of the LPSC’s General Order dated November 10, 2014, regarding the selection of contract employees to represent the Commission, (“Contract Order”). The Commission reserves the right to reject any proposal or decline to undertake these reviews at this time. Commission Staff anticipates that the Commission will consider conforming responses at its February 2016 Business and Executive Session (“B&E”), which is currently scheduled for February 24, 2016.

I. Scope of Representation

The independent technical consultant retained by the Commission shall assist the Commission’s

¹ Ordering paragraph No. 2, LPSC Order No. I-33014.

Legal, Utilities, and Auditing Divisions in monitoring Entergy's RFP process and reviewing any resulting acquisition requests to ensure compliance with all applicable Commission Orders.

Specifically, this RFP is subject to the Commission's Market Based Mechanisms Order, Docket No. R-26172, Subdocket C, as amended October 29, 2008 ("MBM Order"). The MBM Order requires utilities to demonstrate and justify that applications for the construction and/or acquisition of additional regulated generation by investor-owned utilities is the least cost alternative and in the public interest. The MBM Order requires the use of a formal competitive solicitation process for the acquisition of power supply resources by Louisiana utilities. It sets forth certain procedures and guidelines, including a 30-day advance notification to the Commission prior to submitting an informational filing and draft RFP, and at least a 60-day evaluation period between posting of the draft RFP and the issuance of an RFP.

The Commission's General Order dated September 30, 1983 ("1983 Order"), as amended by the Commission's Order R-30517, dated October 29, 2008, provides that no electric public utility shall enter into any contract for the purchase of capacity or electric power without first having applied to the Commission for a certification that the public convenience and necessity would be served by entering into the contract. Any firm power supply resources acquired by the Companies must be certified by the Commission in a docketed proceeding pursuant to its 1983 General Order. As a result, when a utility seeks to acquire or build capacity resources, it is required to make a formal informational filing with the Commission including its detailed planning information. The results and analysis from employing this RFP process are designed to serve as part of the justification required in paragraph (2) of the 1983 Order.

The consultant will be required to participate in each stage of the RFP process, including technical and bidders' conferences, review of and comment on draft documents, informal meetings, and any other steps necessary to ensure a fair and reasonable RFP process. In addition, the consultant will be required to review any certification application, along with testimony and exhibits, the company's financial data; draft and assist in the drafting of data requests; analyze data responses; participate in formal status conferences, pre-trial conferences, depositions, and hearings; draft and prepare audit memoranda and/or pre-field testimony in support of Staff's ultimate recommendations, together with exhibits supporting the memoranda and/or pre-filed testimony; and assist in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission. Additionally, the consultant shall be available to participate in informal conference calls, meetings and conferences with the Commission and its staff as well as attending any B&Es that the Staff deems necessary. 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.

II. Period of Representation

The time period estimated to complete this engagement is estimated at approximately 18 months. This is merely an estimate and may vary greatly depending upon whether the matter is contested, and as such the Commission makes no representations as to the accurateness of the Period of Representation.

III. Minimum Requirements

To be considered, all applicants must meet the following minimum requirements *in addition to those provided in* this Commission's General Order dated November 10, 2014. Consideration will be given to factors such as educational background and achievement, practical experience in the field of public utility practice and similar practice before other state public utility commissions; in addition to the applicant's knowledge of Louisiana ratemaking standards, regulatory law, and formula rate plans.

Applicant/consultant shall be qualified and prepared to prepare and render expert testimony, and be cross-examined, with respect to all of the issues addressed in this docket and which are likely to arise in the proceeding. Applicants should demonstrate their familiarity with both the MBM and 1983 Orders and should, at a minimum, be experienced in analyzing the operations, books and records of utility companies, and be qualified and prepared to render expert testimony regarding and have knowledge of:

- 1) appropriate accounting standards and practices for electric utilities;
- 2) the Commission's Rules and Orders pertaining to the RFP process as it relates to the acquisition of power supply resources, including but not limited to the Commission's Market Based Mechanisms Order and its 1983 Order, as amended;
- 3) principles associated with purchase power contracts and the competitive process, including but not limited to analyzing whether or not a particular resource meets the utility's need for power and whether the considered resources are able to meet those needs;
- 4) whether or not a resource will provide reliable service at the lowest reasonable cost;
- 5) 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;
- 6) public interest criteria for approval of or purchase power contracts;
- 7) Commission rules on affiliate transactions and cost recovery mechanisms for power supply resources, including ELL's Formula Rate Plan, the Commission's Fuel Clause Recovery Order, and Commission General Order U-21497 dated November

6, 1997; and

- 8) MISO tariffs, rules and planning processes, generally, and specifically related to resource adequacy planning processes and the use of zonal resource credits.

All proposals shall include a plan of action, estimated timeline, and fees and costs associated with evaluation of Entergy's Renewable RFP and resulting certification(s). In the event an applicant is chosen, the Commission and its Staff shall have the right to determine how the tasks will be carried out. In addition, all proposals shall demonstrate that the Applicant has the qualifications and experience necessary to meet the requirements of this RFP. Applicants will only be considered if proposals meet all of the requirements of this RFP and the Commission's Contract Order. **Deviations from the requirements contained herein, or conditional bid amounts may result in rejection of the bid as non-conforming.**

IV. Estimate of Cost

All applicants responding to the Request for Proposal shall quote their rates on an hourly basis and shall also submit a total budget, which shall separate professional fees from costs. However, applicants shall only be allowed to charge for actual hours of work performed and costs incurred. Once selected, an applicant's rates and budget shall not be altered except by formal approval of the Commission.

V. Conflict of Interest

As required by the November 10, 2014 General Order, previous or current employment which could result in a conflict of interest shall be prominently and separately disclosed. In addition, applicants shall disclose matters in which they currently represent private clients before the Commission. Failure to disclose actual or potential conflicts may result in rejection of the bid proposal.

VI. Disclaimer

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 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.

VIII. Billing Guidelines

As required by the November 10, 2014 General Order, all bills will 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.

IX. Submission of Proposals

Interested parties should submit the *original (hard copy), five (5) copies, and e-mail an electronic copy* of the proposal to:

Attention: Kathleen Richardson
Louisiana Public Service Commission
Office of the General Counsel
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: kathleen.richardson@la.gov; brandon.frey@la.gov

To be considered, the electronic copy of the proposal must be received on or before **Thursday, February 18, 2016**. An original, and five copies, shall be submitted as well. Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling Executive Counsel Brandon Frey at (225) 342-9888.