

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

**REQUEST FOR PROPOSALS
RFP NO. PSC-18-04**

FORMAL CASE 1150

**TECHNICAL CONSULTANT TO ADVISE THE COMMISSION IN THE MATTER OF
THE APPLICATION OF THE POTOMAC ELECTRIC POWER COMPANY FOR
AUTHORITY TO INCREASE EXISTING RETAIL RATES AND CHARGES FOR
ELECTRIC DISTRIBUTION SERVICE (“PEPCO’S APPLICATION”)**

Proposal Issue Date: January 19, 2018

Proposal Due Date: February 12, 2018, no later than 4:00 pm EDT

Contact: Jesse P. Clay, Jr.
Deputy Executive Director for Administrative Matters
Public Service Commission of the District of Columbia
1325 G Street, N.W., Suite 800
Washington, D.C. 20005
Email: jclay@psc.dc.gov
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SECTION 1- SCOPE OF WORK

1.0 Introduction

The Public Service Commission of the District of Columbia (“Commission”) requires the assistance of one or more technical consultants in Formal Case (“F.C.”) No. 1150, the Application of the Potomac Electric Power Company for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service (“Pepco’s Application”).

1.1 Background

On December 19, 2017, the Potomac Electric Power Company (“Pepco”) filed an application with the Commission requesting authority to increase existing retail rates for electricity distribution service in the District of Columbia by \$66.2 million, representing an increase of approximately 15.7% in Pepco’s distribution revenues.¹ According to Pepco, the primary drivers of the rate increase include continuing investment in the distribution system to improve reliability and customer service; Pepco’s earning is also significantly less than the authorized return on equity (“ROE”)². The requested rates are designed to collect \$487 million in total distribution revenues. Pepco’s proposal would add about \$7.54 to the monthly bill of the typical residential customer, who uses about 648³ kilowatt-hours of electricity per month with a billing demand of 1.07 kW.⁴ Currently, the Customer Base Rate Credit (“CBRC”)⁵ is used to offset the current customer charge levels for the Residential, MMA, GS ND, GS LV, GS 3A and TN classes. No CBRC will be used to offset the proposed rate increases. Under this assumption, the CBRC funding is expected to continue for two years, from August 2017 to August 2019. In addition, Pepco proposes an overall rate of return of 7.74%, including a 10.10% ROE, on a proposed rate base of \$1.85 billion. PEPCO’s proposed test year in this proceeding is the 12 months ending December 31, 2017, based on 8 months of actual data and 4 months of forecasted data. Pepco requests that the new rates become effective in January 1, 2019.

Pepco’s proposal in F.C. No. 1150 includes:

- A new depreciation study;⁶
- Rate case related merger commitments;
- An Appliance Saturation Study;

1 *Formal Case Number 1150, In the Matter of the Application of the Potomac Electric Power Company for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service* (“Pepco’s Application”) filed December 19, 2017. To locate this document on the Commission’s website, type www.dcpsc.org, click on the eDocket button, click on Search Current Documents, enter FC1150 and click on Submit, then scroll to item no. FC 1150-2017-E-1. This amount includes the request for \$16.7 million of additional depreciation expense.

2 According to Pepco, its December 31, 2017 unadjusted earned ROE is only 6.97%, which is significantly below the authorized ROE of 9.50%.

3 See Pepco (E)-3 at 1.

4 See Pepco (E) at 13.

5 The CBRC is one of the merger commitments specified in the Exelon/Pepco merger, Formal Case No. 1119.

6 See Pepco’s 2016 Depreciation Study and Testimony of Ned Allis filed on September 18, 2017 in Formal Case No. 1139 and Errata to the 2016 study filed on September 29, 2017, November 2, 2017 and December 12, 2017. Also, see Pepco (J).

- A Weather Normalization Study;
- Merger related synergies and Cost to Achieve;⁷
- Test year and post-test year reliability projects; and
- Other cost of service items listed on Pepco (C)-1.

With regard to rate design, Pepco's proposal⁸ includes:

- Adding a new demand charge for Residential (R) class with no change in customer charge (\$15.09 per month) and increasing kWh charge (except for a slight reduction for summer greater than 400 kWh block);
- Phasing in the demand charge over time;
- Proposing a two-part and three-part MMA rate schedules for Master Metered Apartment (MMA) customers. Pepco, however, is recommending the continuation of two-part rate design for MMA;
- Continuing to apply the Bill Stabilization Adjustment (BSA)⁹;
- Allocating the revenue increase by limiting the maximum percentage increase to any rate class to 1.5 times the overall average percentage increase of the system. For example, the total distribution revenue would increase by 15.7% and the R class would increase by 23.6% (1.5 times the 15.7%). The unitized rate of return ("UROR") for the classes would be moving closer to 1.0. Class ROR disparities are also reduced. For classes with URORs exceeding 3.5, such as GT-3B, TN and the proposed LED traffic signal class, Pepco is not proposing any revenue increase;
- Allocating 31% of the revenue increase to residential classes (R and MMA);
- Proposing a new SL tariff that includes a customer charge and a kWh charge, with different kWh charges proposed for LED and Non-LED lighting;
- Proposing a new TS tariff including both customer charge and separate kWh charge for Non-LED Signal and LED Signals; and
- Providing a Weather-Normalization Study and an updated Appliance Saturation Study.

With regard to the Reliability Projects, Pepco's proposal includes:

- Detailed description for the reliability and non-reliability projects in response to the Commission's checklist specified in Order No. 16930, paragraph 485 and Order No. 17424, paragraph 520 -- Construction Program Report¹⁰;
- Cost recovery for multiple reliability projects included in Pepco (B) witness Clark's direct testimony and Pepco (D) witness Wolverton's direct testimony which are included in Ratemaking Adjustments #1, #2, #3, #4, #5 and #27;

7 RMA #26 referred to in Pepco (C) at 24-25.

8 See Pepco (E), Witness Janocha's testimony. Current ROR for R is -5.1%, for MMA is 7.9%. The other negative ROR classes include SL-E, SL-LED, TS, and SL-S. At the high end, ROR for TN is 37.2%. See Pepco (E) at 6.

9 Given the BSA tariff is included in Pepco (E)-2 at 43, and BSA adjustment is included in rate design, Pepco has assumed a continuation of BSA for the future.

10 Pepco (B)-1.

- Plans to invest roughly \$1.3 billion in distribution capital over the next five years (2018-2022) in the District of Columbia;¹¹ This includes Customer Driven, Reliability, Emergency Restoration, and Load Projects; and
- Concluding that Pepco continues to make significant investments in the electric distribution system to improve reliability and customer satisfaction. These investments are important to customers and to achieve the increasingly more stringent merger reliability commitments each year. Over the five year period, Pepco anticipates investing \$707.6 million in the District of Columbia for planned reliability-related projects.

The Commission seeks advisory services from qualified firms and individuals with respect to determining revenue requirement, depreciation, rate design and prudence, reasonableness and cost recovery of the reliability projects. The entire rate case is scheduled to be completed in 9 to 12 months.

1.2 Scope of Work

1.2.1 General Tasks

1. Reviewing all relevant filings in this proceeding, including, but not limited to the application, proposals, comments, motions, testimony, data requests and data responses, and briefs;
2. Reviewing relevant laws and Commission decisions, and activities and decisions in other jurisdictions;
3. Researching, as necessary, technical issues as reflected in the Specific Tasks section below;
4. Performing modeling and analyses in determining alternative revenue requirements and rate designs as assigned;
5. Conferring with the Commissioners, Commission staff, and technical and legal consultants, as necessary;
6. Preparing analytical advisory memoranda as assigned;
7. Conducting briefings as requested;
8. Attending hearings if requested by the Commission; and
9. Assisting and advising the Commission's technical and legal staff and consultants in drafting orders in this proceeding.

1.2.2 Specific Tasks

Offeror(s) shall provide advisory services to the Commission in this case. However, this Scope of Work specifically excludes the distribution service marginal cost study. The successful Offeror(s) will need to take the lead in conducting all other such analyses as may be necessary to address the tasks in one or more of the following three groups: Aggregate Group 1 – Revenue

¹¹ Pepco (B) at 12.

Requirement; 2 – Rate Design; and Aggregate Group 3 – Reliability Projects. This means the Offeror(s) can bid on one, two, or all three groups.

Aggregate Group 1 -- Revenue Requirement/Cost of Service Determination (Including Depreciation)

1. Rate Base;
2. Cost of Capital;
3. Operating revenues;
4. Operating expenses;
5. Taxes;
6. Cash working capital and lead-lag study¹²;
7. Other cost of service items¹³;
8. Weather normalization adjustment;
9. All the depreciation related issues; and
10. Analysis of effect on revenue requirements due to recently enacted Tax Cuts and Jobs Act of 2017.

Aggregate Group 2 -- Rate Design

1. Jurisdictional Cost Allocation Study;
2. Class Cost of Service Study;
3. Appliance Saturation Study;
4. New R and MMA Rate Structure;
5. Other rate design issues including commercial classes rate design;
6. Issues regarding the new experimental rate class for senior or disabled citizens ;
7. Distribution of Revenue Requirement among Rate Classes (excluding distribution service marginal cost study); and
8. The use of the load research program/AMI data in rate design.

Aggregate Group 3 – Load Forecast, Reliability Enhancement/Construction Projects and Cost Recovery

1. Reliability Projects discussed in Pepco (B) and Pepco (D), RMA#1, #2, #3, #4, #5 and #27;
2. The Distribution Construction Program included in Pepco (B)-1; and
3. Load Forecast Analysis in Pepco (H).

The due dates for deliverables will be determined after the Commission decides on the procedural schedule in F.C. No. 1150. Also see Pepco’s proposed schedule and issues in Appendices C and D of the Application in Volume 1 of the filing. For information on the steps involved in a rate case, see Sections 200 through 299 of the Commission’s Rules of Practice & Procedure. (15 DCMR Sections 200-299 (1998).

¹² Pepco includes a new lead-lag study in Pepco (D)-2.

¹³ This task includes all the accounting treatment of the total of 37 Ratemaking Adjustments included in Pepco (C), pages 8-9 and Pepco (C)-1, page 4 as well as other adjustments to be proposed by the parties.

In addition, selected Offeror(s) must be prepared to meet with Staff and the Commissioners, as necessary, to provide information and explain technical matters over the course of the Commission's deliberations in the proceeding. However, the selected Offeror(s) is/are not required to submit testimony in this proceeding. Finally, all Offeror(s) should provide a separate cost estimate for any work related to motions for reconsideration after the Commission's final decision is rendered.

SECTION 2 – CONTRACT TERM

It is anticipated that the contract will be for one (1) base year with two (2) one-year option periods that can be exercised by the Commission at its sole discretion.

SECTION 3 – AUTHORITY

This Request for Proposals ("RFP") is released pursuant to the Commission's procurement regulations, 15 DCMR § 2200 *et. seq.* (2000), which is published on the Commission's website at www.dcpsc.org.

SECTION 4 – RFP AVAILABILITY

This RFP will be published on the Commission's website at www.dcpsc.org. A copy of the RFP also may be obtained by e-mail or written request to:

Jesse P. Clay, Jr.
Deputy Executive Director for Administrative Matters
Public Service Commission of the District of Columbia
1325 G Street, NW, Suite 800
Washington, D.C. 20005
Email: jclay@psc.dc.gov

SECTION 5 – QUESTIONS

Any company or person wishing to obtain clarifying information about this RFP may submit questions *in writing only* to:

Karen M. Hester
Procurement Analyst
Public Service Commission of the District of Columbia
1325 G Street, NW, Suite 800
Washington, D.C. 20005
Email: khester@psc.dc.gov

All questions must be in writing and submitted to the Commission on or before Friday, January 26, 2018 to the attention of Jesse P. Clay, Jr. at the above-stated Commission's office or email address. The RFP number, PSC-18-04, must be identified in all written requests.

In order to assure that no prospective Offeror may obtain a competitive advantage because of acquisition of information unknown to other prospective Offerors, answers to all written questions timely received will be posted on the Commission's Contracting and Procurement webpage, at www.dcpsc.org under RFP No.: PSC-18-04.

SECTION 6 – TIMING/DEADLINE FOR SUBMISSION OF PROPOSALS

The closing date and time for proposals is **Thursday, February 12, 2018 at 4:00 p.m., EDT**. Offerors assume the sole responsibility for timely delivery of their submission, regardless of the method of delivery. Any proposals received after the closing date and time will not be considered. Submissions shall be proffered as one (1) original and three (3) copies, and each Offeror's submission shall be placed in a sealed envelope or box conspicuously marked:

“Submission in Response to RFP No. PSC-18-04, Technical Consultant to Advise the Commission in the Matter of the Application of PEPCO Charges for Electric Distribution Service (“Pepco’s Application”) for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service (“Pepco’s Application”)

Proposals must be delivered or mailed to:

Jesse P. Clay, Jr.
Deputy Executive Director for Administrative Matters
Public Service Commission of the District of Columbia
1325 G Street, NW, Suite 800
Washington, D.C. 20005

SECTION 7 – ELIGIBLE OFFERORS

To be eligible, Offerors must be neutral and impartial and not advocate specific positions to the Commission in proceedings not related to matters within the Scope of Work in this RFP. Eligible Offerors must demonstrate technical capabilities, competence, and resources to perform the duties as delineated in the Scope of Work, Section 1, of this RFP.

For Aggregate Group 1, Revenue Requirement/Cost of Service Determination issues, the selected Offeror should have extensive experience regarding the development of an electric utility's overall revenue requirement. The selected Offeror(s) must also be able to present a range of options by calculating alternative Pepco revenue requirements in a quick and efficient manner, based upon testimony and exhibits filed in the rate case, as well as upon directives from the Commission. Special consideration will be given to those Offeror(s) who have performed such work in a post-electric restructured environment and should have experience in evaluating and analyzing a utility's depreciation study.

For Aggregate Group 2, Rate Design issues, the selected Offeror(s) should be familiar with

unbundled generation, transmission, and distribution rates, and should have experience in performing rate design in a distribution rate case. The selected Offeror(s) should also be prepared to develop alternative rate design scenarios and options for the Commissioners to consider. Furthermore, the selected Offeror(s) should be familiar with the use of load research program/AMI data in determining cost of service, pricing and rate design.

For Aggregate Group 3, Load Forecast, Reliability Enhancement/Construction Projects and Cost Recovery projects, the selected Offeror(s) should possess appropriate engineering expertise and have experience analyzing and costing electric transmission and distribution reliability enhancement projects, including equipment and assets.

SECTION 8 - PROPOSAL EVALUATION CRITERIA

8.1 TECHNICAL EVALUATION FACTORS FOR AWARD

A. Technical Approach (50 points)

1. The thoroughness, clarity and soundness of the proposed approaches in meeting the requirements and providing the services as outlined in the RFP, Section 1, Scope of Work. **30 points**
2. Project management expertise, including the work-plan for implementing the project, meeting the deadlines for the scheduled deliverables, the method of adjusting to changing circumstances, and the method of tracking the progress of the project. **15 points**
3. Method of communicating with the Commission and Commission staff (including point(s) of contact for each of the tasks listed in the Scope of Work, means of contacting Contract Administrator, and structure for communicating with the Commission and Commission staff). Method of communicating, both orally and in and writing the contractor's conclusions, recommendations, and general advice on the issues in a timely manner. **5 points**

B. Experience and Project Staff (50 Points)

1. Current and past experience and quality of past performance of the Offeror in providing technical consulting services similar to those required by this solicitation to utility and/or government clients. **30 points**
2. The collective qualifications, experiences, capabilities and quality of past performance of the Offeror's team; the appropriate proportion of work to be

performed by each team member, identified by name; and the experience, qualifications, capabilities and quality of past performance of the individual team members proposed to perform the required tasks. **20 points**

8.2 The Commission will use the following technical rating scale as a guide when assigning the final total technical points to each offeror’s proposal:

Technical Rating Scale

Numerical Point Rating	Rating	Description
0 -59	Unacceptable	Fails to meet minimum requirements, major deficiencies
60- 69	Poor	Marginally meets minimum requirements, significant deficiencies.
70 – 79	Acceptable	Meets requirements, only minor deficiencies.
80 – 89	Good	Meets requirements, no deficiencies.
90 – 100	Excellent	Exceeds most, if not all requirements, no deficiencies.

8.3 Cost/Price Factors for Award

The Cost/Price Proposal will be assessed for completeness and realism. Cost will not be given a specific score and/or weight, but will be closely considered in performing an integrated assessment of the Proposal leading to the selection of the best value Offeror.

- A. Completeness:** To be complete, Offeror must provide all of the cost/pricing data that is necessary to adequately evaluate the Proposal. The Commission will assess the extent to which the cost/price Proposal complies with the content and format requirements set forth in the solicitation.

- B. Realism:** Realism is evaluated by assessing the compatibility of proposed costs with the Proposal’s scope and efforts. Cost realism analysis seeks to ensure that proposed costs are consistent with the SOW requirements. If an Offeror’s proposed cost/price is evaluated as unrealistically low or high, compared to anticipated costs of performance, it may be interpreted by the Commission as an inherent lack of understanding of requirements and may adversely affect the Offeror’s evaluation rating and potential to be awarded the contract.

SECTION 9 - ECONOMIC INCLUSION

Preference for Local and Disadvantaged Business Enterprises or Businesses Operating in an Enterprise Zone

Under the provisions of the “Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005”, as amended, D.C. Official Code § 2-218.01 *et seq.* (the Act), the District shall apply preferences in evaluating proposals from businesses that are small, local, disadvantaged, resident-owned, longtime resident, veteran-owned, local manufacturing, or local with a principal office located in an enterprise zone of the District of Columbia. In accordance with these laws, the following preferences shall be awarded in evaluating an Offeror’s proposal:

- 9.1 Any prime contractor that is a small business enterprise (SBE) certified by the Department of Small and Local Business Development (DSLBD) will receive the addition of three (3) points on a 100-point scale added to the overall score for proposals submitted by the SBE in response to this Request for Proposals (RFP).
- 9.2 Any prime contractor that is a resident-owned business (ROB) certified by DSLBD will receive the addition of five (5) points on a 100-point scale added to the overall score for proposals submitted by the ROB in response to this RFP.
- 9.3 Any prime contractor that is a longtime resident business (LRB) certified by DSLBD will receive the addition of five (5) points on a 100-point scale added to the overall score for proposals submitted by the LRB in response to this RFP.
- 9.4 Any prime contractor that is a local business enterprise (LBE) certified by DSLBD will receive the addition of two (2) points on a 100-point scale added to the overall score for proposals submitted by the LBE in response to this RFP.
- 9.5 Any prime contractor that is a local business enterprise with its principal offices located in an enterprise zone (DZE) certified by DSLBD will receive the addition of two (2) points on a 100-point scale added to the overall score for proposals submitted by the DZE in response to this RFP.
- 9.6 Any prime contractor that is a disadvantaged business enterprise (DBE) certified by DSLBD will receive the addition of two (2) points on a 100-point scale added to the overall score for proposals submitted by the DBE in response to this RFP.
- 9.7 Any prime contractor that is a veteran-owned business (VOB) certified by DSLBD will receive the addition of two (2) points on a 100-point scale added to the overall score for proposals submitted by the VOB in response to this RFP.
- 9.8 Any prime contractor that is a local manufacturing business enterprise (LMBE) certified by DSLBD will receive the addition of two (2) points on a 100-point scale

added to the overall score for proposals submitted by the LMBE in response to this RFP.

A Certified Business Enterprise (“CBE”) shall be entitled to any or all of the preferences provided in this section, but in no case shall a CBE be entitled to a preference of more than 12 points or a reduction in price of more than 12 percent.

Information: For information regarding the application process, contact the DSLBD at the following address or telephone number:

Department of Small and Local Business Development
Government of the District of Columbia
One Judiciary Square
441 - 4th Street, N.W., 9th Floor, Suite 970 N
Washington, D.C. 20001
(202) 727-3900 (Telephone Number)
(202) 724-3786 (Facsimile Number)

Any Offeror with Local Business Enterprise or Disadvantaged Business Enterprise certification as a joint venture or constituent entity, shall be entitled to the applicable preference points provided for in the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act, Part D, Subpart 2, Sec. 2343 in direct proportion to the percentage of the effort to be performed by the Local Business Enterprise or Disadvantaged Business Enterprise. A copy of the certification acknowledgment letter must be submitted with the Offeror's Proposal.

SECTION 10 - EVALUATION OF PROPOSALS

- 10.1 Each proposal will be scored on a scale of 1 to 100 points. In addition, Offerors will be eligible to receive up to 12 preference points as described in Section 9 of this RFP for participation by Local, Small or Disadvantaged Business Enterprises. Thus, the maximum number of points possible is 112. Cost/Price will not be given a specific score, however it will be carefully considered in performing an integrated assessment of the proposal leading to selection of the best value Offeror.
- 10.2 The Commission reserves the right to reject any or all proposals determined to be inadequate or unacceptable, or to cancel this Request for Proposal, regardless of evaluation, if it is determined to be in the best interest of the Commission.
- 10.3 The Commission may award a contract on the basis of initial offers received, without discussion. Therefore, each initial proposal should contain the Offeror’s best terms.
- 10.4 **Evaluation Committee**

Each proposal shall be evaluated by an Evaluation Committee in accordance with the Evaluation Criteria. The Evaluation Committee shall prepare a written report summarizing its findings and

submit the same to the selection official(s). The selection official will consider the report prepared by the Evaluation Committee, in making an award decision.

10.5 Oral Presentation

The Commission does not intend to interview Offerors; however, the Commission reserves the right to interview Offerors in the competitive range if necessary. If the Commission conducts such interviews, each Offeror within the competitive range shall make an oral presentation to the Commission's Evaluation Committee, and participate in a question and answer session. The purpose of the oral presentation and the question and answer session is to permit the Evaluation Committee to fully understand and assess the qualifications of each Offeror and the Offeror's key personnel. The submission will be re-scored at the conclusion of the oral presentation.

10.5.1 Length of Oral Presentation

Each Offeror will be given up to 30 minutes to make the presentation. At the end of the initial presentation, there will be a break for approximately 15 minutes for the Evaluation Committee to assess the presentation and prepare questions. The Offeror will then respond to questions from the Commission's Evaluation Committee for no more than 30 minutes.

10.5.2 Schedule

The order of presentation will be selected randomly and the Offerors will be informed of their presentation date before the beginning of oral presentations. The Commission reserves the right to reschedule any Offeror's presentation at the discretion of the contracting officer.

10.5.3 Offeror Attendees

The oral presentation will be made by the Offeror's personnel who will be assigned the key jobs for this project. Each Offeror will be limited to 3 persons. The job functions of the persons attending the presentation will be considered to be an indication of the Offeror's assessment of the key areas of responsibility that are deemed essential to the successful completion of the project.

10.5.4 Topics

The Offeror may present information about its capabilities and special qualifications, including the qualifications of key personnel. The Offeror may be asked to present its Work Plan.

SECTION 11 - BASIS OF AWARD

11.1 Offerors may submit proposal(s) for one, two, or three Aggregate Award Groups. The evaluation of proposals will be conducted on a group-by-group basis.

11.2 The Commission will award the contract to the responsible Offeror(s) whose offer

conforms to the solicitation and is most advantageous to the Commission, taking into consideration cost and other criteria set forth in this document and based upon the specified evaluation criteria. The Commission will evaluate each Offeror's price against its technical proposal to determine which combination of price and technical merit is most advantageous to the Commission.

- 11.3** Regarding the points in the Technical evaluation, the total point scores will not be necessarily determinative of award. Offerors should recognize that price may also contribute substantially to the contract award decision. As the evaluation of competing Offerors proposals in the Technical area become more equal in rating, the more important Price will become in selecting best value to the Commission.
- 11.4** In evaluating and selecting an Offeror, the Commission may award the contract to a higher-rated, higher-priced Offeror where the offer is consistent with the evaluation criteria set forth herein, and the Commission determines that any added benefits are worth the price premium. While the Commission shall strive to exercise maximum objectivity, the source selection process by its very nature is subjective and professional judgment is implicit and necessary.

SECTION 12 – PROPOSAL REQUIREMENTS

This section outlines specific information necessary for the proper organization of the Offeror's proposal and manner in which the proposal should be proffered. Proposals submitted in response to this request must meet the following conditions to be considered for selection. Proposals submitted via facsimile will not be accepted under any circumstances.

PROPOSALS MUST BE WRITTEN ENTIRELY ON 8½" x 11" PAPER. PROPOSALS SHOULD INCLUDE NECESSARY APPENDICES AND ATTACHMENTS. PROPOSALS SHOULD BE STAPLED IN THE TOP LEFT CORNER OR BOUND IN A 3-RING BINDER. PROPOSALS MUST BE SUBMITTED IN A MANNER THAT DOES NOT PRESENT ANY BENEFIT, KEEPSAKE, OR VALUE FOR MEMBERS OF THE REVIEW PANEL.

A proposal must be submitted in the format outlined herein with a Table of Contents. Pages of the proposal must be numbered with index tabs included for each section.

12.1 Executive Summary

Each Offeror should provide a summary of no more than one page of the information contained in the following sections.

12.2 General Team Information and Firm(s) Data

Each Offeror should provide the following information for the firm and any subconsultants.

- Name(s), address(es), and role(s) of each firm (including all sub-consultants)
- Firm profile(s), including:
 - i. Age
 - ii. Firm history(ies)
 - iii. Firm size(s)
 - iv. Areas of specialty/concentration
 - v. Current firm workload(s) projected over the next six months
 - vi. Provide a list of any contracts held by the Offeror where the contract was terminated (either for default or convenience). This list should also identify any contracts that resulted in litigation or arbitration. If the Offeror has multiple offices, only contracts held by the office submitting this proposal need be listed.

12.3 Corporate Information

Offerors, if incorporated, shall attach to the proposal, a current franchise tax Certificate of Good Standing, issued by the District of Columbia Comptroller’s Office. Offerors shall provide to the Commission, Offeror's 9-digit Federal Employer's Identification Number (FEI#) or Social Security Number (SSN) if Offeror is an individual. If a domestic corporation, Offerors shall also provide to the Commission the corporation's charter number issued by the District of Columbia Department of Consumer and Regulatory Affairs. If a foreign corporation, Offerors shall also provide to the Commission a copy of a valid Certificate of Authority to do business in the District of Columbia, issued by the District of Columbia Department of Consumer and Regulatory Affairs

12.4 Technical Approach

The Offeror must describe clearly, specifically, and as completely as possible the details for carrying out the responsibilities of the duties associated with the Scope of Work, Section 1, of this RFP, as soon as possible after the contract award, including a mechanism and timeline for all deliverables. The proposal must include a schedule that identifies key milestones, tasks, activities, and events pertinent to the tasks and duties as outlined in the Scope of Work, Section 1 of this RFP.

12.5. Prior Experience and Qualifications

Describe the Offeror’s prior experience performing activities similar to the duties and responsibilities as outlined in the Scope of Work, Section 1, of this RFP. If the Offeror has not worked on a similar project, please provide evidence of experience relevant to the duties as outlined in the Scope of Work, Section 1, of this RFP. The Offeror should demonstrate that it is familiar with Title 34 of the D.C. Code as it relates to electricity matters and have extensive knowledge of electric power issues and policies. Additionally, the Offeror should provide at least

three references, preferably clients for whom similar work has been previously performed, including contact information for such client.

12.6 Project Staff

Identify the persons who will perform the work described in this RFP and provide a detailed resume for each individual that describes the qualifications applicable to the performance of the tasks for which they would be responsible. Please include an organizational chart showing reporting relationships of team personnel. The Commission must be notified of any personnel changes if individuals assigned to work on this project are relieved of their responsibilities. Offerors shall designate one individual as the project manager and this person shall be responsible for project management, reporting, coordination, and accountability for the entire project.

12.8 Price Proposal

On Attachment B, Bid Form, Offerors are required to estimate the cost of performing the work described in Section 1 of this RFP. In addition, each Offeror must provide a unit price schedule which shows the level of effort by position, hourly labor rate, and estimated number of hours that the Offeror believes will be necessary. This resource schedule will be evaluated to determine whether the Offeror fully understands the project and has allocated appropriate resources for this project.

SECTION 13 - ANTICIPATED SCHEDULE OF ACTIVITIES

The following reflects the Commission’s anticipated schedule of activities. The Commission reserves the right to amend this schedule as necessary. Any changes to the schedule will be posted on the Commission’s website at www.dcpsc.org.

Publish RFP on the Commission website	January 19, 2018
RFP questions from potential Offerors due to the Commission	January 26, 2018
Responses to questions posted on the Commission website	January 31, 2018
Deadline for submission of Offerors’ proposals	February 12, 2018
Selection of Offeror approved by Commission	March 12, 2018
Contract award	March 16, 2018
Commencement of project activities	Immediately

SECTION 14 – LIST OF ATTACHMENTS

Attachment A - Special Provisions

Attachment B – Bid Form

Attachment C - Disclosure Statement

Attachment D – Tax Certification Affidavit

ATTACHMENT A

SECTION A: SPECIAL PROVISIONS

A.1 Time

Unless otherwise specified in this RFP, time, if stated in number of days, shall include Saturdays, Sundays and holidays.

A.2 Licensing, Accreditation and Registration

The selected Offeror shall comply with all applicable District of Columbia and federal licensing, accreditation, and registration requirements and standards necessary for the performance of the contract.

A.3 Limitation of Authority

Only the Commission or a person with prior written authority from the Commission shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of the contract. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this RFP is not effective or binding unless made in writing and signed by the Commission or its authorized representative.

A.4 Conformance with Laws

It shall be the responsibility of the selected Offeror to perform under the contract in conformance with the Commission's procurement regulations and all statutes, laws, codes, ordinances, regulations, rules, requirements, orders, and policies of governmental bodies, including, without limitation, the U.S. Government and the District of Columbia government; and it is the sole responsibility of the selected Offeror to identify the procurement regulations, statutes, laws, codes,

ordinances, regulations, rules, requirements, orders and policies that apply and their effect.

A.5 Statement Regarding Potential Conflicts of Interest

Each Offeror shall identify any relationships between itself or its employees and the companies under the jurisdiction of the Commission, or any parent, subsidiary or affiliate, of such companies. The extent, nature and time aspects must be identified. If there have been no such relationships, a statement to that effect shall be included in the proposal. Failure to provide the statement on potential conflicts of interest will automatically disqualify the Offeror.

A.6 Financial Capability

Prior to award, an Offeror may be required to describe their financial capability to complete the work required and to sustain operations for the term of the contract. Acceptable evidence of financial capability would include an audited financial statement within the past 12 months from a certified public accountant.

A.7 Insurance

A.7.1 Required Policies

The selected Offeror shall be required to maintain: (i) workers compensation insurance in accordance with statutory limits; (ii) a general liability insurance policy with limits of at least the value of the contract; (iii) an employer's liability policy; and (iv) an umbrella policy providing coverage at least as extensive as the underlying policies.

A.7.2 Required Endorsements

All policies required hereunder must show the selected Offeror as the certificate holder and must contain language requiring a sixty (60) day prior notification directly to the Commission.

All insurance policies shall be issued by insurers licensed to do business in the District of Columbia and any insuring company is required to have a minimum rating of an A-, Class C in Best's Key Rating Guide published by A.M. Best and Company, Inc.

A.8 Corporate Information

Offerors, if incorporated, shall attach to the proposal, a current franchise tax Certificate of Good Standing, issued by the District of Columbia's Office of Tax and Revenue. Offerors shall provide to the Commission, the 9-digit Federal Employer's Identification Number (FEI#) or Social Security Number (SSN) if Offeror is an individual. If a domestic corporation, Offerors shall also provide to the Commission the corporation's charter number issued by the District of Columbia Department of Consumer and Regulatory Affairs. If a foreign corporation, Offerors shall also provide to the Commission a copy of a valid Certificate of Authority to do business in the District of Columbia, issued by the

District of Columbia Department of Consumer and Regulatory Affairs.

A.9 Debarment and Suspension

By submitting a proposal to the Commission, Offerors understand, agree, and certify that:

- a. Submitting a proposal with a false statement is a material breach of contract and shall void the submitted proposal and any resulting contract, and the Offeror shall be removed from all future contracting opportunities with the District of Columbia Public Service Commission. The Commission may debar and suspend the Offeror for: (i) engaging in contract fraud or a criminal offense incident to obtaining, attempting to obtain, or performing a public contract or subcontract (Payments due under the contract will be applied towards any debt, including but not limited to delinquent taxes, that is owed the District of Columbia); (ii) violating federal or state antitrust statutes related to the submission of bids and proposals; (iii) engaging in acts involving embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, false statements, tax evasion, or any other offense indicating a lack of business integrity or business honesty; and, (iv) being convicted of any other offense that indicates a lack of business integrity of present responsibility as a Offeror.
- b. The Commission, in its discretion, may debar or suspend any Offeror as a result of: (i) willful failure to perform in accordance with the specifications within the time limit provided in a contract; (ii) a record of failure to perform or of unsatisfactory performance of the terms of one or more contracts; or (iii) false assertion of status giving rise to special benefits under the laws of the District of Columbia.

A.10 Acknowledgment of Amendments and Addenda

Offerors shall acknowledge receipt of any amendment(s) or addenda to this RFP by: (i) signing and returning the amendment(s) or addenda or (ii) letter or telegram, including mailgrams or by facsimile. The Commission must receive the acknowledgment by the date and time specified for receipt of submissions. An Offeror's failure to acknowledge an amendment(s) or addenda may result in rejection of its proposal.

A.11 Proposal Acceptance Period

Submissions shall be irrevocable and remain in full force and effect for a period not less than 120 days after receipt of submissions.

SECTION B: GENERAL REQUIREMENTS

B.2 Explanations to Prospective Offerors

Offerors should carefully examine this RFP and all amendments, addenda, or other revisions, and be thoroughly familiar with all requirements prior to proffering a submission. Should an Offeror find discrepancies or ambiguities in, or omissions from, the RFP and amendments, addenda or revisions, or otherwise desire an explanation or interpretation of the RFP, any amendments, addenda, or revisions, it must submit a request for interpretation or correction in writing. Any information given to an Offeror concerning the solicitation shall be furnished promptly to all other Offerors as an amendment or addendum to this RFP if, in the sole discretion of the Commission, that information is necessary in proffering submissions or if the lack thereof would be prejudicial to any other prospective Offerors. Oral explanations or instructions given before the award of the contract shall not be binding.

B.3 Protests and Disputes

Protests and disputes shall be governed by Sections 2206 and 2207 of the Commission's Procurement regulations (15 DCMR §§ 2206-7). As provided in Section 2206.1, protests alleging defects in this solicitation must be filed within ten (10) business days of the solicitation. If an alleged defect does not exist in this initial RFP, but was incorporated into the RFP by an amendment or addendum, a protest based on that defect must be filed before the next closing time Established for proffering submissions. In all other cases, a protester shall file the protest within ten (10) days after the protester knows or should have known, whichever is earlier, of the facts and circumstances upon which the protest is based. All protests must be made in writing to the Office of the Commission Secretary and must be filed in duplicate. Protests shall be served on the Commission by obtaining written and dated acknowledgment of receipt from the Office of the Commission Secretary. Protests received by the Commission after the indicated period shall not be considered. To expedite handling of protests, the envelope shall be labeled "Protest." The written protest shall be signed by the protester or its representative and shall include at a minimum the following:

1. Name, address, and telephone number of the protester;
2. Appropriate identification of the procurement, i.e., the RFP number and, if a contract has been awarded, its number;
3. A concise statement of the grounds for the protest and a specific request for a ruling from the Chief Contracting Officer of the Commission; and
4. Supporting exhibits, evidence or documents to substantiate any claims, unless not available within the filing time, in which case the expected availability date should be indicated.

B.4 Contract Award

This procurement is being conducted in accordance with the Commission's procurement

regulations, 15 DCMR § 2200 *et. seq.* (2000).

B.5 Written or Oral Discussions

Section 2202.12 of the Commission’s procurement regulations permits the Contracting Officer to conduct oral discussions with Offerors that tender submissions to expedite the proposal evaluation process.

1. Award Without Discussions

In order to meet the award schedule, the Commission will make every effort to award the prospective contract without either written or oral discussions. Therefore, each Offeror is advised that it should submit a complete and thorough submission that is fully compliant with the instructions in this RFP.

2. Written or Oral Discussions

If the Contracting Officer elects to hold discussions with Offerors, then a competitive range will be established based on the Evaluation Criteria set forth this RFP. Upon completion of discussions, the Contracting Officer will issue to all Offerors in the competitive range a request for best and final offers. After receipt of best and final offers, the Contracting Officer will not reopen discussions unless it is clearly in the best interest of the Commission to do so.

B.6 Retention of Submissions

All submissions shall be retained by the Commission and therefore shall not be returned to Offerors.

B.7 Examination of Submissions

Offerors are expected to examine the requirements of all instructions (including all amendments, addenda, attachments and exhibits) in this RFP. Failure to do so shall be at the sole risk of the Offeror and may result in disqualification.

B.8 Late Submissions: Modifications

Any submission or best and final offer received at the office designated in this RFP after the exact time specified for receipt shall not be considered. Any modification of a submission, including a modification resulting from the Contracting Officer’s request for best and final offers, is subject to the same conditions as in Section C of this Attachment.

The only acceptable evidence to establish the time of receipt at the Commission is the time-date stamp of the Commission on the submission cover page or other documentary evidence of receipt maintained by the Commission. Notwithstanding any other provisions of this RFP to the contrary, a late modification of an otherwise successful submission that

makes the terms more favorable to the Commission may be considered at any time it is received and may be accepted.

Submissions shall be irrevocable and remain in full force and effect for a period not less than 120 days after receipt of submissions.

B.9 No Compensation for Preparation of Submissions

The Commission shall not bear or assume any financial obligation or liability regarding the preparation of any submissions in response to this RFP or prepared in connection therewith, including but not limited to any submissions, statements, reports, data, information, materials or other documents or items.

Attachment B

(FORM OF OFFER LETTER)
(Contractor's Letterhead)

(Insert Date)

District of Columbia Public Service Commission
1325 G Street, NW, 8th Floor
Washington, DC 20005

Attn: Jesse Clay
Deputy Executive Director for Administration

Reference: Request for Proposals (RFP) No. PSC-18-04
Technical Consultant to Advise the Commission in the Matter of the Application of PEPCO Charges for Electric Distribution Service ("Pepco's Application") For Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service ("Pepco's Application")

Dear Mr. Clay:

On behalf of [INSERT NAME OF OFFEROR] (the "Offeror"), I am pleased to submit this proposal in response to the DC Public Service Commission's ("PSC") Request for Proposal (the "RFP") for a Technical Consultant to Advise the Commission on the Matter of the Investigation into the Structure and Application of Low Income Assistance for Electricity Customers in the

District Of Columbia.

(The Offeror) has reviewed the RFP and the attachments thereto, any addenda thereto, (collectively, the “Proposal Documents”) and has conducted such due diligence and analysis as (the Offeror), in its sole judgment, has deemed necessary in order to submit its Proposal in response to the RFP. (Collectively, the Proposal and the Unit Prices are referred to as the “Offeror’s Proposal”).

(The Offeror) is submitting pricing for the following Aggregate Groups. (Check those that apply):

- _____Aggregate Group 1
- _____Aggregate Group 2
- _____Aggregate Group 3

The Offeror’s Proposal prices are as follows:

SCHEDULE OF UNIT PRICING

Offerors shall submit hourly rates for its proposed key personnel. These hourly rates shall be valid for the duration of the Contract and will be the basis for pricing additional services as needed in relation to the scope of work described in this RFP.

AGGREGATE GROUP 1

BASE YEAR

Labor Category	Hourly Rates Base Year	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group One Base Year \$ _____

OPTION YEAR 1

Labor Category	Hourly Rates Option Yr. 1	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group One Option Year One
 \$ _____

OPTION YEAR 2

Labor Category	Hourly Rates Option Yr. 2	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group One Option Year Two
 \$ _____

AGGREGATE GROUP 2

BASE YEAR

Labor Category	Hourly Rates Base Year	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group 2 Base Year \$ _____

OPTION YEAR 1

Labor Category	Hourly Rates Option Yr. 1	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group 2 Option Year One
 \$ _____

OPTION YEAR 2

Labor Category	Hourly Rates Option Yr. 2	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group 2 Option Year Two
 \$ _____

AGGREGATE GROUP 3

BASE YEAR

Labor Category	Hourly Rates Base Year	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group 3 Base Year \$ _____

OPTION YEAR 1

Labor Category	Hourly Rates Option Yr. 1	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group 3 Option Year One
 \$ _____

OPTION YEAR 2

Labor Category	Hourly Rates Option Yr. 2	Estimated No. of Hours	Total

Total Estimated Price for Aggregate Group 3 Option Year Two
 \$ _____

The Offeror acknowledges and understands that this is a time and materials contract with unit prices that will remain fixed throughout the term of the contract and, except for reimbursable expenses, are intended to be Offeror’s sole compensation for work under the contract. “Reimbursable Expenses” means reasonable out-of-pocket expenses for meals, taxis, long distance telephone, facsimile, and messenger that are required in the performance of the contracted work. The Offeror further acknowledges and understands that the cost of reimburseable expenses shall be without markup and within the limits of the US Government,

General Services Administration rates and per diems. The Commission shall reimburse Contractor for documented Reimbursable Expenses billed promptly and presented in reasonable detail and previously approved by the Contract Administrator.

The Offeror's Proposal is based on and subject to the following conditions:

1. The Offeror agrees to hold its proposal open for a period of at least one hundred twenty (120) days after the RFP closing date.
2. Assuming the Offeror is selected by the Commission and subject only to the changes requested in paragraph 5, the Offeror agrees to enter into a contract with the Commission on the terms and conditions described in the Proposal Documents within ten (10) days of the notice of the award.
3. Both the Offeror and the undersigned represent and warrant that the undersigned has the full legal authority to submit this Proposal form and bind the Offeror to the terms of the Offeror's proposal. The Offeror further represents and warrants that no further action or approval must be obtained by the Offeror in order to authorize the terms of the Offeror's proposal.
4. The Offeror and its principal team members hereby represent and warrant that they have not: (i) colluded with any other group or person that is submitting a proposal in response to the RFP in order to fix or set prices; (ii) acted in such a manner so as to discourage any other group or person from submitting a proposal in response to the RFP; or (iii) otherwise engaged in conduct that would violate applicable anti-trust law.
5. This Offer Letter Form and the Offeror's Proposal are being submitted on behalf of [INSERT FULL LEGAL NAME, TYPE OF ORGANIZATION, AND STATE OF FORMATION FOR THE OFFEROR].

Sincerely,

By: _____
Name: _____
Its: _____
Date: _____

ATTACHMENT C

DISCLOSURE STATEMENT

Personnel who will perform the work described in the RFP shall disclose to the Commission whether they are blood related to the following individuals or have worked for the Commission in the past five (5) years:

Chairman Betty Ann Kane
Commissioner Richard Beverly
Commissioner Willie L. Phillips

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF TAX AND REVENUE



TAX CERTIFICATION AFFIDAVIT

THIS AFFIDAVIT IS TO BE COMPLETED ONLY BY THOSE WHO ARE REGISTERED TO CONDUCT BUSINESS IN THE DISTRICT OF COLUMBIA.

Date: _____

Name of Organization/Entity: _____

Address: _____

Business Telephone _____ No.: _____

Principal Officer: _____

Name: _____ Title: _____

Social Security No.: _____

Federal Identification No.: _____

Contract No.: _____

Unemployment Insurance Account No.: _____

I hereby certify that:

1. I have complied with the applicable tax filing and licensing requirements of the District of Columbia.
2. The following information is true and correct concerning tax compliance for the following taxes for the past five (5) years:

		<u>Current</u>	<u>Not Current</u>	<u>Not Applicable</u>
District:	Sales and Use	()	()	()
	Employment Withholding	()	()	()
	Ballpark Fee	()	()	()
	Corporation Franchise	()	()	()
	Unincorporated Franchise	()	()	()
	Personal Property	()	()	()
	Real Property	()	()	()
	Individual Income	()	()	()

The Office of Tax and Revenue is hereby authorized to verify the above information with the appropriate government authorities. The penalty for making false statements is a fine not to exceed \$5,000.00, imprisonment for not more than 180 days, or both, as prescribed by D.C. Official Code § 47-4106.

This affidavit must be notarized and becomes void if not submitted within 90 days of the date notarized.

Signature of Authorizing Agent

Title

Print Name

Notary: DISTRICT OF COLUMBIA, ss:

Subscribed and sworn before me this _____ day of _____ Month
and Year

Notary Public: _____

My Commission

Expires: _____