



STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY

March 3, 2014

Re: Request for a Proposal for a Consultant Firm With Expertise in the New England Renewable Energy Market and the rules and functions of the New England Power Pool Generation Information System

To Whom It May Concern:

The Public Utilities Regulatory Authority (PURA or Authority) is sending your firm a request for proposal (RFP) for a consultant to act as an extension of staff regarding Docket No. 13-11-18, Petition of Clearview Electric, Inc. and Discount Power, Inc. for a Declaratory Ruling Regarding the Applicability of Certain Statutes and Regulations to Petitioners' Renewable Energy Portfolio Standards Compliance in the Year 2010. If selected, you will be assigned to an ad-hoc Prosecutorial Unit pursuant to General Statutes of Connecticut (Conn. Gen. Stat.) § 16-19j to function as an independent party expert witness.

Pursuant to Conn. Gen. Stat. §16-18a, the Authority is seeking a qualified consulting firm with expertise or specialized knowledge of the New England renewable energy markets and the rules and functions of the New England Power Pool Generation Information System (NEPOOL-GIS). Attachments critical to the engagement are enclosed. Attachment 1 identifies the authority and required scope of the engagement. Attachment 2 provides guidelines to the consultant for the engagement. Attachment 3 provides guidelines on the proposal itself. Attachment 4 provides excerpts from the General Statutes of Connecticut. Further information on Docket Nos. 11-09-03 and 13-11-18, as well as Connecticut electric utility regulations can be found on the Authority's website at <http://www.ct.gov/pura>.

The Authority requests that the proposals be emailed to Cat Nguyen, cat.nguyen@ct.gov, by **March 17, 2014**. The Authority is requesting a proposal with the intent of having the consultant begin the engagement immediately upon being selected to do so.

PUBLIC UTILITIES REGULATORY AUTHORITY

Nicholas E. Neeley
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ATTACHMENT 1

STATEMENT OF SCOPE, PURPOSE AND CONDITIONS

Background

In a Decision dated November 21, 2013, in Docket No. 11-09-03, Annual Review of Connecticut Electric Suppliers' and Electric Distribution Companies' Compliance with Connecticut's Renewable Energy Portfolio Standards in the Year 2010, the Public Utilities Regulatory Authority (PURA or Authority) determined that Clearview Electric, Inc. (Clearview), a licensed electric supplier in Connecticut, failed to meet the requirements of the Connecticut Renewable Energy Portfolio Standards in the year 2010, as required by §16-245a of the Connecticut General Statutes (Conn. Gen. Stat.).

General Scope of the Engagement

This engagement is authorized under Conn. Gen. Stat. §16-18a. A consultant engaged under this request for proposal will be assigned to an ad-hoc Prosecutorial Unit pursuant to Conn. Gen. Stat. § 16-19j to function as an independent party expert witness. PURA seeks a consultant with expertise or specialized knowledge in the following subject matters: (a) the purpose and policy behind NEPOOL-GIS rules and requirements; (b) the manner in which the NEPOOL-GIS functions (trading periods, accounts, subaccounts, banking, etc.), as it relates to "unsettled RECs"; (c) information made available by the NEPOOL-GIS system to state regulators; and (d) evaluation of Clearview's evidence and arguments in Docket Nos. 11-09-03 and 13-11-18, and the associated policy implications. The selected consultant will be required to: (1) prepare and provide a pre-filed testimony; (2) prepare and provide interrogatory responses; (3) attend one (1) day of PURA's hearings; (4) prepare and provide late-filed exhibits, if requested by any party; and (5) attend one (1) day of late-filed exhibit hearings, if held.

Proposals should be 10 pages or less in length, and provide a cost ceiling for consultant services which details how the ceiling is calculated, number of hours needed to perform the work, and the firm's approach to meeting the Authority's requirements for this engagement. The Authority is seeking competitive bids on this assignment. The names of the persons, and an organization chart of the personnel, who will perform the major portion of the engagement's duties should be specified in the proposal.

ATTACHMENT 2

ENGAGEMENT ACTIVITIES AND GUIDELINES

1. Timetable

Contractors must be prepared to commit sufficient personnel and effort in order to meet the timetable mutually agreed to between the Authority and the selected firm.

2. Authority's Use of Proposals and Contractor Work Product

During the process of evaluating the proposals, the Authority reserves the right to request additional information or clarification from any firm submitting a proposal, and to permit corrections of errors or omissions without notice to other competing firms. The Authority shall be held harmless if it or the firm retained for this or any subsequent engagement employs at any time, any technique, methodology, or procedure suggested in any proposal, regardless of whether such proposal is from the firm selected to perform the engagement. Proposals received by the Authority are subject to the Connecticut Freedom of Information Act, Conn. Gen. Stat. §1-200 et. seq.

Implementation plans, software programs, and other system applications developed or purchased by the contractors in connection with this engagement shall be available for use by the Authority at no additional cost for an unlimited time after the completion of this engagement.

3. Notification of Award

You agree to not make any press announcement or release a news release or announcement concerning your selection for the engagement prior to the Authority's public release of said information or in the alternative, without the written approval of the Authority.

4. Other Authority Rights

By its solicitation of proposals the Authority does not forfeit its right to reject any or all proposals submitted as a result of this RFP.

The Authority may terminate the selected firm's engagement at any time with or without cause, upon 10 days written notice. The selected firm, by acceptance of the engagement, waives any rights to claim damages as a result of such termination.

The Authority will be the final arbiter of all disputes arising from engagement-related matters.

5. Costs of Preparing Proposals

Any firm submitting a proposal in response to this RFP does so at its own expense. It is understood that the selected firm will not include proposal costs, or any costs incurred prior to the engagement award, as reimbursable costs related to the engagement itself.

6. Authority Staff Participation

The Authority will exercise such monitoring and controls as are appropriate and necessary to achieve the desired and agreed-upon product from the consultant. In addition, a member (or members) of the Authority staff may attend selected interviews, and may participate in review and analysis, data gathering, and report preparation of one or more areas of the Company.

7. Reporting Procedures

The selected firm and the Authority will meet as necessary, as determined by the Authority, or upon request of the selected firm, to discuss the progress of the engagement.

8. Access to Information Sources

The selected firm will have access to the official books and records of the Authority germane to the audit's objectives. Further, it is expected that the selected firm's legitimate informational needs will be both promptly and voluntarily met by the Company, but, if necessary, the statutory rights of the Authority to conduct an audit, investigation, or review of the books, records, plant and equipment of the Company will be invoked in the performance of the engagement.

9. Hearings

In addition to providing analysis and supportive written materials, the selected consultant may, as noted, be called upon to participate in public hearings and the cross-examination of witnesses in the docket. The consultant, as an extension of PURA Prosecutorial staff, will be required to offer testimony.

10. Work Products

The consultant work products shall be considered public documents and shall be made available for public inspection and distribution as required. The Authority expects that draft contributions to the draft decision will be submitted to the Authority for review and approval in accordance to the Authority's time schedule for this engagement.

11. Work Papers

At the conclusion of the engagement, the selected firm shall make copies of significant work papers and source documents available to the Authority, if so requested.

12. Cost

An estimated cost ceiling, based on your firm's hourly rates for consulting services to be provided in the engagement as well as participation in hearings, must be included in the proposal.

13. Payment

The selected firm will submit monthly invoices to the Authority. It will be necessary to submit supporting documents such as detailed time sheets, expense reports, and vouchers for lodging and transportation, to the Authority for review and submittal to Clearview Electric, Inc. Invoices must separately indicate (1) professional service fees, (2) travel and lodging, and (3) all other costs.

For professional service fees, invoices must identify the individuals for whom services are being billed, the number of hours being billed, detail of the activities worked on, the hourly billing rates, and the total fees. Unit personnel will review such charges and submit them to the affected utilities for payment.

The Authority will be the final arbiter of all disputes regarding cost and payment.

In accordance with Conn. Gen. Stat. §16-18a, all expenses of the engagement shall be borne by Clearview Electric Inc. The Authority, not Clearview Electric Inc., is the client of the engagement.

ATTACHMENT 3
PROPOSAL GUIDELINES

1. Firm Experience and References

The proposal should contain brief descriptions of related work conducted in the last four years, and any currently in progress. Included should be whether the work was performed by the firm or by proffered individuals independent of the firm. The date of any final report should be given for each such work cited, and the client's/reference's name and phone number should be provided.

2. Resumes of Individuals

Each resume must include, after the person's name, the task area(s) in which the person will participate. The names of the persons who will perform the major portion of the engagement's duties should be specified in the proposal. Such individuals should be available for Department interview, if called upon, subsequent to the Department's review of the proposal. Resumes, which highlight relevant professional experience, should be presented for all contractors assigned to the project. Resumes should also include educational backgrounds and significant industry experiences.

3. Organization of Project Team

Proposals should include organization charts with the names of such personnel and their areas of responsibility. The Authority must be notified in writing of any changes in the personnel originally proposed to perform the engagement. The Authority may reject any proposed replacements that, in the opinion of the Authority, are insufficiently qualified to perform the assigned tasks.

4. Approach

The general approach to be used to achieve the objectives of the engagement should be briefly described.

5. Affidavits

Submit an affidavit in which your firm certifies and attests that neither it nor any member of its staff has provided, or caused to be provided, gifts, as defined in Conn. Gen. Stat. § 1-79(e), to any state official or employee of the Authority.

Submit an affidavit in which your firm certifies that it has not been convicted of bribery or attempting to bribe an officer or employee of the State, nor has made an admission of guilt of such conduct which is a matter of record.

Submit an affidavit in which your firm identifies any business, personal, or investment relationships that exist, or have existed, between your firm or members of its staff and the Company, its affiliates, and its holding companies.

Submit the attached Affidavit Regarding Consulting Agreements in which you disclose any agreements entered into for a fee by you, your firm, or any member of its staff for counsel, contacts, lobbying or any similar activity related to the herein proposal.

6. Affirmative Action

The proposal should include a brief description of the firm's Affirmative Action plan and its employee census from the standpoint of Affirmative Action.

7. Legal Compliance

All firms shall certify that the performance of the engagement will be in compliance with all federal and Connecticut laws, including all labor laws and all anti-discrimination legislation.

All firms submitting a proposal in response to this request, and all potential subcontractors to such firms shall certify that: (1) the prices quoted have not been knowingly disclosed to any competitor or any other potential bidder; (2) such prices have been determined independently without communication, agreement, or collusion with such competitors or potential bidders; (3) no attempt has been made to persuade any such competitor or potential bidder to submit or not to submit a proposal; and (4) no other actions of any kind have been taken which might be perceived as having the purpose of restricting or discouraging competition.

8. Insurance

Your firm shall be expected to secure and maintain, at no cost or expense to the Authority, professional liability insurance or Comprehensive General Liability Insurance (CGL) to insure against damages and costs resulting from, but not limited to, negligent acts, errors, and omissions in the performance of any engagement agreement resulting from this RFP. If such policy contains a deductible clause, your firm shall be liable to the extent of the deductible amount. The State requires consultants to carry adequate insurance. Proof of insurance shall be provided to the Authority no later than the date of execution of any agreement.

9. Indemnity

Your firm shall be expected to indemnify and shall defend and hold harmless the State, its officers, and its employees from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, monetary loss, interest, attorney's fees, costs and expenses of whatsoever kind or nature arising out of the performance of this engagement, including those arising out of injury to or death of Contractor's employees or subcontractors, whether arising before, during, or after completion of the services hereunder and in any manner directly or indirectly caused, occasioned or contributed to in whole or in part, by reason of any act, omission, fault or negligence of Contractor or its employees, agents or subcontractors.

10. Page Numbering

The pages of the proposals should be sequentially numbered for accurate referencing.

AFFIDAVIT REGARDING CONSULTING AGREEMENTS

All state contractors, vendors, consultants or other entities seeking to conduct business with the State of Connecticut who anticipate entering into, or renewing, an agreement for procurement of goods or services having a total value to the state of more than fifty thousand dollars in a calendar or fiscal year (hereinafter "agreement") shall disclose any and all consulting agreements, whether written or oral, to the head of the contracting agency (hereinafter "such agency").

"Consulting agreement" means any written or oral agreement to retain the services, for a fee, of an individual or business entity for the purposes of:

- (1) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State of Connecticut, or
- (2) contacting, whether in writing or orally, any executive, judicial, or administrative office of the state, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction, requests for information or
- (3) any other similar activity related to the procurement agreement.

"Consulting agreement" does not include those agreements or services registered under the provisions of Chapter 10 of the Connecticut General Statutes (Code of Ethics for Lobbyists).

Such disclosure affidavit shall be required if any duties of the consultant include communication concerning business of such agency, whether or not direct contact with a state agency, state official and state employee is expected or made. The disclosure affidavit shall include the name of the consultant, the consultant's firm, whether the consultant is a former state employee or public official (if so, indicate the consultant's former agency and termination date), the basic terms of the consulting agreement, and a brief description of the services to be provided. The disclosure affidavit shall be amended whenever such entities enter into any new consulting agreements during the term of the procurement agreement.

I, _____ (name, title, and company name)
disclose the following consulting agreements (if not applicable, indicate "none"):

- 1.
- 2.
- 3.

I understand that this information shall be updated, as necessary, during the pendency of this, or any other contract that I may have with the State of Connecticut.

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

Name: _____ Signature: _____ Date: _____

Subscribed and Sworn before me this day of _____, 20__.

Excerpts from General Statutes of Connecticut

Sec. 16-18a. Consultants: Retention, expenses, findings and recommendations.¹

(a) In the performance of their duties the Public Utilities Regulatory Authority and the Office of Consumer Counsel may retain consultants to assist their staffs in proceedings before the authority by providing expertise in areas in which staff expertise does not currently exist or when necessary to supplement existing staff expertise. In any case where the authority or Office of Consumer Counsel determines that the services of a consultant are necessary or desirable, the authority shall (1) allow opportunity for the parties and participants to the proceeding for which the services of a consultant are being considered to comment regarding the necessity or desirability of such services, (2) upon the request of a party or participant to the proceeding for which the services of a consultant are being considered, hold a hearing, and (3) limit the reasonable and proper expenses for such services to not more than two hundred thousand dollars for each agency per proceeding involving a public service company, telecommunications company, electric supplier or person seeking certification to provide telecommunications services pursuant to chapter 283,¹ with more than fifteen thousand customers, and to not more than fifty thousand dollars for each agency per proceeding involving such a company, electric supplier or person with less than fifteen thousand customers, provided the authority or the Office of Consumer Counsel may exceed such limits for good cause. In the case of multiple proceedings conducted to implement the provisions of this section and [sections 16-1, 16-19, 16-19e, 16-22, 16-247a to 16-247c](#), inclusive, [16-247e to 16-247i](#), inclusive, [16-247k and subsection \(e\) of 16-331](#), the authority or the Office of Consumer Counsel may exceed such limits, but the total amount for all such proceedings shall not exceed the aggregate amount which would be available pursuant to this section. All reasonable and proper expenses, as defined in subdivision (3) of this section, shall be borne by the affected company, electric supplier or person and shall be paid by such company, electric supplier or person at such times and in such manner as the authority or the Office of Consumer Counsel directs. All reasonable and proper costs and expenses, as defined in subdivision (3) of this section, shall be recognized by the authority for all purposes as proper business expenses of the affected company, electric supplier or person. The providers of consultant services shall be selected by the authority or the Office of Consumer Counsel and shall submit written findings and recommendations to the authority or the Office of Consumer Counsel, as the case may be, which shall be made part of the public record

(b) Notwithstanding any provision of the general statutes, the authority and the Office of Consumer Counsel shall not retain any consultant under subsection (a) of this section in connection with any proceeding involving telecommunications if such consultant, at the time the consultant would be retained, is serving as a consultant to a certified telecommunications provider or a telephone company that would be affected by such proceeding, unless each party and intervenor to such proceeding agrees in writing to waive the provisions of this subsection.

(c) The Department of Energy and Environmental Protection, in consultation with the Public Utilities Regulatory Authority and the Office of Consumer Counsel, may retain consultants to assist its staff by providing expertise in areas in which staff expertise does not currently exist or to supplement staff expertise for any proceeding before or in any negotiation with the Federal Energy Regulatory Commission, the United States Department of Energy, the United States

Nuclear Regulatory Commission the United States Securities and Exchange Commission, the Federal Trade Commission or the United States Department of Justice. The Public Utilities Regulatory Authority, in consultation with the Office of Consumer Counsel, may retain consultants to assist its staff by providing expertise in areas in which staff expertise does not currently exist or to supplement staff expertise for any proceeding before or in any negotiation with the Federal Communications Commission. All reasonable and proper expenses of any such consultants shall be borne by the public service companies, certified telecommunications providers, holders of a certificate of video franchise authority, electric suppliers or gas registrants affected by the decisions of such proceeding and shall be paid at such times and in such manner as the authority directs, provided such expenses (1) shall be apportioned in proportion to the revenues of each affected entity as reported to the authority pursuant to [section 16-49](#) for the most recent fiscal year, and (2) shall not exceed two and one-half million dollars per calendar year, including any appeals thereof, unless the authority finds good cause for exceeding the limit. The authority shall recognize all such expenses as proper business expenses of the affected entities for ratemaking purposes pursuant to [section 16-19e](#), if applicable.

¹ *As amended by Public Act No. 13-298: [An Act Concerning Implementation Of Connecticut's Comprehensive Energy Strategy And Various Revisions To The Energy Statutes.](#)*

Sec. 16-245a. Renewable energy portfolio standards.

(a) An electric supplier and an electric distribution company providing standard service or supplier of last resort service, pursuant to section 16-244c, shall demonstrate:

(1) On and after January 1, 2006, that not less than two per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(2) On and after January 1, 2007, not less than three and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(3) On and after January 1, 2008, not less than five per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(4) On and after January 1, 2009, not less than six per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(5) On and after January 1, 2010, not less than seven per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

- (6) On and after January 1, 2011, not less than eight per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (7) On and after January 1, 2012, not less than nine per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (8) On and after January 1, 2013, not less than ten per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (9) On and after January 1, 2014, not less than eleven per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (10) On and after January 1, 2015, not less than twelve and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (12) On and after January 1, 2017, not less than fifteen and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (13) On and after January 1, 2018, not less than seventeen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (14) On and after January 1, 2019, not less than nineteen and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (15) On and after January 1, 2020, not less than twenty per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources.

(b) An electric supplier or electric distribution company may satisfy the requirements of this section (1) by purchasing certificates issued by the New England Power Pool Generation Information System, provided the certificates are for (A) energy produced by a generating unit using Class I or Class II renewable energy sources and the generating unit is located in the jurisdiction of the regional independent system operator, or (B) energy imported into the control area of the regional independent system operator pursuant to New England Power Pool Generation Information System Rule 2.7(c), as in effect on January 1, 2006; (2) for those renewable energy certificates under contract to serve end-use customers in the state on or before October 1, 2006, by participating in a renewable energy trading program within said jurisdictions as approved by the Public Utilities Regulatory Authority; or (3) by purchasing eligible renewable electricity and associated attributes from residential customers who are net producers.

(c) Any supplier who provides electric generation services solely from a Class II renewable energy source shall not be required to comply with the provisions of this section.

(d) An electric supplier or an electric distribution company shall base its demonstration of generation sources, as required under subsection (a) of this section on historical data, which may consist of data filed with the regional independent system operator.

(e)(1) A supplier or an electric distribution company may make up any deficiency within its renewable energy portfolio within the first three months of the succeeding calendar year or as otherwise provided by generation information system operating rules approved by New England Power Pool or its successor to meet the generation source requirements of subsection (a) of this section for the previous year.

(2) No such supplier or electric distribution company shall receive credit for the current calendar year for generation from Class I or Class II renewable energy sources pursuant to this section where such supplier or distribution company receives credit for the preceding calendar year pursuant to subdivision (1) of this subsection.

(f) The authority shall adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section.

(g)(1) Notwithstanding the provisions of this section and section 16-244c, for periods beginning on and after January 1, 2008, each electric distribution company may procure renewable energy certificates from Class I, Class II and Class III renewable energy sources through long-term contracting mechanisms. The electric distribution companies may enter into long-term contracts for not more than fifteen years to procure such renewable energy certificates. The electric distribution companies shall use any renewable energy certificates obtained pursuant to this section to meet their standard service and supplier of last resort renewable portfolio standard requirements.

(2) On or before July 1, 2007, the authority shall initiate a contested case proceeding to examine whether long-term contracts should be used to procure Class I, Class II and Class III certificates. In such examination, the authority shall determine (A) the impact of such contracts on price stability, fuel diversity and cost; (B) the method and timing of crediting of the procurement of renewable energy certificates against the renewable portfolio standard purchase obligations of electric suppliers and the electric distribution companies pursuant to subsection (a) of this section; (C) the terms and conditions, including reasonable performance assurance commitments, that may be imposed on entities seeking to supply renewable energy certificates;

(D) the level of one-time compensation, not to exceed one mill per kilowatt hour of output and services associated with the renewable energy certificates purchased pursuant to this subsection, which may be payable to the electric distribution companies for administering the procurement provided for under this subsection and recovered as part of the generation services charge or through an appropriate nonbypassable rate component on customers' bills; (E) the manner in which costs for such program may be recovered from electric distribution company customers; and (F) any other issues the authority deems appropriate. Revenues from such compensation shall not be included in calculating the electric distribution companies' earnings to determine if rates are just and reasonable, for earnings sharing mechanisms or for purposes of sections 16-19, 16-19a and 16-19e.