

**REQUEST FOR PROPOSALS
ELECTRIC POWER SCHEDULING SERVICES**

Los Angeles Community Choice Energy (LACCE) is issuing this Request for Proposals (RFP) to solicit proposals for a contract with an organization for electric power scheduling services. These services will support retail electric customers of LACCE who will participate in LACCE's Community Choice Aggregation Program. The Business Plan for LACCE which provides details of this program is available online at: http://file.lacounty.gov/SDSInter/green/247381_BoardMotionofSept152016ItemNo6-FinalReport.pdf. This RFP is for services and technical assistance only. Another solicitation process will be undertaken for the actual procurement of power supply commodity products and related ancillary services.

LACCE will conduct evaluations of service providers through this RFP, and plans to negotiate and execute an agreement with the selected proposer.

1. Timetable

The timetable for this RFP is as follows:

Release of RFP	8/14/2017
Written Questions Due (5:00 pm Pacific Standard Time)	8/21/2017
Questions and Answers Released	8/28/2017
Proposals Due by (5:00 pm Pacific Standard Time)	9/5/2017

2. Proposer Questions

Proposers may submit questions regarding this RFP by email to Matt Skolnik, mksolnik@ceo.lacounty.gov. All questions must be received by 5:00 pm Pacific Time on August 21, 2017. When submitting questions, please specify which section of the RFP you are referencing and quote the language that prompted the question. LACCE reserves the right to group similar questions when providing answers. Questions may address issues and concerns that the evaluation criteria and/or business requirements would unfairly disadvantage proposers or, due to unclear instructions, may result in LACCE not receiving the best possible responses from proposer.

3. Proposal Submission

The final proposal should be submitted by email to mksolnik@ceo.lacounty.gov by 5:00 pm Pacific Time on September 5, 2017. Please include the subject line "PROPOSAL FOR ELECTRIC POWER SCHEDULING SERVICES."

It is the sole responsibility of the submitting proposer to ensure that its proposal is received before the submission deadline. Submitting proposers shall bear all risks associated with delays in delivery. Any proposals received after the scheduled closing date and time for receipt of proposals will not be accepted.

4. Proposal Evaluation and Criteria

False, misleading, incomplete, or deceptively unresponsive statements in connection with a proposal shall be sufficient cause for rejection of the proposal. The evaluation and determination in this area shall be at LACCE's sole judgment and this judgment shall be final.

Please note, LACCE is also in the process of issuing a separate RFP power supply for phase 1. Vendors may submit proposals in response to both RFP's, but LACCE will not award the same vendor both contracts.

Proposals will be evaluated using the following criteria:

- *Proposer's Qualifications (33%)*

Proposer will be evaluated on their experience, financial viability, and capacity as a corporation or other entity to perform the required services based on information provided in the proposal. Operational experience of the proposer's organization and of key personnel, including similar services, number of times the firm has provided services similar, years of experience and volume of energy supplied, and experience providing services in California.

Proposer will be evaluated on the verification of references of the proposal. This review may result in point deductions up to one hundred percent (100%) of the total points awarded in this evaluation category. Additionally, a review of terminated contracts will be conducted which may result in point deductions.

- *Proposer's Approach to Providing Required Services and References (33%)*

The proposer will be evaluated on its description of the methodology to be used to meet LACCE's requirements based on information provided in the proposal. All references will be checked and evaluated.

- *Cost Proposal Evaluation Criteria (34%)*

The maximum number of points will be awarded to the lowest cost qualified proposal.

- *Exceptions to Requirements of the Statement of Work*

Proposer will be evaluated on their willingness to accept the Terms and Conditions and the Statement of Work. LACCE may deduct rating points or disqualify the proposal in its entirety if the exceptions are material enough to deem the proposal non-responsive. Proposers are further notified that LACCE may disqualify any proposer with whom LACCE cannot satisfactorily negotiate

a contract.

5. Selection Process

LACCE reserves the sole right to judge the contents of the proposals submitted pursuant to this RFP and to review, evaluate and select the successful proposal. The selection process will begin immediately following the proposal submission deadline.

Evaluation of the proposals will be made by an Evaluation Committee selected by LACCE. The Committee will evaluate the proposals and will use the evaluation approach to select a prospective contractor. All proposals will be evaluated based on the criteria listed in this RFP.

After a prospective proposer has been selected, LACCE and the prospective proposer will negotiate a contract for execution by LACCE. If a satisfactory contract cannot be negotiated, LACCE may, at its sole discretion, begin contract negotiations with the next qualified proposer who submitted a proposal, as determined by the LACCE.

LACCE retains the right to select a proposal other than the proposal receiving the highest number of points if LACCE determines, in its sole discretion, another proposal is the most overall qualified, cost-effective, responsive, responsible and/or in the best interests of LACCE. After the contract has been executed with the selected proposer, all other proposers will be notified.

6. Additional Information

This RFP is a solicitation for proposals only, and is not intended as an offer to enter into a contract. LACCE may, at its sole discretion, reject any or all proposals submitted in response to this RFP or may, in its sole discretion, reject all proposals and cancel this RFP in its entirety. LACCE shall not be liable for any costs incurred by the proposer in connection with the preparation and submission of any proposal. LACCE reserves the right to waive inconsequential disparities in a submitted proposal. LACCE has the right to amend the RFP by written addendum. LACCE is responsible only for that which is expressly stated in the solicitation document and any authorized written addenda. Such addendum shall be made available to each person or organization which LACCE records indicate has received this RFP. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the proposal being found non-responsive and not being considered, as determined in the sole discretion of LACCE. LACCE is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf.

Responses to this solicitation shall become the exclusive property of LACCE. The recommended proposer's proposal will become a matter of public record when contract negotiations are complete and LACCE receives a letter from the recommended proposer's authorized officer that the negotiated contract is the firm offer of the recommended proposer. All proposals will become a matter of public record when an

agreement is executed by LACCE. Exceptions to disclosure are those parts or portions of all proposals that are justifiably defined as business or trade secrets, and plainly marked by the proposer as "Trade Secret", "Confidential", or "Proprietary". LACCE shall not, in any way, be liable or responsible for the disclosure of any such record or any parts thereof, if disclosure is required or permitted under the California Public Records Act or otherwise by law. In the event LACCE is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "Confidential", "Trade Secrets", or "Proprietary", proposer agrees to defend and indemnify LACCE from all costs and expenses, including reasonable attorneys' fees, incurred in connection with any action, proceedings, or liability arising in connection with the Public Records Act request.

All contact regarding this RFP or any matter relating thereto must be in writing and may be emailed to:

Matt Skolnik
mskolnik@ceo.lacounty.gov

If it is discovered that the proposer contacted and received information from any LACCE personnel, other than the person specified above, regarding this solicitation, LACCE, in its sole determination, may disqualify their proposal from further consideration.

Thank you for your interest in doing business with the LACCE.

Sincerely,

LACCE Staff

ATTACHMENTS

- Attachment A – Format of Proposal
- Attachment B – Statement of Work
- Attachment C – References
- Attachment D – List of Contracts
- Attachment E – List of Terminated Contracts

ATTACHMENT A

FORMAT OF THE PROPOSAL

Proposals must include all of the sections and subsections listed below:

I. Introduction and Executive Summary

Briefly describe the proposer's firm, its organization, key personnel, and operations. Identify and provide similar information for any third parties that would be relied upon to provide the proposed services.

II. Financial, Technical, and Operational Qualifications

Demonstrate that the proposer's organization has the experience and capability to perform the required services. The following sections must be included:

II.1 Proposer's Financial Viability

Demonstrate the proposer's financial viability. Include supporting financial statements and credit reports. Proposals must include audited financial statements from the prior two years of operations. If available, proposals should also include a credit rating from Standard & Poors, Moody's, or Fitch Investor Services from the most recent rating agency report.

II.2 Proposer's Background and Operational Experience

Demonstrate the proposer's qualifications and experience in providing the proposed services. Provide a summary of relevant background information to demonstrate that the proposer has the capability to perform the required services as a corporation or other entity. Provide specific information about projects of similar scope and scale to the LACCE program.

Provide background information including a resume or curriculum vitae for each key staff member that would be assigned to the project. Describe their roles on the project and the previous education and experience they have that would prepare them for these roles.

II.3 Proposer's References

It is the proposer's sole responsibility to ensure that the firm's name, and point of contact's name, title and phone number for each reference is accurate. The same references may be listed on both *Attachment C - Prospective Contractor References* and *Attachment D - Prospective Contractor List of Contracts*.

1. LACCE may disqualify a proposer as non-responsive and/or non-responsible if:
 - a) References fail to substantiate proposer's description of the services provided; or
 - b) References fail to support that proposer has a continuing pattern of providing capable, productive and skilled personnel; or
 - c) LACCE is unable to reach the point of contact with reasonable effort. It is the proposer's responsibility to inform the point of contact of normal working hours.

2. The proposer must complete and include the following Required Forms:
 - a) *Attachment C - Prospective Contractor References.* Proposer must provide three (3) references where the same or similar scope of services was provided.

 - b) *Attachment D - Prospective Contractor List of Contracts.* The listing must include all Public Entities contracts for the last three (3) years. Use additional sheets if necessary.

 - c) *Attachment E - Prospective Contractor List of Terminated Contracts.* Listing must include contracts terminated within the past three (3) years with a reason for termination.

III. Proposer's Approach to Provide Required Services

Present a description of proposer's approach to providing the services to LACCE. Describe in detail how the services will be performed to meet the requirements in the Scope of Work (SOW).

This section must include a description of how the proposer will address:

- California Independent System Operator (CAISO) Scheduling Coordination;
- Acquisition of Shaped Conventional Energy;
- Delivery Point;
- Procurement of Ancillary Services;
- Acquisition of Resource Adequacy Capacity;
- Suggestions on Financing and Risk Management;
- Renewable Energy Acquisition; and
- Distributed Energy Resources Deployment.

IV. Acceptance of Requirements of the Statement of Work (SOW):

It is the duty of every proposer to thoroughly review the Statement of Work to ensure compliance with all terms, conditions and requirements. It is LACCE's expectation that in submitting a proposal the proposers will accept, as stated, Statement of Work. However, the proposers are provided the opportunity to take exceptions to LACCE's terms, conditions, and requirements.

This section of proposer's response must include:

1. A statement offering the proposer's acceptance of or exceptions to all requirements listed in *Attachment B - Statement of Work*.

For each exception, the proposer shall provide:

1. An explanation of the reason(s) for the exception;
2. The proposed alternative language; and
3. A description of the impact, if any, to the proposer's price.

2. A proposed sample contract for the consideration of LACCE.

Indicate all exceptions to the Statement of Work by providing a 'red-lined' version of the language in question. LACCE relies on this procedure and any proposer who fails to make timely exceptions as required herein, may be barred, at LACCE's sole discretion, from later making such exceptions.

LACCE reserves the right to determine if proposers' exceptions are material enough to deem the proposal non-responsive and not subject to further evaluation.

LACCE reserves the right to make changes to the Statement of Work during negotiations with the selected proposer.

V. Cost Proposal

Proposers shall submit a cost proposal for completing all of the services in the SOW.

Until the proposal submission deadline, errors in proposals may be corrected by a request in writing to withdraw the proposal and by submission of another set of proposals with the mistakes corrected. Corrections will not be accepted once the deadline for submission of proposals has passed.

VI. Additional Questions

Proposer must provide a response to all of the following questions:

Details on Experience

- 1) Does your firm currently provide Scheduling Coordinator services to one or more CCAs? If yes, please list the CCAs.
- 2) Does your firm currently provide Scheduling Coordinator services to entities other than CCAs that reside within CAISO? If yes, please list the entities.
- 3) Does your firm currently provide scheduling services to entities outside CAISO? If yes, please list the entities.
- 4) Please provide the names of the entities for whom your firm has facilitated the acquisition of Resource Adequacy Capacity? Please specify whether or not your firm has arranged for the purchase of designated system, local RA and/or flexible RA capacity for the entities.

Project Management

- 5) Out of which of your firm's offices would LACCE real-time energy imbalances be managed?
- 6) Out of which of your firm's offices would CAISO settlement functions be managed?
- 7) What settlement software would your firm use to manage LACCE's settlements?
- 8) Out of which of your firm's offices would risk management advice be provided?
- 9) Would a representative of your firm be available to attend periodic power supply planning or risk oversight committee meetings at the LACCE location? If so, please provide the name of the representative(s) that would be most likely to fulfill this service.

Power Resources

- 10) Does your firm have experience in acquiring renewable energy resources or PPAs that could be used to serve LACCE load beginning in 2018?
- 11) Does your firm have experience with acquiring non-renewable energy resources or PPAs that could be used to serve LACCE load beginning in 2018?
- 12) Does your firm have experience in accessing Renewable Energy Certificates that could be used to help LACCE meet its renewable energy goals beginning in 2018?
- 13) Does your firm have experience with obtaining long-term transmission access that could be used to wheel power to LACCE's service territory?
- 14) Does your firm know of any renewable resources in LACCE service territory that might be available in 2018 to service LACCE loads?

Pricing and Terms

- 15) Please provide scheduling coordinator fees and any other service fees that would be assessed to LACCE under a contract with your firm to perform this RFP's SOW. These charges and fees should be on a \$/MWh basis.

16) Please indicate your firm's proposed term for power supply scheduling services. LACCE envisions a 3 year term for this initial contract but is flexible on term.

Financing/Credit Issues

17) Is your firm willing to defer its internal fees during the start-up phase until LACCE begins receiving revenue from customers? If so, would there be any added cost associated with this deferral?

18) Is your firm able to arrange a delay in billing for power supply during the start-up phase until LACCE begins receiving revenue from customers? If so, would there be any added cost associated with this deferral?

19) What is required for CAISO security deposits and does your firm have the ability to provide the deposits upfront? If so, at what cost?

20) What level of security deposit is required for power supply and scheduling services and does your firm have the ability to provide the deposits upfront?

ATTACHMENT B STATEMENT OF WORK

I. Background:

The Los Angeles Community Choice Energy Authority is seeking proposers to provide power scheduling services for customers of Los Angeles Community Choice Energy (LACCE) who will participate in LACCE’s Community Choice Aggregation Program. The Business Plan for LACCE is available online at http://file.lacounty.gov/SDSInter/green/247381_BoardMotionofSept152016ItemNo6-FinalReport.pdf for more details on this program.

It is anticipated that LACCE will ramp up to full operation in three phases. This Statement of Work (SOW) is intended to fulfill the needs of all phases for a 3-year period. A timeline and summary of the expected characteristics of this phase is presented below. It should be noted that this timeline has been updated from the timeline contained in the aforementioned Business Plan.

Exhibit 1 LACCE Phase-In Schedule					
Phase	Assumed Start	Eligibility	Total Customer Accounts	Total Load (GWh)	Annual Peak Demand (MW)
Phase 1	January 1 2018	County Owned Facilities	1,700	170	40
Phase 2	June 2018	Municipally Owned, Commercial, and Industrial	27,000	1,950	463
Phase 3	Q4	All Customers	285,000	3,470	1,000

Data for Phases 2 and 3 include accounts, load, peak, and revenues from previous phases. Estimates assume a 95% and 85% participation rate for residential and non-residential customers respectively. Loads are expressed as wholesale load, including 7 percent transmission and distribution losses. Revenues and loads are presented on an annual basis assuming each phase would be run for a full year. Operating Revenues include CCA costs, Franchise Fee Surcharge, and SCE’s Power Charge Indifference Adjustment (PCIA) charges.

II. Purpose and Objectives:

LACCE seeks proposals for services to effectuate the delivery of all needed and shaped wholesale power to the Southern California Edison (SCE) system in sufficient amounts to meet the total load requirements of LACCE’s customers per the timeline above.

III. Scope of Work:

The proposer shall provide **all** of the following services:

- a) **California Independent System Operator (CAISO) Scheduling Coordination**

LACCE requires all CAISO interface services, which include the submission to the CAISO of all schedules and meter data reports required to be filed by the Scheduling Coordinator (proposer) for the meters enrolled in the LACCE service territory, and the submission of schedules, bids, and other required information for LACCE's shaped energy, renewable energy, and resource adequacy capacity in accordance with the obligations of a Schedule Coordinator as defined by the CAISO.

Proposer will be responsible for scheduling load on a short-term basis (i.e., week-ahead, day-ahead, and hour-ahead), submitting resource schedules to the CAISO day-ahead market, scheduling ancillary services, validating CAISO statements for load settlements, minimizing and managing real-time energy imbalance exposure, as well as managing a Congestion Revenue Rights ("CRR") portfolio and bidding into the various CRR auctions. It is anticipated that the CAISO-required security deposit is the responsibility of the proposer. The cost of this deposit should be included in the proposer's bid price.

Additionally, the proposer will be required to submit regulatory and compliance filings, such as monthly Resource Adequacy (RA) compliance reports, to the CAISO.

It is anticipated that the proposer will also be responsible for satisfying the various CAISO financial requirements and obligations (i.e., collateral obligations), as well as all applicable regulatory requirements imposed by the California Public Utilities Commission and the Federal Energy Regulatory Commission. Proposers must be certified by CAISO as a Schedule Coordinator, or must put forward a certified Schedule Coordinator that will be responsible for scheduling loads and resources under the proposal. If the proposer is not a certified CAISO service provider and will be putting forward a third-party to serve in this capacity, LACCE will require these proposers to submit responses that are co-signed by the anticipated service provider, verifying the intended business relationship and the anticipated scope of services to be provided.

b) Shaped Conventional Energy

Assist in procuring power supply requirements associated with the LACCE customer accounts. The proposer will be obligated to facilitate the delivery of energy in quantities sufficient to meet the needs of participating LACCE customers based on the proposers' forecast of LACCE load requirements which will be informed, in part, by data obtained from the meter readings supplied by SCE.

c) Delivery Point

The proposer shall facilitate the delivery of the energy to the SCE Load Aggregation Point ("Delivery Point") as defined by the CAISO. The proposer shall facilitate the shaping of energy deliveries to match the hourly load requirements of LACCE customers.

d) Ancillary Services

Assist in the procurement of all necessary ancillary services required in supplying the Shaped Energy to the Delivery Point. Ancillary Services shall include regulation service, operating reserves and any other services required by the CAISO.

e) Resource Adequacy Capacity

LACCE will need Qualifying Capacity to satisfy its Resource Adequacy Requirements (“RAR”) for both CAISO System and Local RAR resources. System RAR capacity is needed to meet 115% of the LACCE forecast monthly peak demand (“MW”). A portion of the Capacity supplied should qualify as Local Capacity in quantities sufficient to satisfy the Local Resource Adequacy Requirements applicable to LACCE. The proposer will facilitate the acquisition of all RAR needs of LACCE.

f) Financing and Risk Management

Proposers must develop a Risk Management Strategy for LACCE for procuring power supply throughout the phases described in Exhibit 1 for LACCE operations. The Risk Management Strategy shall address, at a minimum, Energy Products market price risk, Energy Products supplier risk, LACCE credit risk, and other risks typically incurred in the California wholesale bulk power markets.

g) Renewable Energy

Proposer will assist LACCE in obtaining the required renewable energy from qualifying renewable resources that meet the eligibility criteria for renewable resources (Eligible Renewable Resources) published by the California Energy Commission (CEC) for the Renewable Portfolio Standards (RPS) program. These renewable resources generally include power from qualifying wind, small hydroelectric, geothermal, biogas including landfill gas, digester gases and gas conversion or gasification technologies, direct combustion biomass, biodiesel power producing facilities, photovoltaic, solar thermal, fuel cells using eligible renewable fuels, qualifying municipal solid waste conversion, tidal current, ocean wave, and ocean thermal technology.

The renewable energy products must meet the delivery requirements established under Portfolio Content Categories 1 (PCC1) and 2 (PCC2) as defined under California’s RPS program. In order to enable LACCE’s compliance with the RPS, all renewable energy certificates associated with the requested renewable energy product volumes will be transferred to LACCE via the Western Renewable Energy Generation Information System (“WREGIS”).

LACCE will prioritize the procurement of energy from local renewable resources within the LACCE service territory. Proposers shall propose a strategy for developing and/or procuring local, renewable resources as part of their response.

h) Distributed Energy Resources

LACCE will work with state agencies and SCE to promote the deployment of Distributed Energy Resources (DER), such as rooftop solar and batteries, within LACCE's jurisdiction, with the goal of maximizing the use of the available incentives that are funded through retail rates and public goods surcharges as well as promoting DER throughout LACCE's service territory. Proposers must describe the approach they would take in promoting DER.

Term of the Agreement:

The term of the agreement is expected to begin in October 2017 and extend to October 2020.

ATTACHMENT C

PROSPECTIVE CONTRACTOR REFERENCES

Contractor's Name: _____

List five (5) references where the same or similar scope of services were provided in order to meet the Minimum Requirements stated in this solicitation.

1. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
2. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
3. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.

ATTACHMENT D
PROSPECTIVE CONTRACTOR
LIST OF CONTRACTS

Contractor's Name: _____

List of all public entities for which the Contractor has provided service within the last three (3) years. Use additional sheets if necessary.

1. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
2. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
3. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
4. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
5. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.

ATTACHMENT E

PROSPECTIVE CONTRACTOR LIST OF TERMINATED CONTRACTS

Contractor's Name: _____

List of all contracts that have been terminated within the past three (3) years.

1. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.		Reason for Termination:		
2. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.		Reason for Termination:		
3. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.		Reason for Termination:		
4. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.		Reason for Termination:		