



# Technical and Bidders Conference

July 10, 2020

Power Supply Request for  
Proposal (RFP)  
LPSC Docket X-35500

# Welcome Bienvenue

Your interest and  
participation is greatly  
appreciated!

## Today's Agenda

9:00 AM to Noon

- Welcome and Introductions
- LPSC Staff Comments
- DEMCO/JDEC Request for Proposals (RFP) Presentation
- Questions and Comments
- Closing Remarks

# Conference Participation Guidance

Open session to review the RFP  
and for interested participants  
to have the opportunity to ask  
questions and make  
suggestions

- All questions are welcome



Use Zoom Raise Your Hand feature to notify meeting host of your desire to comment or ask a question. Name and image may be displayed to other participants.

- Use the Webinar Q&A tool to submit a question.
- Use RFP email (DEMCO\_JDEC\_RFP@enervision-inc.com) during the meeting to submit questions
- Anonymous emails may be sent to Jaclyn Penzo at the LPSC at "Jaclyn.Penzo@la.gov"
- DEMCO/JDEC will strive to respond either today or in writing following the meeting
- Formal Q&A response will be posted to the RFP website:
  - <https://enervision-inc.com/demjefrpf/>
- RFP will be updated to incorporate any changes
- Final RFP will be filed with the LPSC and posted to the RFP website

# Buyer Introductions



**Randy Pierce, GM**

Jim Ellis, Counsel

Tommy Gildersleeve, Counsel

- Dixie Electric Membership Corporation (DEMCO) is a not-for-profit electric distribution cooperative corporation
- Greenwell Springs, Louisiana headquarters
- Serving 7 parishes including Ascension, East Baton Rouge, East Feliciana, Livingston, St. Helena, Tangipahoa, and West Feliciana
- 111,000 residential, commercial, and industrial meters
- 662 MW peak and approximately 2,320,069 MWh annual retail energy



**Mike Heinen, GM**

Kara Kantrow, Counsel

- Jefferson Davis Electric Cooperative (JDEC) is a not-for-profit electric distribution cooperative corporation,
- Jennings, Louisiana headquarters
- Serving 5 parishes including Allen, Calcasieu, Cameron, Jefferson Davis and Vermilion
- 10,000 residential, commercial, and industrial meters
- 74 MW peak and approximately 273,000 MWh annual retail energy

# DEMCO and JDEC Teaming

- Collaborating on RFP for process and cost efficiencies
- No formal relationship between DEMCO and JDEC
- DEMCO and JDEC may choose different power supplier strategies and different power supply offers
- EnerVision is providing consulting services to both DEMCO and JDEC



Ingmar Sterzing, VP  
Ronnie Donaldson, JR Principal  
Asia Ellington, Lead Consultant

- EnerVision, Inc., headquartered in Atlanta, GA
- EnerVision has over 21 years of experience providing consultant services and power supply management for Electric Cooperatives and other public power utilities.

# LPSC MBM Process and Introductions

- LPSC has jurisdiction over certain DEMCO and JDEC power supply contracts
- Market Based Mechanism (MBM) provides for a competitive market-based RFP solicitation process with certain requirements
- DEMCO and JDEC may only execute a power supply contract after receiving certification and authorization by the LPSC
  - “public convenience and necessity would be served through completion of such project or confection of such contract”
  - “the least cost alternative and in the public interest”
- Certification and approval requires a formal filing that includes:
  - Description of the requirements and RFP process
  - Data used in the process, including all bids and evaluations
  - Costs and rate information
  - Power supply contract(s)



Jaclyn Penzo, LPSC Staff Attorney  
*Email: "Jaclyn.Penzo@la.gov"*  
Robert Lane Sisung, LPSC Consultant  
Paul Chastant, LPSC Consultant

# Request for Proposal (RFP)

Overview and Summary

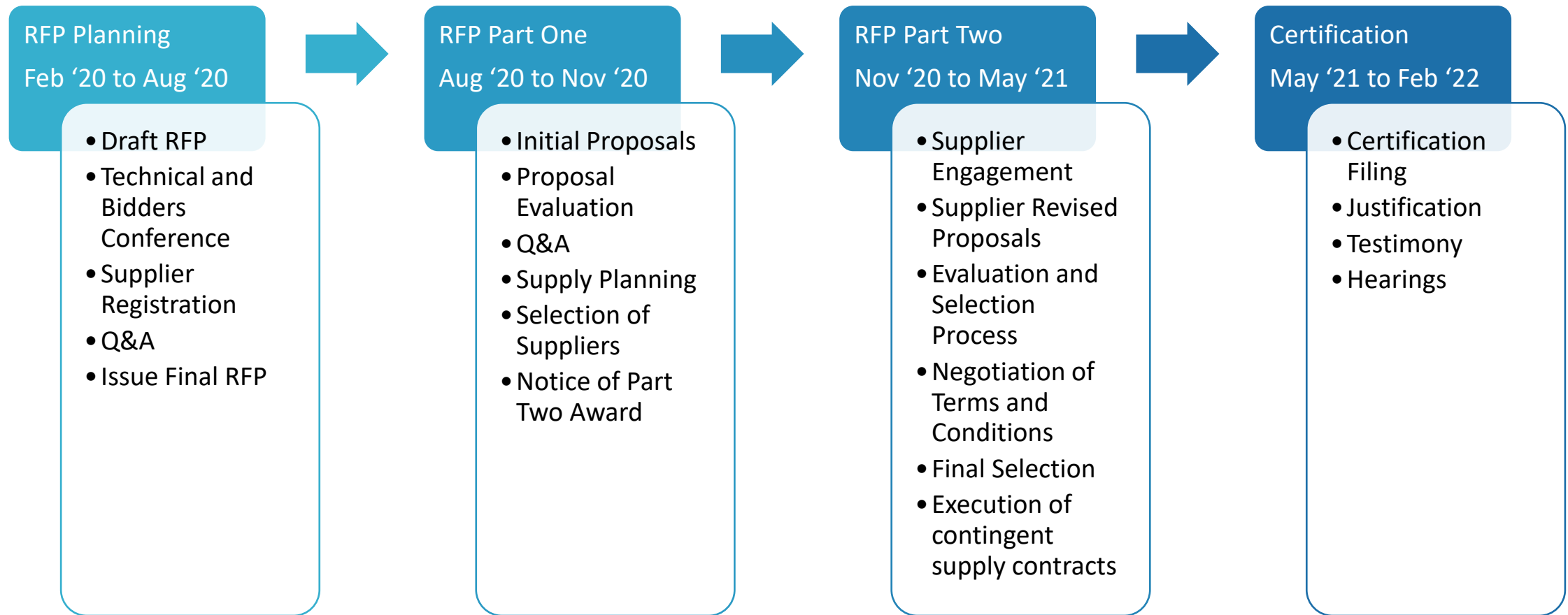
# DEMCO and JDEC RFP Purpose and Background

Seeking proposals for their respective individual long-term power supply needs and requirements

- Together they serve approximately 121,000 residential, commercial and industrial members
- Combined 2019 annual peak is ~736 MW and energy is ~2,600 GWH
- Wholesale power costs may represent between 50-60% of total annual costs
- The results of this RFP process will have a real and tangible impact on retail rates and the costs their members pay
- DEMCO start of service is April 1, 2024
- JDEC start of service is March 28, 2025



# RFP Process and Approximate Timeline



# RFP Schedule

Specific dates and timing may be adjusted from time to time to accommodate uncertainty and unplanned events which are a natural part of any RFP process.

\*Updated from draft RFP

Key Task or Activity	Planned and Estimated Date
<b>PART ONE Processes</b>	
Notice to LPSC	2/27/2020
LPSC Informational Filing	5/29/2020
Technical and Bidders' Conference	7/10/2020
RFP Release Date	7/28/2020
Non-disclosure Agreements Due Date	8/14/2020
Part One Proposals Due Date	9/10/2020*
Part One Evaluation Target Completion Date	11/20/2020
<b>PART TWO Processes (dates subject to change based on PART ONE results)</b>	
Selection and Notification of Part Two Suppliers	11/20/2020
Part Two Revised Proposals Due Date	1/8/2021
Evaluation of Part Two Proposals	2/26/2021
Selection of Final Part Two Suppliers	3/26/2021
Final Selection and Award	4/23/2021
PPA Execution (subject to LPSC approval)	5/7/2021
File for Certification with LPSC	6/26/2021
Certification of PPA by LPSC	2/25/2022

# RFP Part One and Part Two

A two-part RFP process will enable receipt of a wide range of competitive proposals and an initial process to select a viable set of options for final negotiations.

Final selection of winning bid(s) based on sole discretion of the Cooperatives

- **Part One – Screening of Viable Proposals**
  - Proposals will be evaluated against Part One criteria to identify the best option or options within each proposal category
  - Combinations of proposals or products across categories will be evaluated and considered
  - A set of viable proposals will be selected and considered for the Part Two process
- **Part Two – Optimization and Negotiation**
  - Viable proposals selected from Part One will be notified and requested to participate in Part Two process
  - Supplier meetings will be held, and Suppliers will be notified of specific areas requiring improvement or adjustment
  - Suppliers will have a set amount of time to respond to requests for improvement or adjustments
  - Final proposals will be evaluated, and top proposals will be selected for further negotiation
  - Firm proposals including commercial and legal agreements will be established during Part Two

# Evaluation and Decision Factors

Final selection and decision of supply options will be based on a combination of technical, commercial, and economic factors that are likely to meet the requirements of their members in a competitive, stable, flexible, low-cost, and economically advantageous manner.

Final selection of winning bid(s) based on sole discretion of the Cooperatives

- **Low Cost**
  - Ability of the selected supply plan to consistently achieve a low cost
- **Competitiveness**
  - Ability of the selected supply plan to result in a high likelihood of the Cooperative achieving a lower than average retail rate when compared with other retail rates
- **Stability**
  - Ability of the selected supply plan to achieve a stable, reliable, and predictable outcome in cost with minimal exposure to unplanned risk
- **Flexibility**
  - Ability of the selected supply plan to access the lowest cost available supply, the ability to quickly adapt its power supply strategy based on changing market conditions and technology and maintaining control over supply decisions and options
- **Economic Value**
  - Ability of the selected supply plan to support Cooperative initiatives, products, programs, and rates that are desired by the Cooperative's members
- **Robustness**
  - Ability of the supply plan to respond to changes in factors effecting power costs, such as impacts to energy markets, economy, and regulations

# Part One Scorecard

The intent of the scoring for Part One is to provide a fair and equitable process for Suppliers and to assist the Buyers with the decision process to determine which combination of suppliers, proposals, and products are most likely to meet the needs and requirements of the Cooperatives with the desired value and economic attractiveness.

Category	Points	Weight
Value and Economic Attractiveness	0, 1, 3, or 5	50%
Supplier/Bidder Qualifications	0, 1, 3, or 5	30%
Commercial and Legal	0, 1, 3, or 5	10%
Product	0,1, 3, or 5	10%

An evaluation score will be determined for each Product submitted within a Supplier's proposal and compared to other like products.

A winning or high score by a single product within the product type does not guarantee or assure selection proposal for Part Two processes.

# RFP Communications

- RFP communications shall be managed by EnerVision on behalf of the Cooperatives
- Suppliers should direct all RFP communications to EnerVision
- An RFP web-site will contain supporting documents, responses to questions and answers, and any amendments or changes that may be applicable
- Question and response will remain anonymous and will be posted to the RFP website
- EnerVision will strive to ensure that all Suppliers have equal and timely access to information and updates
- An email list of Suppliers will be created through the Supplier Registration process
- The email list will be used to communicate RFP updates, status, and other relevant information
- RFP Website: [www.enervision-inc.com/demjefrfrfp](http://www.enervision-inc.com/demjefrfrfp)
- RFP Email Communications: “DEMCO\_JDEC\_RFP@enervision-inc.com”

# Supplier RFP Registration

- Suppliers interesting and intending to respond to this Request for Proposal shall send the following information via email to the RFP email
- Suppliers that register through this process will receive email notices with updates on the RFP
- Form RFP communications will be made with registration information
- Registration Information:
  - Supplier Name:
  - Supplier Location and Address:
  - Supplier Contact Name:
  - Supplier Contact Email:
  - Supplier Contact Phone Number:
  - Supplier Authorized Representative Name and Title:

# RFP Scope of Supply

In order to maximize the benefits of available market opportunities for their members, the Cooperatives are open to different types of product proposals and a combination of innovative solutions that may be a combination or portfolio of various supply products.

The Cooperatives will accept proposals that include multiple products or combinations of products from a single Supplier.

Suppliers can direct a proposal at (1) only DEMCO, (2) only JDEC, or (3) both.

- Full Requirements
- Partial Requirements
- Standard Industry Products
- Asset Based Unit Contingent
- Innovative Energy Solutions



# Full Requirements

- Full requirements proposals shall include electric capacity, energy, ancillary services, and all other services required of a Load Serving Entity (“LSE”) in MISO and a Cooperative operating in Louisiana.
- Supplier shall act on behalf of the Cooperatives to provide the required LSE services and meet the requirements of an LSE on behalf of the Cooperatives.
- Full requirements service shall be managed and fulfilled by a single Supplier under a single Power Purchase Agreement (“PPA”).
- The Cooperatives will require the Supplier to incorporate existing hydro power supplier from Southwestern Power Administration (SWPA).
- Terms of 5 to 10 years are preferred.
- The Cooperatives will require a full requirements exception in the event the Cooperative pursues a new large load or other economic development program that may result in the addition of significant new energy requirements.
- The Cooperatives request that respondents provide some level of flexibility to purchase, own, generate or operate renewable energy, dispersed energy resources, demand response programs, and distributed energy resources and technologies.
- All Full Requirements proposals shall be settled at the LSE delivery points.

# Partial Requirements

- Partial requirements proposals shall include service for a portion of electric capacity, energy, ancillary services, and any other services required of an LSE in MISO and a Cooperative operating in Louisiana.
- Supplier shall act on behalf of the Cooperatives to provide the required LSE services and meet the requirements of an LSE on behalf of the Cooperatives.
- Partial requirements service shall be managed and fulfilled by a single counterparty under a single PPA; this service provider shall act as the primary supplier and energy manager for the Cooperative in MISO.
- Under the Partial Requirements approach, the Cooperative may, subject to conditions in the PPA, procure, own, generate, or operate, distributed and wholesale power supply resources and will be responsible to schedule and deliver capacity and energy from such resources to the Partial Requirements supplier.
- Terms of 3 to 10 years are preferred.
- All Partial Requirements proposals shall be delivered and settled at the LSE delivery points.

# Standard Industry Products

- Standard Industry Products are defined as firm capacity and energy supplied in increments for various shapes, volumes, durations and time periods.
- Standard capacity and energy products do not include day-to-day energy management services, ancillary services, or other services required of an LSE in MISO and a Cooperative operating in Louisiana.
- The Cooperatives will acquire the necessary energy management services as needed to support a complete solution that may involve standard energy products or may combine standard energy products with a partial requirement supply contract.
- The Cooperatives are seeking standard energy proposals for the following products:
  - Baseload, Firm, 24x7 Capacity and Energy in increments of 25 MWs.
  - Intermediate and Peaking, Firm, 7x16 and 5x16 Capacity and Energy in increments of 25 MWs.
  - Seasonal, Monthly and Hourly Shaped, Firm Capacity and Energy proposals will be considered.
  - Load Following proposals based on a percentage slice-of-system requirement for capacity and energy will be considered.
  - Examples and templates for these products will be included with the informational package provided to Suppliers upon completion of the NDA.
- Terms of 1, 3, 5, and 10 years are preferred.
- The Cooperatives prefer fixed or firm pricing and will consider flexible or index pricing methods.
- All Standard Industry Products shall be delivered and settled at the LSE delivery points.

# Asset Based, Unit Contingent

- Asset Based, Unit Contingent proposals are for capacity, energy, and other products from a specified and defined generating facility.
- The Cooperatives will acquire the necessary energy management services as needed to support a complete solution that may involve Asset Based, Unit Contingent options or may combine such options with a partial requirement supply contract.
- The Cooperative shall not participate as an owner or operator of the facility and are seeking proposals for direct offtake from the facilities in the form of a PPA.
- Terms of 5 to 15 years are preferred, and longer terms may be considered.
- Delivery and settlement of the capacity and energy at the LSE delivery points is preferred.
- Proposals shall include descriptions of the facility, technical characteristics, operating characteristics, capacity capabilities, and energy production capabilities.
- The Cooperatives prefer fixed or firm pricing and will consider flexible terms for pricing and volume to help manage risk and respond to changes in load requirements and market factors.

# Innovative Energy Solutions

- Innovative Energy Solutions proposals are open to the discretion of the respondent and may include variations or combinations of the products previously listed.
- Respondents providing innovative Energy Solution Proposals are requested to be specific regarding their proposals and shall endeavor to demonstrate how the proposed solution will benefit the Cooperatives and meet the requirements of this RFP and the MBM.
- By providing this product category the Cooperative is expressing their willingness and intent to consider creative capacity and energy solutions. However, because such solutions may be difficult to evaluate or analyze, the Cooperatives reserve the right to reject an Innovative Energy Solution on any basis the Cooperative may define.

# Division of Responsibility Framework

Product Supply Option	Energy	Capacity	Transmission	Ancillary Services	Energy Management
1) Full-Requirements	Supplier	Supplier	MISO	Supplier	Supplier
2) Partial-Requirements	Suppliers	Suppliers	MISO	Primary Supplier	Primary Supplier
3) Standard Energy Products	Suppliers	Suppliers	MISO	Energy Manager	Energy Manager
4) Asset Based	Supplier	Supplier	MISO	Full or Partial Requirements Supplier or Energy Manager	Full or Partial Requirements Supplier or Energy Manager
5) Innovative	Supplier	Supplier	MISO	TBD	TBD

# Example of Potential Outcomes

Product Supply Option	Example A	Example B	Example C
1) Full-Requirements	Single Contract		
2) Partial-Requirements		Single Contract	
3) Standard Energy Products		Two Standard Product Contracts	Multiple Contracts
4) Asset Based		One Solar Contract	Multiple Contracts
5) Innovative			

# RFP Proposal Requirements

Supplier's Proposals shall include the following items noted with the appropriate heading as indicated.

Note: Supplier Registration and NDA are completed prior to submission.

- Supplier Registration
- Mutual Confidentiality and Non-disclosure Agreement
- General Information
- Experience, Background, and Qualifications
- Proposal(s) in including Products and Exhibit C forms



# Proposals Submissions

Suppliers are encouraged to provide a narrative response describing their proposal and qualifications. This narrative response is an opportunity for the Supplier to describe and characterize their proposal and qualifications in a manner that justifies the Suppliers response to the Cooperatives' principles, decision factors, and evaluation criteria as defined in the RFP.

- General Information
  - Supplier information
- Experience Background and Qualifications
- Proposal(s)
  - Product(s)
    - Suppliers may submit a proposal that includes one or more products or combinations of products.
  - Product term sheet (Exhibit C)
    - Multiple product term sheets should be completed to define ALL of the products included in the proposal
    - Additional detail can be added to the term sheet as needed by the Supplier to characterize and define the product

# Submission Requirements

- Proposals must be submitted via E-mail to “DEMCO\_JDEC\_RFP@enervision-inc.com” no later than September 10, 2020 at 5:00 pm CST.
- No hard copies of Proposals will be accepted.
- Any Proposal or modification to a Proposal received after the due date shall not be considered and will be deemed non-responsive.
- Supplier will receive an email response confirming receipt of the proposal submittal.
- RFP Submittal Email: “DEMCO\_JDEC\_RFP@enervision-inc.com”

# Confidential and Proprietary Information

DEMCO and JDEC will strive to balance and incorporate feedback from Suppliers on the NDA. However, DEMCO and JDEC will publish a final NDA version that will not be subject to change or further negotiation.

- An executed Mutual Confidentiality and Non-Disclosure Agreement should be completed by the Supplier and between DEMCO and JDEC.
- JDEC, DEMCO, and its consultants will treat all proposals submitted by Suppliers as confidential
- Suppliers shall submit their proposals with the knowledge and acceptance that any information provided is subject to disclosure in order for JDEC and DEMCO to cooperate with LPSC Staff's informational requirements in the RFP to seek ultimate LPSC certification, and/or in support of any applications that are necessary to effectuate regulatory and governmental approvals.
- DEMCO, JDEC, and its consultants are not restricted from using or disclosing any data that is already obtainable from another public source, without restriction.
- Based on feedback from Suppliers, consideration will be provided for inclusion of a "Highly Sensitive and Proprietary Information" designation in the NDA

# RFP Process Disclosure Summary

- DEMCO and JDEC reserve the right to award one, more than one, and/or no contract(s) in response to this RFP
- A Contract or Contracts, if awarded, will be awarded to the Supplier(s) whose Proposal(s) is deemed most advantageous in desired value and economic attractiveness to DEMCO and JDEC, as determined solely by DEMCO and JDEC.
- DEMCO and JDEC are under no obligation to complete this RFP and may pause, cancel or amend the RFP at any time
- DEMCO and JDEC may not seek approval of a power supply contract as result of this RFP process
- DEMCO and JDEC may elect to pursue different power supply strategies and will seek separate approvals for their respective power supply agreements



# Question and Comments

1. The MBM Order's purpose is to "provide reliable service at the lowest reasonable cost, *while allowing for the use of other public interest project selection criteria.*" RFP at p. 6. However, none of the criteria listed in scoring the proposals seems to consider any public interest such as contribution of a project to the local economy, impact on local electricity pricing, or potential environment and emissions benefits. Are the Cooperatives planning to apply any public interest criteria in their bid evaluation process and, if so, at what point in the process will such criteria be considered?
  - A. Factors described in the question are incorporated into the Categories listed in the Part One Score Card and further considered in the Cooperatives' guiding principles and decision factors defined in the RFP such as "Economic Value – Ability of the selected supply plan to support Cooperative initiatives, products, programs, and rates that are desired by the Cooperative's members." Further, the Cooperatives have described in the Scope of Supply their requirement for contracts to accommodate flexibility for the Cooperatives to purchase, own, generate or operate renewable energy, dispersed energy resources, demand response programs, and distributed energy resources and technologies. Factors such as low-cost and competitive rates are stated in the Part One Score Card under Value and Economic Attractiveness. Factors to pursue economic development, minimize risk, and respond to changes in market factors and technology are incorporated into the Commercial and Legal category in the Part One Scorecard. Specific technology factors such as environmental or emissions benefits or risks are realized through the Value and Economic Attractiveness of the Part One Scorecard.

2. On page 8, the RFP states that an email list of suppliers will be created through the Supplier Registration process. When an email is sent to such list will each the suppliers will be “blind copied” so that their identity and participation in the RFP remains confidential, or will the list of participants be public?
  - A. Yes, when an email is sent to the list each supplier will be “blind copied” so that their identity and participation in the RFP remains confidential.

3. With respect to the schedule, as currently outlined in the draft at page 13, Part One proposals are due on August 31st. That date precedes the date on which 1803 Electric Cooperative, Inc. (“1803”) is scheduled make its selection of bidders to proceed to Phase 2 of its process (which is scheduled to take place on or about September 9<sup>th</sup>). This overlap of milestone dates in each process may place some potential bidders in the Cooperatives’ process in an untenable conflict: they may be forced to choose not to participate in the Cooperatives’ process because they cannot provide the firm bid requested without knowing their status in the 1803 process. Would the Cooperatives be willing to delay the due date for proposals to the end of September to prevent an overlap with the referenced 1803 milestone date in order to increase the number of respondents to their RFP?
  - A. DEMCO and JDEC are managing an open RFP process designed to increase the number of respondents by allowing for a wide range of products and proposal submittals in Part One. DEMCO and JDEC recognize the unique and limited concern expressed in this question and we have pushed back the proposal deadline date 10 days to accommodate your concerns. The revised proposal due date will be September 10<sup>th</sup>, 2020.



4. With respect to both Full Requirements and Partial Requirements proposals, the RFP states that “proposals shall include . . . services required of a Load Serving Entity (“LSE”) in MISO *and a Cooperative operating in Louisiana.*” See RFP at 13 and 14. With respect to the services required of a cooperative operating in Louisiana, please clarify that (1) such referenced services are wholesale in nature only and do not refer to retail electric services provided by the cooperatives to their members, and (2) to which Louisiana-specific Cooperative requirements the Cooperatives are referring.
- A. (1) Yes, the referenced services are wholesale in nature and do not refer to retail electric service provided to the members of the Cooperatives. (2) The referenced description in the RFP is a comprehensive statement that all bids must result in power purchase agreements and delivery in compliance with all laws of the state, including but not limited to La. R.S. 12:401 et seq. and La R.S. 45:1 et seq., and all orders of the Louisiana Public Service Commission.

5. Please clarify the meaning of the statement (on page 14) that the Cooperatives will “require a full requirements exception in the event the Cooperative pursues a new large load or other economic development program that may result in the addition of significant new energy requirement.” What is the nature of such an “exception?”
  - A. The Cooperatives are seeking the option to supply retail energy to potential new large load additions with technical and commercial terms that may be different than the full requirements contract. The Cooperatives have no known potential for new large load additions at this time.

6. Please clarify the meaning of the request (on page 14) that “respondents provide some level of flexibility to purchase, own, generate or operate renewable energy, dispersed energy resources, demand response programs, and distributed energy resources and technologies.”
  - A. The Cooperatives are seeking flexibility to purchase, own, generate or operate renewable energy, dispersed energy resources, demand response programs, and distributed energy resources and technologies. The Cooperative’s desire to have the flexibility to implement and utilize distributed energy resources and programs without restrictions from their wholesale power contract(s).

7. Please clarify the meaning of the statement that Partial Requirements PPAs may allow for the Cooperative to “procure, own, generate, or operate, distributed and wholesale power supply resources and . . . be responsible to schedule and deliver capacity and energy from such resources to the Partial Requirements supplier.” See RFP at 14.
  - A. A Partial Requirements supplier will have the primary role of supplying the cooperatives with energy, capacity, and energy management services and the Cooperatives will have defined ability to enter other third-party supply contracts under defined methods within the Partial Requirements contract. The Partial Requirements supplier will have responsibility for incorporating the third-party supply into the Cooperative's total power supply.

8. Will the Cooperatives publish a list of participants in and questions raised at the Technical Conference?
  - A. No, a list of participants will not be published. DEMCO and JDEC will seek to respond to questions during the meeting and will post questions and answers publicly to the RFP Website.

9. The RFP only allows 49 calendar days from selection and notification of Part Two Suppliers (11/20/2020) to the Part Two Revised Proposals Due Date (1/8/2021). RFP at 13. Would the Cooperatives consider modifying the schedule to allow for more time for substantive negotiations between back-and-forth bilateral negotiation, which will require analysis on the part of both the Cooperatives and the potential supplier?
  - A. The Part Two schedule is subject to change based on the results of Part One. No change will be made at this time. However, the request to included additional time will be considered if and when the Part Two schedule is revised.

10. On page 9, the RFP states that “Value and Economic Attractiveness” will evaluate a “proposal’s impact to the 15-year Net Present Value [NPV] of the Cooperatives['] cost of power.” However, most of the products sought in the “Scope of Supply” state a preference for maximum terms of 10 years. See RFP at 14 and 15. Would the NPV evaluation be tailored to preferred tenor of the product offered, or will all products be evaluated based on their impact on the 15-year NPV of the Cooperatives’ cost of power without regard to the tenor of the offer?
- A. A product by product evaluation will be performed tailored to preferred tenor of the product offered. In addition, a second evaluation will be performed to evaluate the products based on their impact on the 15-year NPV of the Cooperative’s cost of power without regard to the tenor of the offer.

11. At page 9, RFP states that for “comparison and evaluation purposes, the Cooperatives will adopt a market cost of power and market risk exposure baseline. . . . to evaluate Proposals based on reasonable forecast and assumptions of the Cooperatives requirements, the cost of capacity, and the cost of energy, and other services and fees.” Will the Cooperatives allow for discussion and stakeholder input regarding this baseline and its methodology in order to reach some level of consensus regarding a realistic, attainable reference before the final RFP is issued?
  - A. The Cooperatives have procured a third-party market study and forecast from PA Consulting to be used as the baseline. The baseline will be updated based on the conditions at the time of the proposals. Products and proposals will be evaluated in comparison to each other and against the baseline. Stakeholders will not have input regarding the baseline. All proposals will be evaluated to the same baseline.



12. The RFP states that the proposal shall remain valid “for the later of the date of the award or one hundred and eighty (180) days following the deadline date for submissions.” See RFP at 20. This requirement has the potential and likelihood to add considerable cost to the responses to compensate for potential market moves that occur during the 180-day period. Will the Cooperatives allow for reasonable and justifiable price adjustments between proposal submission and subsequent deadlines and or awards?

A. The Cooperative’s require the Part One proposals remain firm for 180 days. However, the scheduled duration of Part One is anticipated to be less than 180 days, currently scheduled from August 31, 2020 to November 20, 2020. Based on changes to market conditions and/or the RFP process or schedule, the Cooperatives may request or allow Suppliers to re-submit revised proposal pricing.

13. Will the Cooperatives' historic energy and energy requirements forecast along with history of energy received from SWPA be provided at the hourly data frequency? See RFP at 16.
- A. Yes, this information will be provided once the NDA has been executed by all parties. With regards to SWPA, we are providing annual and monthly values along with an approximate percentage range of the system energy so Suppliers will have a magnitude of the energy.

14. Will the load forecast used to in the RFP Part One Scorecard be the same load forecast provided to respondents that execute the NDA?

A. Yes, the forecast is the same. The load forecast is subject to change based on new information. Any update to the load forecast will be provided to all suppliers remaining in the process at the time of the update.

15. Will the load forecast that is provided to RFP respondents and used in the Part One Scorecard be prepared by the Cooperatives?

A. Yes.

16. If we will not be needing any confidential or proprietary information such as load data or load profiles from either DEMCO or JDEC, will we need to sign the NDA in order to submit our RFP response offer?
- A. The Cooperatives request all potential suppliers sign because future information shared could be proprietary. The information that is already in the public domain or that is not proprietary will NOT be subject to the NDA. This is standard procedure for all suppliers in the MBM process.

17. Regarding the Supplier/Bidder Qualification scorecard criteria at page 10-11 of the Draft RFP, is it preferred that the history and experience is: (a) with “wholesale” supply, and (b) in the “MISO South” delivery area?
- A. Supplier qualifications are scored based on the relevant history and experience as well as their financial and legal ability to satisfy the requirements of the intended PPA. As an example, a supplier with more history and experience with a specific product may receive more points than a supplier with less history and experience proposing the same product. In addition, factors such as location may also be relevant to the cost and economic evaluation due to factors such as transmission congestion and MISO Planning Reserve requirements.

18. Regarding the requirement at page 20 of the Draft RFP that all provisions in Supplier's Proposals, including any estimated or projected costs or price, shall remain valid for the later of the date of award or 180 days following the deadline date for submissions, please identify whether such requirement applies for: (a) Part One Proposals, or (b) Part Two Revised Proposals, or (c) both?
- A. The Cooperative's require the Part One proposals remain firm for 180 days. The initial 180 days is required for Part One proposals. However, the scheduled duration of Part One is anticipated to be less than 180 days, currently scheduled from August 31, 2020 to November 20, 2020. Based on changes to market conditions and/or the RFP process or schedule, the Cooperatives may request or allow Suppliers to re-submit revised proposal pricing. Supplier's participating in Part Two may be requested to revise proposal pricing and hold such pricing firm for sufficient time to allow the completion of Part Two processes.

19. Regarding the requirement at page 18 of the Draft RFP for remedy of non-conforming bids within three business days after the proposal submission deadline, please confirm that the three business days shall commence to run from the date of notification of the non-conformity.

A. Confirmed.



20. MISO is the transmission system reliability coordinator but has no obligation to construct or acquire generating capacity that is necessary to support long-term reliability. Please confirm that it is a requirement of DEMCO and JDEC that any successful bidder selected from this RFP will be required to provide capacity and/or energy products to serve Cooperative load from a portfolio of physical resources registered to participate in and supply capacity and energy into the MISO market. Please also identify what portion, if any, of its long-term supply portfolio DEMCO and JDEC intends to procure directly from the MISO capacity auction in the form of ZRCs without any long-term contracts with the underlying physical resources participating in the PRA.
- A. Question received just prior to the Conference. Initial verbal response will be provided at the Conference with final written response provided via the RFP website.

21. The MBM Order states the purpose of the process is to provide reliable service at the lowest reasonable cost, while allowing for the use of other public interest project selection criteria. Please explain how a 10% weighting for the ability of the proposed product to “provide capacity and energy to meet the requirements of the Cooperative in terms of size, shape, duration, availability, capacity factor, deliverability, reliability and operating capability” balances the objectives of reliable service and lowest reasonable cost
  - A. Question received just prior to the Conference. Initial verbal response will be provided at the Conference with final written response provided via the RFP website.

22. The full requirements product description requires an exception in the event the Cooperative pursues a new large load or other economic development program that may result in the addition of significant new energy requirements.

- a) Please define the threshold for “significant new energy requirements”
- b) Please explain the process that will be utilized to solicit new supply and whether Commission approval of such new supply agreement will be required.

A. Question received just prior to the Conference. Initial verbal response will be provided at the Conference with final written response provided via the RFP website.

23. Page 18 of the RFP indicates that non-conforming proposals may be given 3 days from the submission deadline to cure the defect in the proposal. Will any notice be given to bidder that a proposal is non-conforming and, if so, when will such notice be given relative to the three day deadline.
- A. Question received just prior to the Conference. Initial verbal response will be provided at the Conference with final written response provided via the RFP website.

24. Please explain the steps that will be taken to mask the identity of bidders during the evaluation process.
- A. Question received just prior to the Conference. Initial verbal response will be provided at the Conference with final written response provided via the RFP website.

25. Please explain the role that the Dixie Electric and Jefferson Davis will play in the receipt of proposal information and evaluation process, as compared to the role of EnerVision.
- A. Question received just prior to the Conference. Initial verbal response will be provided at the Conference with final written response provided via the RFP website.

26. If a bidder submits separate proposals to Dixie Electric and Jefferson Davis, please explain whether the cooperatives will have access to both proposals and, if not, the steps that will be taken to ensure one cooperative does not have access to proposals submitted to the other cooperative.

A. Question received just prior to the Conference. Initial verbal response will be provided at the Conference with final written response provided via the RFP website.

27. Please identify the date that comments are due on the Draft RFP.

- A. Please submit Supplier questions by July 17<sup>th</sup>. Comments received after July 17<sup>th</sup> may not be considered in connection with the publication of the final RFP. However, Supplier's are encouraged to send questions, comments or issues at any time. The Cooperative's will respond appropriately depending on the nature of the comment, question, or issue.



## 28. Confidentiality Agreements, Mutual Non-Disclosure Agreement

- A. DEMCO and JDEC have received comments and proposed changes to the NDA included in the RFP. DEMCO and JDEC will continue to collect proposed changes until July 17<sup>th</sup>. DEMCO and JDEC will attempt to accommodate requested changes and will include any changes in revised NDA to be posted to the RFP website and included with the final RFP. DEMCO and JDEC will require that Suppliers execute the standard form of this final NDA without any changes.

# Conference Participation Guidance

Open session to review the RFP  
and for interested participants  
to have the opportunity to ask  
questions and make  
suggestions

- All questions are welcome



Use Zoom Raise Your Hand feature to notify meeting host of your desire to comment or ask a question. Name and image may be displayed to other participants.

- Use the Webinar Q&A tool to submit a question.
- Use RFP email (DEMCO\_JDEC\_RFP@enervision-inc.com) during the meeting to submit questions
- Anonymous emails may be sent to Jaclyn Penzo at the LPSC at "Jaclyn.Penzo@la.gov"
- DEMCO/JDEC will strive to respond either today or in writing following the meeting
- Formal Q&A response will be posted to the RFP website:
  - <https://enervision-inc.com/demjefrfp/>
- RFP will be updated to incorporate any changes
- Final RFP will be filed with the LPSC and posted to the RFP website



# Closing Remarks

DEMCO and JDEC recognize the cost and time involved in responding to an RFP of this magnitude and are grateful for the effort placed into the response and commitment of resources



# Thank You!

We look forward to receiving your proposal