

September 12, 2017

**BY HAND DELIVERY**

Jason Rogers Williams  
Councilmember  
City Hall, Room 2W50  
1300 Perdido Street  
New Orleans, LA 70112

Re: DSM Potential Study RFQ

Dear Chair Williams:

As you are aware, the Council's Advisors have submitted to the UCTTC for its consideration at the upcoming September 15th meeting a Request for Qualifications Statements ("RFQ") for the selection of an independent consultant by the Council to perform a Demand Side Potential Study ("Study"). As part of an open and transparent process, the Council encouraged parties with comments regarding the RFQ to file them in Council Docket UD-17-03. Both the Alliance for Affordable Energy ("AAE" or "Alliance") and Entergy New Orleans, Inc. ("ENO") filed comments and the AAE went so far as to file its own draft of a Request for Proposal it seeks to have the Council issue.

After the Advisors accepted 73 out of the 82 recommendations of those submitted by AAE in its comments, the Advisors received an email from the AAE at 4:51 PM on Friday September 8th which provided another AAE mark up to a draft of the Advisor's RFQ - which earlier draft was only circulated internally among the Advisors and to CURO by legal counsel. AAE's markup contained 126 changes in 14 pages of the RFQ! We understand that the Alliance's draft may have been circulated to you and possibly additional Councilmembers (as is suggested in the communication your office forwarded to us from the Alliance dated September 12, 2017, attached hereto as Exhibit A), but to the best of the Advisors' knowledge as of the drafting of this letter, the Alliance has not yet filed its further comments into the docket or served them upon parties on the service list, so we are attaching a copy of the communication we received as Attachment B so that it is clear what this letter responds to.

AAE is continuing to sponsor a consistent theme in its latest attempt at circumventing the Council's recently adopted IRP Rules. AAE creates its own new definition of DSM and redefines the scope of the DSM Potential Study in a manner which, if accepted by the Council, will require a complete revision to the Council's IRP Rules (already amended once at the request of the AAE) and a suspension of the 2019 IRP preparation in Docket UD-17-03 in order to ensure that the DSM Potential Study produced can be incorporated into the larger IRP process. We find it difficult to believe that with the adoption of the Initiating Resolution (R-17-430) and the current IRP cycle already in progress - that the Council is now confronted with major changes to the IRP Rules proposed by the AAE. And yet here we are only days before the UCTTC meeting with still another "bite out of the apple" by the AAE to force changes to the DSM RFQ that are still not appropriate. For AAE to seek now to effectively have the IRP Rules changed through the issuance of an RFQ rather than through the Council's rulemaking process is inappropriate and unfair to the parties to the rulemaking docket who abided by the procedural schedules and rulings

that the Council made in that proceeding and denies them the opportunity to comment on AAE's further proposed changes to the rules. It will also create confusion as to how the results of a redefined DSM Potential Study can be incorporated into the larger IRP process in compliance with the IRP Rules. If the Council wishes to further modify the IRP Rules, then rather than doing so through the issuance of an RFQ, it should suspend the IRP procedural schedule and issuance of the RFQ and re-open the IRP rulemaking docket so that further changes to the rules can be considered and commented upon by all parties prior to the Council's decision to modify the rules.

The first set of comments on the IRP Rules were filed in February 2017 and Responses to Comments were filed in May 2017. On Friday, Aug 25, 2017, the AAE received a comparison chart prepared by the Advisors explaining whether and how each of AAE's 82 request for changes were incorporated into the RFQ and if not, why not. Nonetheless, the Advisors worked throughout this past weekend to again analyze for a second time the latest AAE RFQ redline which contains the same major issues addressed and responded to in the Advisors' August 25 chart.

AAE Still Insists on an RFQ in Conflict with the IRP Rules.

AAE has refused to comment on the Advisors' August 25 chart explaining that the AAE proposal regarding customer-owned distributed energy resources ("DER") was not included in the scope of the DSM Potential Study because it was in direct conflict with the IRP Rules, and that DER was included in other sections of the IRP Rules. Instead, the AAE RFQ redline ignores the IRP Rules and continues to propose that battery storage and customer owned DER be included in the DSM Potential Study, greatly expanding the Study scope (and cost) in violation of the IRP Rules.

The Advisors strongly support the expansion of customer-owned DER in New Orleans, and were aggressive in following the Council's direction in opening Docket UD-13-02 to examine the potential of customer-owned renewables and DER in response to the same concerns originating from ENO's previous IRPs. Consistent with the intent of Docket UD-13-02, the Advisors insured that customer-owned DER was included in the IRP process when drafting the IRP Rules. The Advisors Draft RFQ is consistent with the IRP Rules by including energy efficiency and demand response in the DSM Potential Study, utility-owned storage and renewable under utility supply resources, and customer-owned DER as a component of the load forecast. Those definitions have been consistently maintained through 9 Energy Smart DSM program years and two successive IRP's without any major stakeholder efforts for a redefinition. Moreover, the Advisors note that in the AAE's May 25, 2017 filing regarding the draft proposed rules, the AAE did not raise any challenge to the relevant sections of the IRP Rules, specifically to redefine where battery storage and distributed energy resources would be examined in the IRP process.

It is clear that the Alliance is looking to expand the Study considerably beyond the scope of the study called for under the IRP Rules by having it evaluate whether the Council should offer incentives for rooftop solar (which would have to take the net metering tariff into account), battery storage and customer-sited combined heat and power. AAE specifically calls for assessing DSM potential beyond the Council's role as a utility regulator including examining municipal building energy use, lead-by-example government programs, energy efficiency for the Sewerage and Water Board, etc. - a significantly expanded role for the DSM potential study that would not be consistent with the IRP process.

That the AAE should now seek to effectively change the IRP Rules through an RFQ issuance rather than through a Council rulemaking proceeding is entirely inappropriate. Without a new rulemaking proceeding, this improper AAE proposal would lead to considerable confusion as to whether such resources have been properly accounted for and a significant risk that such resources would be double-counted, which

would undermine the value of both the DSM Potential Study and the overall IRP analysis. The proper approach as outlined in the Council's IRP Rules is to insure a thorough examination of customer-owned DER as components of the load forecast. That comprehensive examination of customer-owned DER could include all of the detailed analytics proposed by AAE.

#### Scope of Stakeholder Participation

The AAE redline proposes active involvement by stakeholders (but ENO is not included). The Advisors do not argue against "active involvement" by intervenors, but note that the Council has stated that it intends for this study to be independent and unbiased, not directed by AAE. The consultant selected by the Council is entrusted with the responsibility to insure that the directive for independence and an unbiased analysis is followed while adhering to a strict budget and relatively short timeline constrained by the IRP process. To that end, the draft RFQ states that the consultant's experts propose to the Council the stakeholder processes that they believe are consistent with industry best practices in their independent judgement. Once the Council has selected a respondent, it has the opportunity to make further adjustments to the scope of work, including the stakeholder process, through the contract negotiations with the chosen respondent.

The Advisors have consistently advocated for an open and transparent in the IRP process and the Council's IRP Rules already incorporate greater transparency and Stakeholder input than is required under the Arkansas IRP Rules so frequently cited by AAE. The Council's IRP Rules actually require ENO to run a modeling optimization based solely on a stakeholder planning strategy.

And yet, despite the ability to create its own IRP strategy as part of the IRP Rules, AAE demands that it be provided executable copies of the consultant's proprietary models and receive training on the model(s) - all at rate payer expense!

#### AAE Proposes that the DSM Consultant's Role be Dramatically Expanded to also Review the IRP

The AAE proposes that the DSM consultant should review the IRP analysis to determine whether the DSM Potential Study findings are "fully and fairly" incorporated into the IRP, since the AAE is concerned that the IRP analysis will be biased against DSM. This flies in the face of the very reason the Council elected to retain its own independent DSM Study consultant! Furthermore, such a requirement is well outside the scope of any Study and would dramatically expand the role of the consultant and the accompanying cost, since AAE desires such cost to be excluded from the cost estimate and be billed to the Council on a time and materials basis. The IRP Rules have been carefully crafted to insure a level playing field in the evaluation of all resources and such expansion of an unrelated Study task would certainly greatly increase the cost to ratepayers.

The Advisors' proposed RFQ adheres to the IRP Rules such that all DSM that is screened as cost-effective is input into the IRP process for equal treatment with all resources. If the AAE believes that the IRP Rules are biased against DSM, then the AAE has had many opportunities to provide specific proposals to the IRP Rules to remedy such bias. Furthermore, the transparency of the IRP process itself provides many opportunities to evaluate the treatment of DSM in the IRP analytics. We also note that the area of greatest concern in the past has not been over how the DSM Potential Study results are modeled in the IRP analysis, but rather, over the results themselves. Once the DSM Potential Study has been completed by the independent consultant, there is no opportunity for ENO to "put its thumb on the scale." Moreover, the Advisors will be actively engaged in the entire IRP process and, as in the past, will bring any problems with the IRP and its process to the Council's attention.

## The DSM Potential Study is not a Stand Alone Guide to Inform Council Policy Making

The DSM Potential Study's purpose is to provide an input to the IRP process regarding potential DSM resources. It is important to note that the DSM Potential Study is only one input into the IRP optimization of resources and the Council's decision-making process. It cannot shape Council policy standing alone. The AAE's position infers that it is the sole source to support Council policy regarding the 2% DSM target. That inference is incorrect – the DSM Potential Study must be viewed in relation to all of the other resources input into the IRP analysis -- the costs, benefits, and characteristics of all supply-side resources and of transmission and distribution measures must be considered alongside the potential DSM measures if the Council is to have complete information regarding the resources options for supplying electricity to the City.

Once again, the draft RFQ for the DSM Potential Study has been modified to include AAE proposals which are not in conflict with the IRP Rules and which will not jeopardize the independence and unbiased results of the Study. We have attached a draft redline of the DSM Potential Study RFQ as Attachment C to illustrate the changes we are recommending after review of the Alliance's September 8, proposals. The Advisors strongly recommend the adoption by the UCTTC of the clean version of the draft RFQ included herewith as Attachment D in compliance with the Council's IRP Rules.

Sincerely,



Clinton A. Vince  
Joseph A. Vumbaco  
Walter J. Wilkerson, Jr.

CAV/dpm  
Attachments

cc: All Councilmembers (*via e-mail*)  
Official Service List for UD-17-03 (*via e-mail*)

## **ATTACHMENT A**

AAE email to Keith Lampkin and Jason Williams  
dated September 12, 2017

## Hand, Emma F.

---

**From:** Basile J. Uddo <buddo@earthlink.net>  
**Sent:** Tuesday, September 12, 2017 8:44 AM  
**To:** Vince, Clinton A.; Reed, Jr., Presley R.; Hand, Emma F.; Beatmann, Jay; Jeff Wilkerson; Joe Vumbaco  
**Subject:** FW: DSM Study RFQ Toplines with Specific Language Recommendations

FYI

-----Forwarded Message-----

From: "Keith D. Lampkin"  
Sent: Sep 12, 2017 8:40 AM  
To: "Basile J. Uddo"  
Subject: FW: DSM Study RFQ Toplines with Specific Language Recommendations

**From:** Forest Bradley-Wright [mailto:forest@all4energy.org]  
**Sent:** Tuesday, September 12, 2017 7:11 AM  
**To:** Keith D. Lampkin <kdlampkin@nola.gov>; Jason R. Williams <jarwilliams@nola.gov>  
**Subject:** Fwd: DSM Study RFQ Toplines with Specific Language Recommendations

Hi Keith,

I spoke with Jonathan Harris late yesterday afternoon and discussed matching up the topline email I sent yesterday with our specific language recommendations in the draft RFQ. I thought you might also find it of value. The portions in blue and purple are what I have added. There are a handful of other language modification that we feel are important, but they are granular and would make more sense to discuss with the Advisors. I hope this is helpful. Please let me know if you have any questions. Thank you again.

Best, Forest

Key Points:

- **A Comprehensive Scope** to the study should include - energy efficiency, demand response, customer-sited distributed energy resources like solar and combined heat and power, battery storage, conservation voltage regulation, and rate design like those enabled with Advanced Metering Infrastructure (AMI). The Consultant should also provide the Council with insight into City policy and lead-by-example DSM opportunities along with estimates of naturally occurring DSM related to load forecasting. We recommend that bidders distinguish between costs for these components to enable the Council to ensure expenditures are in line with your priorities and the work will be within budget.

- (I.6) For the purposes of this study DSM activities to be analyzed will include energy efficiency ("EE") and demand response ("DR") measures, customer-sited DER (including solar and CHP), battery storage, rate design, and CVR.
- (I.5) Review of Naturally Occurring Conservation and Customer-Sited Battery Storage and Distributed Energy Resources in the Entergy New Orleans Forecast
- To inform baseline assumptions on efficiency, demand response, battery storage, and customer sited generation, the RFP response will describe how it will incorporate and address embedded naturally occurring conservation in the ENO forecast in its projections of DSM potential for energy efficiency and demand response. Similarly, the RFP response will describe how it incorporates ENO's estimates of customer sited distributed energy resources (DER) and battery storage into its projections.

For Evaluation Criteria:

Clear understanding by the respondent of work to be performed, and appropriateness of the proposed methodology including but not limited to capability to assess the costs and savings of energy efficiency, demand response, customer-sited battery storage and distributed energy resources including solar and combined

heat and power, rate design, and conservation voltage regulation; as well as expertise in including demand side resources into integrated resource planning models.

- **Transparency and participation** are already emphasized as priorities in the RFQ. This should include a **Kickoff Meeting** followed by a final Workplan - if this step is skipped or poorly handled it can be very difficult (in time and money) to ever get the study back on track. **Intervenors should be afforded the opportunity to review and provide feedback** on mid-course work product, including but not limited to the Study draft report - this increases accuracy and channels engagement towards improving the study, rather than critiquing it after the fact. The Consultant will use their professional judgement on how to incorporate such feedback, while recognizing that the Council values stakeholder contributions. The Council should indicate their desire to **Retain a Workable Model** upon conclusion of the Study to aid in future DSM potential analysis and decision making. The Consultant can be given the opportunity to state any special considerations regarding proprietary information or other issues that may affect the feasibility of providing the workable model.

(I.A.1) At the discretion of the Council, the selected DSM Consultant will make itself available to participate in a Kick-off meeting with the City Council, its Advisors, and stakeholders within ten business days of project initiation. The purpose of this meeting will be to review and discuss the proposed scope of work, timeline and deliverables, data availability from ENO, and lines of communication with the Council and its Advisors. Based on discussions at, and outcomes from, this meeting the DSM Consultant will provide a draft Study Workplan. After incorporating Council, Advisors, and stakeholder feedback on the draft Workplan, the DSM Consultant will submit to the Council a final Study Workplan. Respondents are asked to provide a separate budget for time, travel, and expenses associated with participating in a Kickoff meeting.

(I.A.3)• At project completion, the DSM Consultant will provide a working version of the tool to the Council, its Advisors and to other pre-agreed to parties to allow other Potential scenarios to be run in the future. The DSM Consultant will also provide training on the models use. The RFQ response will discuss any limitations to the tool provided, e.g., hidden or locked tabs or cells to protect proprietary information or algorithms.

- **DSM Consultant Should Present their Qualifications for Integration of DSM Study into IRP analysis.** The DSM Consultant has specialized expertise that may prove invaluable to ensure study findings are accurately incorporated into the IRP modeling when DSM competes directly against supply resources. By having the Consultant demonstrate their qualifications and provide rates, the Council will have the option of enlisting the Consultant's specialized DSM expertise in the corresponding targeted areas of the 2018 IRP cycle. This increases, not replaces, the Council's current Advising capacity while retaining maximum flexibility and budget control.

(I.D)• After the completion of the DSM Potential Study, the DSM Consultant may be retained by the Council to assist with and review the incorporation of the Study results into the planning process for the 2018 Triennial IRP. Each respondent is to include in its submittal a clear and concise statement of those personnel and firm resources, including hourly rates, for which it is willing and can commit to make available for the Council's regulatory activities during such period. This support will be billed to the Council on a time and materials basis and the respondent should not include an estimate of these costs in its DSM Potential Study cost estimate.

### **Length of Contract**

The contract will extend through the completion of the DSM Potential Study and incorporation of the Study results into the planning process for the 2018 Triennial IRP at the discretion of the Council. Each respondent is to include in its submittal a clear and concise statement of those personnel and firm resources for which it is willing and can commit to make available for the Council's regulatory activities during such period.

- **DSM Consultant and ENO Complimentary Roles** - The DSM Consultant is responsible for developing inputs associated with optimization of each component of the comprehensive scope with a focus on the customer-side of the meter and estimating naturally occurring DSM related to load forecasting. This complements and does not conflict with ENO's role evaluating such technologies on the utility-side of the meter, and ensures there is no double counting of savings (nor omissions of key resource data).

I do not think that specific language is required in the RFP related to this point, but provide the following to assuage what seems to have been an area of concern for the Advisors:

*The Demand Side Management Potential Study informs, but does not replace analysis tasked to Entergy New Orleans in the 2018 IRP, nor does it supplant the roles and contributions of the Parties. In this regard, the information produced through the Demand Side Management Study and its uses are complimentary to the other related activities in the IRP. Thus, each DSM resource that passes cost effectiveness screening requirements in the DSM Potential Study, including (but not limited to) utility energy efficiency and demand response programs, rate structures, and customer sited batteries and distributed energy resources, will be input into the Aurora software modeling to compete against utility supply resources. Similarly, the DSM consultant will provide assumptions associated with DSM baselines and naturally occurring DSM projections to be incorporated into ENO load forecasts. In each of these activity areas, there is a clear delegation of responsibility and a hand-off from the DSM consultant to ENO for incorporation into the Aurora competitive resource modeling process. In each of these areas the DSM consultant is the best qualified and suited to perform their role.*

The primary distinction between DSM Consultant analysis and ENO responsibilities relates to which side of the meter the resource is on. If it is on the customer side of the meter it is Demand Side Management and will be analyzed by the DSM consultant and prepared as an input for IRP modeling - the one exception is Conservation Voltage Regulation, which is on the utility side of the meter but we recommend be analyzed by the DSM consultant. Otherwise, if a resource is on the utility side of the meter, ENO develops the inputs.

Basile J. Uddo

Attorney at Law

504-834-1819

504-583-8604 (mobile)

CONFIDENTIALITY STATEMENT: This email may be confidential and protected by legal privilege. If you are not the intended recipient, disclosure, copying, distribution and use are prohibited; please notify me immediately and delete this copy from your system.



## **ATTACHMENT B**

AAE Comments of September 8, 2017

## **Alliance for Affordable Energy DSM Potential Study Draft RFQ Response**

In 2007, the New Orleans City Council established its commitment to energy efficiency in Resolution R-07-600, which expressed its intention to “identify cost-effective energy efficiency potential in conjunction with its ratemaking authority and responsibility” and to “set energy savings goals consistent with the cost-effective potential.”<sup>1</sup> Since that time, three Integrated Resource Planning cycles have taken place and each time serious issues emerged with respect to the utility’s assessment and inclusion of demand side management (DSM) in its resource modeling analysis. By choosing to independently hire a consultant to evaluate New Orleans’ DSM potential at their July 26<sup>th</sup>, 2017 Utility Committee meeting, the Council has taken a new approach that can overcome the issues with previous utility analysis, improve the accuracy of DSM analysis in the 2018 IRP cycle, and inform Council decision making related to DSM opportunities and goals.

Demand Side Management has evolved in recent years following significant price drops in some technologies and effective new strategies used by regulators across the country to reduce traditional centralized utility supply resources and to better meet the needs of customers in the 21<sup>st</sup> Century. This evolution in the use of DSM resources corresponds with dynamic changes taking place throughout the electric utility sector and DSM represents one of the most affordable and flexible set of resource choices at a time when customers are being asked to pay for major investments in power generation and grid infrastructure.

At their core, Demand Side Management Potential Studies identify cost effective opportunities to reduce the use of more expensive traditional centralized generating resources and enable accurate comparison among possible traditional and alternative resource additions. Both energy and demand savings are examined in DSM potential studies. Once completed, the findings from this study will directly inform the inputs used for DSM in the 2018 IRP resource modeling analysis.

### **I. A Full Evaluation of Demand Side Management Potential**

In addition to traditional utility energy efficiency and demand response programs, DSM resources now include distributed energy resources (DER) such as customer sited solar and combined heat and power, battery storage, and rate structures such as those enabled by advanced metering infrastructure. Battery storage, rate structures, and DER have been successfully deployed in many jurisdictions across the country, are proven to reduce customer demand, and serve as potential alternatives to utility power supply.

New Orleans already has 37 MW of customer sited solar power demonstrating strong market demand and the potential to leverage private non-ratepayer dollars to bring significant quantities of new capacity online. Evaluation of the potential to incentivize additional private investment in customer sited solar energy resources represents a

---

<sup>1</sup> New Orleans City Council Resolution R-07-600, “Resolution Asserting the Commitment of the Council of the City of New Orleans to Energy Efficiency and the Development of a Viable Energy Efficiency Program, December 6, 2007 at 3.

significant opportunity to offset the need for traditional utility generation while cost effectively increasing the amount of clean renewable energy serving our city.

Like the precipitous declines in solar prices over the past five years, battery storage technology has become a game changer on the customer side of the meter. The modular design of battery systems allows for many megawatts of capacity to be deployed and distributed strategically throughout existing grid infrastructure and can address specific bottlenecks and spikes within conventional transmission and distribution systems. Battery systems are particularly effective for demand side management as they can be deployed quickly and have response times that are more rapid than traditional utility supply. As with customer sited solar, the potential for expansion in battery technology deployment can be funded through a combination of non-ratepayer private capital and utility investment.

Similarly, customer sited combined heat and power (CHP) opportunities should also be explicitly addressed by the Study. CHP may represent a significant electricity savings opportunity for those commercial and industrial facilities with large thermal loads for heating, hot water, and/or industrial processes. These customer-sited demand modifying resources are not optimized in Entergy's IRP modeling software or subsequent analysis, and would be best evaluated by an independent DSM expert.

The use of these resources is not theoretical as they now represent an increasingly common and important part of modern utility resource system planning. As with current Energy Smart programs, the leveraging of private, non-ratepayer funds for installation of customer sited and customer owned energy resources reduces utility revenue requirements and lowers costs for all customers and should therefore be allowed to compete against utility supply resources. However, the current draft DSM Potential Study solicitation does not include these demand side resources and should therefore be amended.

Moreover, while there are instances in which utilities acquire similar technologies to directly supply the grid, the DSM Potential Study is concerned with optimization of these technology applications on the customer side of the meter, which fall outside, but are complimentary to, ENO's responsibilities in the IRP rules. Even where ENO might include customer side DER and battery storage resources in load forecasts, such assumptions would be unnecessarily restricted to business as usual projections, which could substantially undervalue these resources.<sup>2</sup> Instead, DER and battery storage warrant analysis as an acquirable resource for which price and market penetration potential should be evaluated. As with energy efficiency programs such as Energy Smart's Home Performance with ENERGY STAR and AC tuneups, battery storage and DERs are demand modifying energy resources.<sup>3</sup> To the extent they are deemed economical they ought to displace more expensive forms of utility supply, since this would in turn reduce overall cost to customers. Because these resources compete with utility power supply and are specialized beyond the Council Advisors' areas of expertise, the independent DSM consultant is the best party to conduct analysis on their

---

<sup>2</sup> Additionally, ENO has argued the DSM consultant should not be allowed to review the load forecast in the IRP.

<sup>3</sup> That the utility itself has in previous IRP cycles counted customer sited solar as a demand reduction validates their evaluation as a DSM resource.

potential.<sup>45</sup> Similarly, while rate structures are mentioned in a bullet<sup>6</sup> further in the draft DSM Potential Study solicitation, including them at the top as a core DSM resource component is also warranted.<sup>7</sup> Each of these resources are an important part of modern utility regulation for resource planning and would represent a significant blind spot in the Council's understanding of DSM potential if there were not included in the RFQ.

Additionally, Conservation Voltage Regulation, naturally occurring DSM (such as those resulting from changes to federal efficiency standards), and a range of relevant City policy and lead-by-example actions further inform our understanding of the impact DSM may have on future demand and energy needs in New Orleans.

Conservation Voltage Reduction (CVR) is a means by which utilities more precisely regulate the voltage of the electricity in their distribution system that is delivered to their customers. This yields savings to customers and to the system as a whole. While arguably this could be considered a distribution system maintenance activity, increasingly utilities are including CVR activities in their efficiency efforts. Failure to consider CVR in the Potential Study would leave potentially significant savings unreported.

Changes in federal efficiency standards baselines, technology prices, and consumer behavior are expected to lead to significant energy savings and corresponding reductions of utility supply needs independent of those funded through utility DSM programs. Within the IRP, such savings would be reflected in load forecasts, rather than compete against utility supply resources, but it is important that they be separately identified to compliment our understanding of the potential effects of DSM over the IRP period.

Another part of assessing DSM potential includes identifying those savings that can be captured through exercising council decision-making authority beyond their role as utility regulators. Examples may include benchmarking of government and commercial buildings, lead-by-example programs for government buildings, policies for energy use and cost disclosure at the time of real estate transaction, and targeting efficiency opportunities in the operations of the Sewerage & Water Board. Understanding these opportunities compliments the identification of utility administered and naturally occurring DSM potential analysis and further informs future needs for utility supply against cost effective actions that could be taken by the City to reduce their own (and taxpayers) expenses, while also reducing ratepayer burden through DSM and correspondingly lower utility revenue requirement. The DSM consultant's responsibility would be to identify cost effective opportunities, estimate their potential and indicate the basic actions the Council could take to capture them.

---

<sup>4</sup> ENO is expected to analyze some aspects of battery storage and DERs in their forecasts but their assumptions are based on business as usual, while the DSM study analysis is evaluating maximum achievable potential. Moreover, it would be useful to assess the BAU assumptions used by ENO for consistency with the DSM study and compare them to the maximum achievable potential.

<sup>5</sup> Attachment A to the Alliance August 15<sup>th</sup> filing on this subject provides a good example of how these resources are evaluated.

<sup>6</sup> Draft RFQ, page 4 section 1.A.5

<sup>7</sup> Especially since 1) the council is likely preparing to approve a system wide implementation of AMI, which will support new rate structures. AND 2) ENO will file a combined rate case in 2018, and the information from this study should help inform rate structures considered.

We believe the DSM Consultant is the most qualified to assess and estimate the CVR naturally occurring DSM, and City action impacts and their projections should be incorporated or at least compared against Entergy's assumptions of embedded efficiency. At a minimum, there must be consistency between the baseline assumptions used for the DSM projections and those in the ENO load forecasts, and a characterization and quantification of the naturally occurring DSM savings should be provided in the study report.

It is only through this broader analysis that the Council, parties, and the public can gain a better understanding of the maximum achievable cost effective DSM potential and their implications for traditional utility supply resource needs. The scope we have proposed provides this broader view and is consistent with contemporary use of DSM technologies. Moreover, though ENO nominally is tasked with *including* these resources in their IRP analysis, they are not directed to *optimize* customer sited and customer owned resources against utility supplied resources, even if such resources would offset more expensive utility supply investments.

Each of these key components of the Demand Side Management Potential Study should be included in the solicitation, the scope of work, and the final workplan in a manner that is consistent with Council priorities and budgets. Therefore, the RFQ should be written in such a way as to distinguish cost apportionment between these resource components and the Council should retain the authority to work with the selected bidder to ensure that no single DSM component consumes too much of the available budgetary resources. In this way, the Council can avoid any particular research activity becoming a rabbit hole for time and resources without sacrificing comprehensiveness in the DSM Potential Study. The proposed Kick-off meeting, discussed below, and submission of a final Project Workplan should help ensure proper allocation of Study resources.

#### Inclusion of Commercial and Industrial Energy Efficiency

Nowhere in the IRP rules is there any limitation on inclusion of Commercial and Industrial DSM opportunities, nor has it ever been a questions in previous IRPs, yet it was not included in section I.B.1.a. We can see no reason why it would be in question as it relates to this RFP and the DSM study.

#### Proposed Language

- (I.5) Review of Naturally Occurring Conservation and Customer-Sited Battery Storage and Distributed Energy Resources in the Entergy New Orleans Forecast
- To inform baseline assumptions on efficiency, demand response, battery storage, and customer sited generation, the RFP response will describe how it will incorporate and address embedded naturally occurring conservation in the ENO forecast in its projections of DSM potential for energy efficiency and demand response. Similarly, the RFP response will describe how it incorporates ENO's estimates of customer sited distributed energy resources (DER) and battery storage into its projections.
- (I.6) For the purposes of this study DSM activities to be analyzed will include energy efficiency ("EE") and demand response ("DR") measures, customer-sited DER (including solar and CHP), battery storage, rate design, and CVR.

## **II. Complimentary Roles for the DSM Consultant and ENO in the IRP**

The Demand Side Management Potential Study informs, but does not replace analysis tasked to Entergy New Orleans in the 2018 IRP, nor does it supplant the roles and contributions of the Parties. In this regard, the information produced through the Demand Side Management Study and its uses are complimentary to the other related activities in the IRP. Thus, each DSM resource that passes cost effectiveness screening requirements in the DSM Potential Study, including (but not limited to) utility energy efficiency and demand response programs, rate structures, and customer sited batteries and distributed energy resources, will be input into the Aurora software modeling to compete against utility supply resources. Similarly, the DSM consultant will provide assumptions associated with DSM baselines and naturally occurring DSM projections to be incorporated into ENO load forecasts. In each of these activity areas, there is a clear delegation of responsibility and a hand-off from the DSM consultant to ENO for incorporation into the Aurora competitive resource modeling process. In each of these areas the DSM consultant is the best qualified and suited to perform their role.

The DSM consultant is responsible for identifying the full range of competitive DSM resources noted above and developing inputs and assumptions to be used in the Aurora modeling. They will also have specialized subject matter expertise needed to ensure that the incorporation of DSM into the IRP resource analysis is handled fairly and accurately. This oversight is critical, since experience with previous IRPs have shown a range of significant errors ranging from unconventional secondary screenings and program bundling to a failure to actually have DSM compete against potential supply side additions. We suggest that bidders include an indication of qualifications and rates associated with providing these services, though they should be offered on an as-needed capacity and be separate from the fixed budget for determining the DSM potential. These services are only for the 2018 IRP cycle, are specific to the analysis related to DSM resources, and should be complimentary to the role of the Council Advisors in the broader IRP.

### **Proposed Language – (Add to Section D)**

- After the completion of the DSM Potential Study, the DSM Consultant may be retained by the Council to assist with and review the incorporation of the Study results into the planning process for the 2018 Triennial IRP. Each respondent is to include in its submittal a clear and concise statement of those personnel and firm resources, including hourly rates, for which it is willing and can commit to make available for the Council's regulatory activities during such period. This support will be billed to the Council on a time and materials basis and the respondent should not include an estimate of these costs in its DSM Potential Study cost estimate.

### III. Non-Energy Benefits

We support the Council's decision to include consideration of social and environmental impacts in resource decision analysis and note that doing so in the DSM Potential Study<sup>8</sup> is a first step towards a more structured and comprehensive consideration of non-energy benefits (NEBs) in the IRP. We also recognize that decisions will need to be made with respect to the breadth, depth, and manner in which NEBs are incorporated into the DSM Study. Full inclusion of measure level NEBs will likely be constrained by the available budget and, in consideration of this, we offer the following recommendations.

First, the Council can indicate to bidders the opportunity to offer more than one approach to NEBs with corresponding budget options. Examples could include:

- Measure level quantification, though this will likely fall outside of the budget available for the proposed study
- A proxy multiplier applied at the sector or portfolio level
- Detailed analysis of NEBs for a limited number of high impact measures
- A more generalized structure for NEB identification, classification and interpretation that could serve as the basis for inclusion in the IRP comparison matrix and be further developed in the future

Further, we recommend that bidders provide specific responses as to how they would address NEBs for low income measures or programs. These customers suffer the highest energy burden as a percentage of income, and may require non-energy related physical improvements to address health and safety issues before efficiency measures can be installed.

#### Current Language

- (pg 10) A definition and illustrative calculation for all quantified benefits and costs (utility, participants, stakeholders, environmental/societal) for each cost-effectiveness screening test;

#### Proposed Language

- A definition and illustrative calculation for all quantified benefits and costs (utility, participants, stakeholders, environmental/societal) for each cost-effectiveness screening test. The bidder should discuss cost-efficient means to include non-energy benefits (NEBs) in the Study. Possible examples include:
  1. Measure level quantification, though this is likely beyond the budget available for the proposed study
  2. A proxy multiplier applied at the sector or portfolio level
  3. Detailed analysis of NEBs for a limited number of high impact measures

---

<sup>8</sup> Draft RFQ, C.1.e at 7 and C.4.a at 10

4. A more generalized structure for NEB identification, classification and interpretation that could serve as the basis for inclusion in the < Social and Environmental > IRP comparison matrix and be further develop in the future  
We note that the Council is particularly interested in the inclusion of low income NEBs;

#### **IV. RFQ Evaluation Criteria**

The criteria for evaluation should include the components indicated in the Advisor's draft,<sup>9</sup> but we think it important to note that particular emphasis should be placed on the consultant's capabilities and their proposal's clarity in demonstrating the strength of their approach to fully and accurately complete the multi-component requirements of this modern DSM study, including EE, DR, battery storage, rate design, DER for solar and CHP, and CVR. Additionally, their ability to understand and provide feedback on the incorporation of their findings into the IRP is essential.

**Proposed Language** – (Add to Selection Review Committee evaluation criteria)

- Capability to assess the costs and savings of energy efficiency, demand response, customer-sited battery storage and distributed energy resources including solar and combined heat and power, rate design, and conservation voltage regulation.
- Expertise in including demand side resources into integrated resource planning models

#### **Experience, Professional Judgment and Innovation**

While the Council must make their intentions, priorities, and expectations clear in the solicitation, the responding parties are able to further define and enhance the approach to conducting this study by drawing on their prior experience, professional judgment, and introducing innovations that will help achieve better, more complete, and accurate results. The Council's guidance and the consultant's expertise work together to strengthen the quality and usefulness of the final product.

#### **V. Kickoff Meeting and Final Workplan**

Optimization of DSM resources is among the most important components of a successful IRP process. A kickoff meeting serves numerous critical functions that can make the difference between success and failure in this regard and should therefore be prioritized as the first active step in the DSM Potential Study process.<sup>10</sup> The kickoff meeting provides an opportunity for the DSM consultant to introduce themselves and their approach, while setting common expectations with participants regarding process, roles, and timelines. The most critical role of the kick off meeting is to ensure that all parties understand and contribute to the proposed scope of work before any substantive work is undertaken. Comprehensive potential studies are very complex efforts. Once such a study is underway, it is difficult – both in terms of schedule and budget – to make

---

<sup>9</sup> Draft RFQ at 14

<sup>10</sup> The IRP rules do not prevent the scheduling of meetings, when needed, in addition to the formal Technical Conferences. Scheduling of the Kickoff meeting and completion of the final project workplan should be timed to maintain the existing schedule.



midcourse corrections. The DSM Consultant will be expected to step through each task in their scope of work and explain in detail the analytical approach and deliverables. Following the meeting, the DSM Consultant will provide the Council and stakeholders with a draft project workplan that reflects any modifications or clarifications in the scope of work arising from the kick-off meeting. After Council and stakeholder review of the draft, a final project workplan will be delivered.

**Proposed Language:**

The selected DSM Consultant will participate in a Kick-off meeting with the City Council, its Advisors, and stakeholders within ten business days of project initiation. The purpose of this meeting will be to review and discuss the proposed scope of work, timeline and deliverables, data availability from ENO, and lines of communication with the Council and its Advisors. Based on discussions at, and outcomes from, this meeting the DSM Consultant will provide a draft Study Workplan. After incorporating Council, Advisors, and stakeholder feedback on the draft Workplan, the DSM Consultant will submit to the Council a final Study Workplan.

**VI. Transparency and Stakeholder Participation**

A question that must be answered by the City Council is whether they favor an open and transparent process. The Council’s expectations on this matter are appropriate to identify in the RFQ. The draft DSM Potential Study solicitation gives a nod in this direction,<sup>11</sup> but the Advisor’s comparison chart argues against directing the DSM consultant to engage active involvement by intervenors,<sup>12</sup> despite this being common practice in other jurisdictions.<sup>13</sup> Lack of transparency and participation were also major flaws in the DSM studies managed by the utility in past New Orleans IRPs. There are many expected benefits from stakeholder participation including local knowledge about building conditions and market characteristics, an understanding of limitations from previous DSM studies, and insights (from experience) into the challenges associated with integrating DSM into the ENO’s Aurora modeling. Further, stakeholders will likely bring specific areas of technical expertise to the study that would complement those of the DSM Consultant and Advisors. Involvement of such stakeholders can only improve the analytical rigor and defensibility of the Study.

By having access to, reviewing, and providing feedback on mid-course work products, the consultant may be notified early on of substantive issues that they might not previously have been aware of. Meanwhile, stakeholders gain trust in the developing product and attention is focused on strengthening the accuracy and usefulness of the work rather than merely critiquing it at the end.

Timeliness of the work product is important for many reasons and clear timelines and a structure for receiving input is important to assuage concerns about running behind schedule. The RFQ bidders should address how they will incorporate presentation of mid-course work and receive feedback from parties.

---

<sup>11</sup> Draft RFQ at [2 and 3](#)

<sup>12</sup> Advisor’s Comparison Chart at 10

<sup>13</sup> Arkansas is just one example.

Access to the working model used by the consultant to evaluate DSM potential is a solid benefit to the Council,<sup>14</sup> the process, and the public from this investment. It provides a tool that can be used in future DSM analysis, is consistent with an open and transparent process and provides certainty to the parties about what decisions are being made with respect to assumptions and the interrelationships between factors.

The Advisors comparison chart and Entergy's filing response to AAE's DSM study RFQ recommendations raise the issue of whether stakeholder participation would undermine the independence of the consultant. Open and transparent participation is not bias. Moreover, it is highly likely that most consultants that would be qualified for and interested in bidding on this solicitation already have prior experience working with participating Parties. In their previous projects, the DSM Consultant would have had experience receiving regular feedback and input and used their professional judgment to glean useful contributions and incorporate them into their work product. And at the end of the day, the consultant will sign off on their product and will therefore use their professional judgment on how best to make use of and incorporate such ideas. Ultimately, it is the Council who must decide whether the process will be open and transparent with stakeholder participation, and their expectations on this matter should be clearly and consistently articulated within the RFQ.

#### **Current Language**

- (p3) The methodological choices and numerous inputs should be clearly documented in accordance with the detail prescribed herein. This includes the process to consider input from all interested stakeholders and ENO that the respondent considers appropriate and consistent with best practices in their independent judgement.<sup>15</sup>

#### **Proposed Language**

- The methodological choices and numerous inputs should be clearly documented in accordance with the detail prescribed herein. This includes the process to consider input from all interested stakeholders and ENO.<sup>16</sup>

#### **Current Language**

- (p13) The respondent's best realistic estimate of the range of labor and expense costs and project timeline associated with performing the DSM Potential Study as described in its response based upon the respondent's proposed scope of work, including the attendance at three meetings in New Orleans.

#### **Proposed Language**

- The respondent's best realistic estimate of the range of labor and expense costs and project timeline associated with performing the DSM Potential Study as described in its response based upon the respondent's proposed scope of work,

---

<sup>14</sup> Iowa provides a recent example of a jurisdiction receiving a workable model for their DSM study.

<sup>15</sup> The 2018 Triennial Procedural Schedule allows for approximately four and a half months to complete the DSM Potential Study.

<sup>16</sup> The 2018 Triennial Procedural Schedule allows for approximately four and a half months to complete the DSM Potential Study.

including the attendance at three meetings in New Orleans, including a Kick-off Meeting to be held within ten days of the Study's initiation. A draft and final Study workplan will be deliverables from this Kick-off meeting

### **Proposed Language**

- At project completion, the DSM Consultant will provide a working version of the tool to the Council, its Advisors and to other pre-agreed to parties to allow other Potential scenarios to be run in the future. The DSM Consultant will also provide training on the models use. The RFQ response will discuss any limitations to the tool provided, e.g., hidden or locked tabs or cells to protect proprietary information or algorithms.

## **VII. Other RFQ Comments and Suggestions**

### **Report Organization**

- The discussion of estimating measure/program penetrations (mostly on page 8) should not be included under Measure Characterization and Design. This discussion should also be reviewed for clarity: Is the bidder clearly being asked how they measure penetration/participation rates.
- Move appropriate measure characterization tasks under the Technical and Economic Potential activities/tasks. Discussion of free ridership and spill over should be specific to the achievable potential discussion.

### **Requested Level of Bidder Response Detail May be Inappropriate for an RFQ**

In a few cases, the solicitation requests that the bidder provide very detailed measure-level information. This may be inappropriate at the solicitation / bidding stage and might be better addressed once a company has been selected and is under contract.

Specifically:

- P11: A detailed description and an illustrative example of the planning tool(s) (in electronic workbook format) proposed for use in conducting the analysis; and

AAE: The phrase "illustrative example" should be clarified as well as what is being requested in "electronic workbook format".

- P10: The algorithms and specific references to be used in quantifying each cost and benefit, including gross and net fossil fuel savings, and gross and net carbon savings

AAE: For each and every measure?

- Pp 4-5: The RFQ response should address Council regulatory policies, and City, state, and federal policies that would impact DSM potential over the analysis

period. The RFQ response should generally characterize how such impacts would be determined and quantified for specific types of DSM measures, as well as the timing and likelihood of such policies.

AAE: This also seems too open ended, though the intent to address relevant policies is appropriate. However, to ask the bidder to consider the impact, for example, of the Clean Power Plan – or its repeal – is outside the scope of this RFQ

- P4: A definition of all available DSM technologies

AAE: What is being requested here? Does our list of components like EE, DR, battery storage, DERs, CHP, Rate Design and CVR cover it? Or is this requesting something else? Some contractors have well over a thousand different measure/building type combinations. Is this a list of?

### **Additional Items to Include, Clarify or Expand On**

- Specify the number of achievable potential scenarios to be completed will be three, including BAU and maximum achievable scenarios. Allow the third scenario to be defined based on conversations with the City Council and the Consultant's recommendations. Otherwise consultants costs cannot be compared on an apples-to-apples basis.
- Specify whether only a single or multiple seasonal 24-hour load profiles need to be considered in developing the IRP inputs. Define "Composite 24 hour DSM program load profiles for required years". (p11).
- Include a project timeline and/or Gantt chart with all draft and final deliverables clearly identified; including due dates for Council and stakeholder comments and input.
- Include a specific Kick-off Meeting activity/task and subsequent deliverables of a draft and final Study Workplan. We have proposed some appended text that addresses this towards the end of the requested scope of services, but this text might benefit from being placed up front consistent with its place in the Study's chronology.
- While there is text on page 12:
  - A description of the respondent's expectations for the transfer from ENO to the respondent of all data deemed necessary for the successful conduct of the DSM Potential Study.

The RFQ should state more explicitly what data will and will not be available from ENO, including that from prior ENO Potential Studies. For example, the RFQ states that the response must include (p11):

1. The sources for the New Orleans Stock Forecast and Demographic Forecast that will be used to support the DSM projections, and the detailed format in which each forecast will be presented;

These are data that should be provided by ENO. Similarly, all projections of electric and gas avoided costs, retail rates, and line losses need to be provided by ENO.

- Customer energy unit and energy dollar savings must be summarized from the achievable potential scenarios.

- P9: Clarify text regarding:  
An explanation of how the DSM measures resulting from the proposed methodology will address the potential impacts on reliability and rates
- Request that bidder explain how they will address measure interactive effects, e.g., lighting, and how they model early retirement measures.
- P8: Why are gas savings to be expressed in kWh equivalents:  
Translation of gas savings on combined DSM measures to kWh savings equivalents?

Why not capture gas savings in therms, ccf, of MMBtus or whatever units are consistent with ENO avoided costs.

**REQUEST FOR QUALIFICATIONS STATEMENTS (“RFQ”)  
FOR  
DEMAND SIDE MANAGEMENT CONSULTANT  
ISSUED SEPTEMBER 14, 2017**

Pursuant to the provisions of the Council of the City of New Orleans’ Motion M-17-XXX, dated September 14, 2017, and in accordance with paragraph 1 of the attached Council Rule 45, the Council of the City of New Orleans (“Council”), is seeking Statements of Qualifications from qualified professionals with substantial experience in performing Demand Side Management (“DSM”) potential studies to perform such work for consideration by the Council in formulating inputs to Entergy New Orleans, Inc’s (“ENO”) 2018 Triennial Integrated Resource Plan (“IRP”) and to inform future DSM program planning relative to the Council’s stated goal of ENO attaining energy savings of 2% relative to sales. Based on the schedule for ENO’s 2018 Triennial IRP, the DSM Potential Study will need to be completed by mid-May 2018, allowing approximately four and a half months to complete the Study.

**PurposeBackground**

The Council, in accordance with the New Orleans Home Rule Charter and the Louisiana Constitution, acts as retail regulator for electric and gas utility services in Orleans Parish, Louisiana. It regulates ENO in the provision of electric and natural gas services in Orleans Parish, Louisiana. ENO is a wholly owned subsidiary of Entergy Corporation (“Entergy”), a multistate holding company.

As a retail regulator, the Council has exclusive jurisdiction over the electric and natural gas rates, reliability, and terms and conditions of service in Orleans Parish. The Council Utilities, Cable, Telecommunications, and Technology Committee (“UCTTC”) serves as the Council Committee responsible for making recommendations to the full Council on all cable, electric, natural gas and telecommunications regulatory and franchise matters. The Council Utilities Regulatory Office (“CURO”), under the direction and supervision of the CURO’s Chief of Staff, is the administrative office of the Council responsible for providing in-house staff to the Council on regulatory issues and works with the outside legal and technical regulatory consultants retained by the Council to carry out and fulfill the Council’s regulatory responsibilities.

**ENO’s 2018 Triennial IRP FilingPurpose**

The Council's Electric Utility Integrated Resource Plan Rules ("IRP Rules"), as embodied in Council Resolution R-17-429,<sup>1</sup> are intended to inform and empower effective Council and utility decision-making, while augmenting utility resource planning and enhancing public awareness of and input into the utility's energy choices. It is the Council's desire that a comprehensive IRP is conducted in accordance with its IRP Rules in order to provide a scope of all reasonably available resource options in light of current and expected market conditions and technology trends, and generate an informed understanding of the economic, reliability, and risk evaluation of utility resource planning as well as the associated social and environmental impacts. Further, the Council wishes to encourage and enforce a transparent process that allows all interested constituents and stakeholders to participate and that fosters the development of a complete administrative record upon which informed Council decision-making can occur. The DSM Potential Study for which the Council is issuing this RFQ will be an input into the larger IRP process, and should be performed in compliance with the Council's IRP Rules.

In furtherance of the Council's consideration of ENO's 2018 IRP Report due to be filed on or before January 25, 2019, the DSM Potential Study shall be completed on or before May 16, 2018.

The Council recognizes that spurring innovation is an important strategy to achieving greater increases in the level of DSM, and wishes to incentivize such by promoting competition among methodologies regarding the identification and methods of delivering DSM. The scope of this RFQ is structured to encourage innovative approaches to projecting the maximum achievable DSM in New Orleans.

The proposed methodology resulting from this RFQ should provide insight into the full extent of kWh and kW savings that can be achieved (based on cost-effective screening) and should encompass the IRP planning period of 20 years (2018-2037).

#### **Qualifications Statement Content**

All responses should include:

- I. A comprehensive description of how the respondent will conduct the assignment structured as follows:

- A. Background and Proposed Methodology

---

<sup>1</sup> Appendix I -- Council Resolution R-17-429 "Resolution Amending the Electric Utility Integrated Resource Plan Rules", at Attachment B, in Council Docket No. UD-17-01 (provide link to website)

1. *Principal Objective and the Required Analysis Structure to Achieve That Objective*

The DSM Potential Study shall provide credible projections of achievable DSM in New Orleans formatted as specific load shape inputs for use in the IRP process. The DSM Potential Study will screen DSM measures and programs for cost-effectiveness to enable comprehensive comparisons of DSM and supply-side resources to meet New Orleans' consumer demand through the modeling period of the IRP (2018-2037).

Responses to this RFQ should delineate the methodology proposed for the DSM Potential Study in a manner which follows the specific structure provided herein such that the Council can effectively evaluate the respondent's analytical framework, input assumptions, and anticipated quality of results.

The methodological choices and numerous inputs should be clearly documented in accordance with the detail prescribed herein. This includes the process to consider input from all interested stakeholders and ENO that the respondent considers appropriate and consistent with best practices in their independent judgement.<sup>2</sup> This will insure independence and transparency, which are the essential qualities that will characterize the DSM Potential Study.

The selected DSM Consultant will participate in a Kick-off meeting with the City Council, its Advisors, and stakeholders within ten business days of project initiation. The purpose of this meeting will be to review and discuss the proposed scope of work, timeline and deliverables, data availability from ENO, and lines of communication with the Council and its Advisors. Based on discussions at, and outcomes from, this meeting the DSM Consultant will provide a draft Study Workplan. After incorporating Council, Advisors, and stakeholder feedback on the draft Workplan, the DSM Consultant will submit to the Council a final Study Workplan.

2. *Selection of Proposed Methodology to be Employed*

---

<sup>2</sup> The 2018 Triennial Procedural Schedule allows for approximately four and a half months to complete the DSM Potential Study.



The RFQ response should propose the methodology to be employed and describe how that methodology conforms to industry best practices. The conformance with best practices should include those generally recognized nationally and as filed and accepted in other regulatory jurisdictions.

### 3. *Modeling Tools*

The conduct of the DSM Potential Study will necessarily include the processing of large amounts of data and providing analytical techniques capable of performing forecasting and evaluating uncertainty related to the projected results. The RFQ response should provide a complete description of the modeling tools to be employed, including any assumptions and limitations that will be inherent in applying the modeling tools.

At project completion, the DSM Consultant will provide a working version of the tool to the Council, its Advisors and to other pre-agreed to parties to allow other Potential scenarios to be run in the future. The DSM Consultant will also provide training on the models use. The RFQ response will discuss any limitations to the tool provided, e.g., hidden or locked tabs or cells to protect proprietary information or algorithms.

### 4. *Review of Entergy New Orleans Energy Smart Performance and Metrics*

Since the Energy Smart Program is currently in its seventh year of implementing DSM in New Orleans<sup>3,4</sup>, it is imperative to establish a frame of reference and continuity with the DSM Potential Study. The RFQ response should describe what aspects of the Energy Smart performance are considered important to convey into the analysis as reference data in projecting DSM measures and potential savings.

### 5. *Review of Naturally Occurring Conservation and Customer-Sited Battery Storage and Distributed Energy Resources in the Entergy New Orleans Forecast*

To inform baseline assumptions on efficiency, demand response, battery storage, and customer sited generation, the RFP response will describe how it will incorporate and address embedded naturally occurring conservation in the ENO forecast in its projections of DSM potential for energy efficiency and demand response. Similarly, the RFP response will describe

<sup>3</sup> Appendix II – Program Year 5 Energy Smart Annual Report, July 28, 2016. (provide link here)

<sup>4</sup> Appendix III – Program Years 6 Energy Smart Annual Report, August 14, 2017. (provide link here)

how it incorporates ENO's estimates of customer sited distributed energy resources (DER) and battery storage into its projections.

#### 5.6. Range of DSM Measures

The RFQ response should provide an explanation of how the respondent will include a comprehensive range of the type of DSM measures that will be appropriate for consideration in projecting DSM potential in New Orleans, while maintaining continuity with the New Orleans Technical Reference Manual ("NO TRM").<sup>5</sup>

For the purposes of this study DSM activities to be analyzed will include energy efficiency ("EE") and demand response ("DR") measures, customer-sited DER (including solar and CHP), battery storage, rate design, and CVR.

The response should include, but not be limited to:

- a. A definition of all available DSM technologies. Describe how the Study will ensure comprehensiveness;
- b. A list of the range of description of how emerging DSM technologies that will be evaluated over the analysis period;<sup>6</sup>
- c. New DSM measure definitions that will be considered; and
- d. The method by which ENO's proposed full implementation of Advanced Metering Infrastructure ("AMI") will be incorporated into the range of DSM measures, with implementation scheduled for 2019 through 2021;<sup>7</sup>
- e. Rate design measures should only consider rate designs implemented and proven in other jurisdictions to spur—achieve energy and demand savings.

#### 6.7. Regulatory and Non-Regulatory Policy Changes

<sup>5</sup> Appendix IV – New Orleans Energy Smart Technical Reference Manual (provide link here).

<sup>6</sup> The DSM Potential Study analysis period will be identified with the proposed methodology and will accommodate the IRP Planning Period of 20 years (2018-2037).

<sup>7</sup> Appendix V – UD-16-04 ENO Application to Deploy AMI, October 2016. (provide link here).

The RFQ response should broadly address how Council regulatory policies, and City, state, and federal policies that would be considered in the analysis and how they might would impact DSM potential over the analysis period. Specifically, the RFQ response should address how such impacts would be determined and quantified for specific types of DSM measures, as well as the timing and likelihood of such policies.

## B. Technical and Economic DSM Potential in New Orleans

### 1. *Measure and Market Characterization*

For the proposed methodology, the RFQ response should describe the approach to characterizing the technical and economic DSM market in New Orleans, including, but not limited to:

- a. Identification of existing and emerging DSM technologies as follows: (a) by sector (customer class), (b) by type, (c) by size of the market for each year of the analysis, and (d) by levels of market penetration. ENO's two previous DSM Potential studies should be reviewed and considered. Customer sectors will include, as a minimum, low income residential, single-family, multi-family, small business, government, and large commercial and industrial;
- b. ~~Application of free riders/spillover effects and market transformation assumptions, including the corresponding investment and risk related to any market transformation proposals. Market transformation should include interventions in the market by ENO designed to influence customer decision making and trade ally specification practices;~~

For the proposed methodology, the RFQ response should provide a complete explanation of how the following components of achievable technical and economic DSM measure characterizations will be derived and correlated with the NO TRM. As appropriate, the DSM Consultant will recommend modifications or additions to the NO TRM to reflect best practices:

- a. A comprehensive list of energy efficiency ("EE") and demand response ("DR") measures to be analyzed, including measure permutations and basis for new and emerging technology measures. The DSM Potential Study should not be limited to DSM measures

included in the previous Integrated Resource Plans of ENO,<sup>8,9</sup> or Energy Smart Program Implementation<sup>10</sup>. The RFQ response should describe how new and emerging technology measures will be identified with the specified metrics required for the DSM Potential Study;

- b. The important metrics of each measure, including kWh and kW projected annual savings, expected useful life, incremental cost, and 24-hour load shape;
- b.c. Quantification of gas savings on combined DSM measures;
- e.d. Approaches to operational efficiency improvements for custom DSM measures by sector, including opportunities for commercial and governmental measures that may be unique to New Orleans;
- d.e. Assumptions in projecting enabled and non-enabled pricing and other demand response measures by sector;
- f. Assumptions and credible supporting analysis for projecting behavioral response DSM measures, with respect to design, number of participants, opt-in vs. opt-out, education and information activities, and annual cost;
- e.g. Treatment of low income DSM measures, specifically in cost-effectiveness screening, and how non-cost effective measures would be evaluated and may be included into the overall portfolio;
- h. The RFP response should discuss cost-efficient means to include non-energy benefits (NEBs) in the Study. Possible examples include:
  - i) Measure level quantification, though this is likely beyond the budget available for the proposed study
  - ii) A proxy multiplier applied at the sector or portfolio level
  - iii) Detailed analysis of NEBs for a limited number of high impact measures
  - iv) A more generalized structure for NEB identification, classification and interpretation that could serve as the basis

<sup>8</sup> Appendix VIII – UD-08-02 ENO 2012 Integrated Resource Plan, October 30, 2012. (provide link here)

<sup>9</sup> Appendix IX – UD-08-02 ENO 2015 Integrated Resource Plan, February 1, 2016. (provide link here)

<sup>10</sup> Appendix X – Energy Smart Program Year 7-9 Budget and Approved Savings. (provide link here).

for inclusion in the Social and Environmental IRP comparison matrix and be further develop in the future  
Note that the Council is particularly interested in the inclusion of low income NEBs:

- i. Demand response programs specifically designed for the MISO capacity market;
- j. A complete description of how DSM measure benefits and costs will be projected, particularly how the measure savings and decreasing costs for certain existing DSM technologies could be expected to evolve over the analysis period;
- k. An explanation of how the respondent will incorporate the uncertainty that affects the estimated impacts of DSM technologies on energy and demand consumptionsavings; and
- l. Demonstrating best practices to determine the technical and economic DSM potential in New Orleans relative to other standard approaches to estimate technical and economic DSM Potential.

Formatted: Font color: Blue

Formatted: Font color: Blue

Formatted: List Paragraph, Indent: Left: 1.83"

1. Cost Effectiveness and Net Savings

The RFQ response should describe how each of the screening test methodologies<sup>11</sup> by measures and bundled programs will be used to evaluate cost effectiveness. For the proposed methodology, this section of the RFQ response should include the following:

- a. A listing of the input assumptions that will be used in the calculations to screen for DSM cost-effectiveness, indicating which assumptions should be consistent with those used in the IRP process to ensure that demand and supply-side resources are evaluated on an equal footing;
- b. A definition and illustrative calculation for all quantified benefits and costs (utility, participants, stakeholders, environmental/societal) for each cost-effectiveness screening test.

<sup>11</sup> Screening Test methodologies are defined quantitatively in the California Standard Practices Manual, 2001, which provides the inputs for benefits and costs and cost effectiveness calculations from several perspectives: the utility, participants, all ratepayers, total resources, and societal.

- c. The general algorithms and specific references to be used in quantifying each cost and benefit, including gross and net fossil fuel savings, and gross and net carbon savings;
- a. A list of utility benefits, including avoided transmission and distribution and traditional fuel costs and how such benefits will be determined and projected;
- d. An explicit description of how the specific values of the participant and equipment metrics will be determined for both prescriptive and types of custom measures;
- b. The manner in which the cost impact to ratepayers from the utility's loss of billing units due to the kWh reduction related to energy efficiency programs will be addressed; and

~~A listing of the input assumptions that will be used in the calculations to screen for DSM cost-effectiveness, indicating which assumptions should be consistent with those used in the IRP process to ensure that demand and supply-side resources are evaluated on an equal footing~~

## 2. *"Business as Usual" Baselines*

The RFQ response should describe how the DSM measure baselines will be defined in applying product efficiency standards, ~~multiple efficiency tiers,~~ and computing incremental savings for each DSM measure, including multiple efficiency tiers where appropriate, above the defined baselines over the analysis period.

## 3. *Measure Characterization Benchmarking Against Prior ENO Potential Studies*

~~For the proposed methodology, the RFQ response should describe the approach to characterizing the technical and economic DSM measures in New Orleans, including, but not limited to the following:~~

- a. ~~Explain how the~~Provide specific comparisons and explain differences with the technical and economic levels of DSM in the previous New Orleans DSM Potential Studies,<sup>12,13</sup> ~~and~~

<sup>12</sup> Appendix VI - *Long Term Demand Side Potential in the Entergy New Orleans Service Area*, developed by ICF International in support of ENO's 2015 IRP, June 23, 2015. (provide link here)

<sup>13</sup> Appendix VII - Exhibit SEC-14 in CNO Docket No. UD-16-02 "*Entergy New Orleans Energy Efficiency Potential Study*" submitted by Navigant, June 26, 2017. (provide link here)

- b. Explain how the sector DSM market may be identified through disaggregation into building types and specific end uses if sector forecasts, such as the commercial sector, are evaluated as part of the proposed methodology.

## B. Achievable DSM Potential Scenarios

### 1. Market Characterization

For the proposed methodology, the RFQ response should provide a complete explanation of how the following components of achievable DSM will be derived and correlated with the NO TRM:

- a. A comprehensive list of energy efficiency (“EE”) and demand response (“DR”) measures to be analyzed, including measure permutations and basis for new and emerging technology measures. The DSM Potential Study should not be limited to DSM measures included in the previous Integrated Resource Plans of ENO,<sup>14,15</sup> or Energy Smart Program Implementation<sup>16</sup>. The RFQ response should describe how new and emerging technology measures will be identified with the specified metrics required for the DSM Potential Study;
- b. The important metrics of each measure, including kWh and kW projected annual savings, expected useful life, incremental cost, and 24-hour load shape;
- c. The analytical approach that will be used to determine participant incentive costs by measure and by bundled program;
- d. Each component of the utility-avoided costs including line losses;
- e.
- f. Application of free-riders/spillover effects and market transformation assumptions, including the corresponding investment and risk related to any market transformation proposals. Market transformation should include interventions in the market by

<sup>14</sup> Appendix VIII UD 08-02 ENO 2012 Integrated Resource Plan, October 30, 2012. (provide link here);

<sup>15</sup> Appendix IX UD 08-02 ENO 2015 Integrated Resource Plan, February 1, 2016. (provide link here);

<sup>16</sup> Appendix X Energy Smart Program Year 7-9 Budget and Approved Savings. (provide link here);

ENO designed to influence customer decision making and trade ally specification practices;

~~d. Supporting analytical procedures that will be employed to project the achievable DSM for each measure;~~

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.58" + Indent at: 1.83"

~~d.e. Specific assumptions or conditions that will need to be realized in order to achieve certain measure savings estimates, such as the timing of regulatory approval for time-differentiated DR rate structures or direct load control of specific appliances or loads;~~

Formatted: Font: (Default) Times New Roman, 12 pt

~~e.f. A complete description of how DSM measure benefits and costs will be projected, particularly how the measure savings and decreasing costs for certain existing DSM technologies could be expected to evolve over the analysis period; and~~

~~f.g. The respondent's analytical approach in the following areas supported by specific references, studies, and examples based on similar DSM work as applicable:~~

~~h. Supporting analytical procedures that will be employed to project the achievable DSM for each measure. Describe how measure and/or program penetration rates will be modeled or estimated and how differing incentive levels and policies will affect measure and/or program penetration rates; Participants' acceptance of DSM by sector, including any actual experience or studies that will be used to support any program participation rate assumptions. Such studies may include those that forego DSM technology adoption curves and estimate adoption rates directly based on economic and non-economic factors;~~

Formatted

Formatted: Font: (Default) Times New Roman, 12 pt

~~ii) Multiple scenario approaches that may be used to quantify the range of uncertainty in the projections of DSM measures adopted from factors such as uncertainty of customer responses to specific EE and DR measures, with supply curves for each scenario that illustrate achievable DSM;~~

~~iii) Application of participant incentive levels as a percent of measure incremental cost;~~

Comment [A1]: And as to its effects on penetration rates.



- ~~iv)ii) Estimation of projected measure saturation through the analysis period;~~
- ~~v) Translation of gas savings on combined DSM measures to kWh savings equivalents;~~
- ~~vi)iii) Adoption of more aggressive building codes for new and renovating buildings;<sup>17</sup> and~~
- ~~vii)iv) Net-to-Gross (“NTG”) assumptions, and on what basis reasonable NTG ratios will be selected to reflect the free ridership and spillover effects related to various measures or bundled measures.~~

## 2. Measure *Bundling and Program Characterization and Design*

For the proposed methodology, the RFQ response should describe how the following considerations will be used to characterize the specific DSM measures that will be evaluated to determine the achievable DSM potential over the analysis period:

- ~~a. Use of the NO TRM, including any proposed additions related to measures that may not be included in the NO TRM;~~
- ~~b.a. New forms of “standard offer” DSM programs;~~
- ~~e.b. Approaches to bundling of DSM measures into programs;~~
- ~~d.c. Use of upstream and mid-stream product rebates for specific DSM measures;~~
- ~~e.d. Approaches to operational efficiency improvements for custom DSM measures by sector, including opportunities for commercial and governmental measures that may be unique to New Orleans;~~
- ~~f.e. Assumptions in projecting enabled and non-enabled pricing and other demand response measures by sector;~~

<sup>17</sup> Boulder, CO; San Francisco and Berkeley, CA; and Burlington, VT, have adopted rental energy ordinances. Gichon, Y., Cuzzolino, M., Hutchings, L., and Neiger, D. (2012). *Cracking the Nut on Split-Incentives: Rental Housing Policy*. Proceedings of the 2012 ACEEE Summer Study on Energy Efficiency in Buildings, Volume 8, pp. 92-101; (2012). Lawrence Berkeley National Lab. (2012). *Boulder, Colorado’s SmartRegs: Minimum Performance Standards for Residential Rental Housing*. Clean Energy Program Policy Brief.

- ~~g.f. Assumptions and credible supporting analysis for projecting behavioral response DSM measures, with respect to design, number of participants, opt-in vs. opt-out, education and information activities, and annual cost;~~
- ~~h.g. Treatment of low income DSM measures, specifically in cost-effectiveness screening, and how non-cost effective measures would be evaluated and may be included into the overall portfolio;~~
- ~~i.h. Demand response programs specifically designed for the MISO capacity market;~~
- ~~j.i. Budgetary and non-budgetary assumptions that may define achievable DSM during the analysis period, particularly those related to determining the maximum achievable DSM per measure/program; and~~
- ~~k. An explanation of how the DSM measures resulting from the proposed methodology will address the potential impacts on reliability and rates.~~

### ~~3. Financial Inputs~~

~~The RFQ response should provide references supporting the conceptual basis and method proposed to determine the values for discount rates, inflation rates, components and calculation of utility avoided costs, and projected ENO retail rates by customer sector.~~

### ~~4. Cost Effectiveness and Net Savings Study~~

~~The RFQ response should describe how each of the screening test methodologies<sup>18</sup> by measures and bundled programs will be used to evaluate cost effectiveness. For the proposed methodology, this section of the RFQ response should include the following:~~

- ~~— A listing of the input assumptions that will be used in the calculations to screen for DSM cost effectiveness, indicating which~~

<sup>18</sup> Screening Test methodologies are defined quantitatively in the California Standard Practices Manual, 2001, which provides the inputs for benefits and costs and cost effectiveness calculations from several perspectives: the utility, participants, all ratepayers, total resources, and societal.

~~assumptions should be consistent with those used in the IRP process to ensure that demand and supply side resources are evaluated on an equal footing;~~

- ~~a. A definition and illustrative calculation for all quantified benefits and costs (utility, participants, stakeholders, environmental/societal) for each cost-effectiveness screening test;~~
- ~~b. The general algorithms and specific references to be used in quantifying each cost and benefit, including gross and net fossil fuel savings, and gross and net carbon savings;~~
- ~~c. A list of utility benefits, including avoided transmission and distribution and traditional fuel costs and how such benefits will be determined and projected;~~
- ~~d. An explicit description of how the specific values of the participant and equipment metrics will be determined for both prescriptive and types of custom measures;~~
- ~~e. The manner in which the cost impact to ratepayers from the utility's loss of billing units due to the kWh reduction related to energy efficiency programs will be addressed; and~~
- ~~f. A listing of the input assumptions that will be used in the calculations to screen for DSM cost-effectiveness, indicating which assumptions should be consistent with those used in the IRP process to ensure that demand and supply side resources are evaluated on an equal footing.~~

Formatted: Indent: Left: 1.83", No bullets or numbering

## B. Results and Key Findings

The RFQ response should describe and provide examples of how projected incremental and cumulative kWh and kW reductions, cost, benefits, and net benefits for each year of the planning period, by DSM measure and sector, will be presented in tabular and graphic form in the results section and executive summary section of the final report. The results will include as a minimum, a reference case or business as usual scenario, as well as a maximum achievable scenario, and one additional scenario to be determined during the development of the Project final Study Workplan. A draft report of results will be presented at the 2<sup>nd</sup> IRP

Technical Meeting, scheduled for June 2018, after which suggested edits to the draft of the final report will be completed within a two week period.

#### C. Benchmarking the Results

1. The RFQ response should discuss how the various scenarios defining the achievable levels of DSM Potential, kWh and kW savings, will be benchmarked versus the results of DSM Potential studies reported in other regulatory jurisdictions. For the proposed methodology, the RFQ response should discuss the selection process of comparable studies and the similarities and differences in DSM Potential results that will be evaluated.
2. The RFQ response should discuss how the nominal and present value of the cost and benefits of the various scenarios defining the achievable levels of DSM Potential will be benchmarked versus the levels of achievable DSM Potential reported in comparable jurisdictions.

#### D. DSM Inputs for Modeling in 2018 IRP

Composite 24 hour DSM program load profiles for required years will be modeled with supply resources in the 2018 IRP. The RFQ response should discuss the following:

1. How the composite DSM 24-hour load profiles will be constructed from cost-effective DSM programs resulting from the DSM Study; and
2. How the composite load profiles will be constructed for specific years of the analysis period with corresponding costs, as DSM inputs to the modeling in the IRP process.

After the completion of the DSM Potential Study, the DSM Consultant may be retained by the Council to assist with and review the incorporation of the Study results into the planning process for the 2018 Triennial IRP. Each respondent is to include in its submittal a clear and concise statement of those personnel and firm resources, including hourly rates, for which it is willing and can commit to make available for the Council's regulatory activities during such period. This support will be billed to the Council on a time and materials basis and the respondent should not include an estimate of these costs in its DSM Potential Study cost estimate.

## E. Required Appendices

The RFQ response must include the following Appendices at a minimum:

1. Project timeline, including a list of all major draft and final deliverables; The sources for the New Orleans Stock Forecast and Demographic Forecast that will be used to support the DSM projections; and the detailed format in which each forecast will be presented;
  2. No primary data collection is expected to be undertaken for this study, though contractors may propose limited primary data collections as an option, clearly noting its impact on the process timeline;
  3. A detailed description and an illustrative example of the planning tool(s) (in electronic workbook format) proposed for use in conducting the analysis; and
  4. A description of the respondent's expectations for the transfer from ENO to the respondent of all data deemed necessary for the successful conduct of the DSM Potential Study. This may include avoided costs and retail rate projections, line loss factors, sales by customer class, ENO forecasts and assumptions, etc.
- II. A complete "consultant services questionnaire" using the format that is attached. Any subcontractors proposed to be used must also submit a complete questionnaire that must be attached to the prime firm's questionnaire.
  - III. Professional experience and resumes of partners, principals, and employees in the firm who will be responsible for, and actively involved in, the provision of professional services for the Council ("Key Personnel"), including the appropriate evidence of accreditation, certification, and licensing in their profession and a specific listing of each professional's relevant professional experience in the conduct of DSM potential studies and energy efficiency programs.
  - IV. A description of three or more assignments which best illustrate the respondent's current qualifications relevant to the areas requested in this RFQ, including samples of work product.
  - V. Demonstrated ability to provide coverage for City Council matters related to this assignment when the principal consultant is unavailable because of other assignments, illness, vacation, or similar conflicting demands.

- VI. A sworn affidavit listing all persons with an ownership interest in the respondent. An "ownership interest" shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that hold an interest in a publicly traded corporation. The affidavit is a public record.
- VII. A sworn affidavit that no other person holds an ownership interest in the respondent via a counter letter.
- VIII. A list of all persons, natural or artificial, who are retained by the respondent at the time of the application and who are expected to perform work as sub-contractors in connection with respondent's work for the City Council. The Council may require information on employees or sub-contractors of or ownership interests in the sub-contractor. This list is a public record.
- IX. A list of professional labor fees for all personnel included in the respondent's response to this RFQ and any others in respondent's firm who may be called upon to perform work related to this RFQ, and a clear and concise statement that such professional labor fees throughout the contract term will be the most cost efficient and will not exceed the lowest professional labor fee for similarly situated clients of the firm.
- X. The respondent's best realistic estimate of the range of labor and expense costs and project timeline associated with performing the DSM Potential Study as described in its response based upon the respondent's proposed scope of work, including the attendance at three meetings in New Orleans, including a Kick-off Meeting to be held within ten days of the Study's initiation. A draft and final Study Workplan will be deliverables from this Kick-off meeting. The labor and cost estimate should be provided on a task basis.

#### **Potential Conflict of Interest**

All respondents providing a response to the RFQ shall provide a clear and unambiguous indication of any potential or real conflicts of interest it or any of its sub-contractors may have with respect to performing the work outlined in this RFQ on behalf of the Council.:

- I. Any work performed for an Investor Owned Utility in the past five years.
- II. Any work performed for any industrial, commercial or residential ratepayer (or groups and non-profit associations) in Orleans Parish or in the service area of any of Entergy's operating subsidiaries, currently and in the past five years, on any energy efficiency matters.

- III. Any work performed for any other regulator of Entergy Corporation and/or Entergy and/or any of Entergy's operating subsidiaries.
- IV. Any work performed for any individuals, groups, organizations, and/or non-profit associations that are currently an official party to Council Docket No. UD-08-02, Council Docket No. UD-17-01, and/or Council Docket No. UD-17-03.
- V. Any work performed (whether compensated or not) on behalf of any Councilmember, the City Council, or the City of New Orleans within the past five years.
- VI. Any work performed for any renewable energy companies, contractors, or marketers in Orleans Parish and the State of Louisiana within the past five years.

For any such work performed, the respondent shall indicate the scope of the engagement, the time frame, the amount of compensation received and why the respondent deems such work to be or not be in conflict with the execution of the proposed scope of work.

Limitation on respondents competing for this RFQ: any person or firm contributing to the development of this RFQ shall be prohibited from submitting a qualifications statement for selection of that procurement. Such persons or firms shall further be prohibited from participating as subcontractors to the Council's DSM Potential Study Consultant.

The Council shall be the sole arbiter as to any conflicts of interest and shall make the final determination as to whether any potential or real conflict of interest exists.

#### Evaluation Criteria

Upon receipt by the due date of responses to this RFQ by qualified firms, the Council's staff Selection Review Committee ("SRC") will evaluate all responses received based upon the criteria listed herein and in Council Rule 45, a copy of which is attached. Particular emphasis will be placed on the following criteria:

- I. Training and experience of the Key Personnel and other professional personnel in the provision of services required by this RFQ.
- II. Quality of work samples presented.
- III. Clear understanding by the respondent of work to be performed, and appropriateness of the proposed methodology including but not limited to capability to assess the costs and savings of energy efficiency, demand response, customer-sited battery storage and distributed energy resources including solar and combined heat and power. rate

design, and conservation voltage regulation; as well as expertise in including demand side resources into integrated resource planning models.

- IV. Knowledge of local conditions.
- V. Capability and experience in providing consistent, timely, and cost-effective services, as determined by information requested from references or the Council's actual experiences.
- VI. Estimated cost, based on hourly rates of consultants at various levels of expertise and experience.
- VII. Involvement at the professional level of members of disadvantaged groups and of certified disadvantaged business enterprises, as defined in Section 70-456 of the New Orleans City Code.
- VIII. Participation by persons living and/or working in New Orleans at a professional level.
- IX. Willingness to accept a "not to exceed cost" for the scope of work proposed by the respondent.

#### **RFQ Process**

Except as provided herein below, no written, electronic, or oral communications from any actual or potential respondent to this RFQ or anyone acting as agent or representative for such person shall be made to any Councilmember, city employee, or Council staff person during this RFQ process, which is defined as the Blackout Period. The Blackout Period is a specified period of time during this competitive RFQ process in which any actual or potential respondent or their/its agent or representative is prohibited from communicating with any City Councilmember, Council staff person, or City of New Orleans employees regarding any matter related to the RFQ process. All communications to and from any actual or potential respondent and/or their/its agent or representative during the Blackout Period must be in accordance with this RFQ's defined method of communication with the designated contact person. The Blackout Period will begin upon posting of this RFQ. The Blackout Period will end when the contract is awarded.

RFQ Expressions of Interest by potential respondents, although not a requirement for responding to the RFQ, should be provided to CURO at the earliest possible date -in order to provide a response to all potential respondents' questions properly received by CURO prior to the response cut-off date of October 24, 2017.



All questions regarding this RFQ shall be submitted in writing via U.S. Mail, Facsimile, or by email with both a "Request Delivery Receipt" and a "Request Read Receipt" for verification and tracking purposes of the email message. Any emails transmitted absent such tracking receipts shall be deemed not delivered to CURO. All questions of respondents must be submitted no later than 5:00 PM CST on Tuesday, October 17, 2017. All responses to questions properly received by the above date will be responded to no later than five (5) business days after receipt of same with copies to all potential respondents who submitted correspondence as an "Expression of Interest."

Any and all inquiries and correspondence should be directed to Mr. W. T. Stratton, the Director of the City Council Utilities Regulatory Office, Room 6E07, City Hall, 1300 Perdido Street, New Orleans, LA 70112 in writing by U.S. Mail; by Facsimile at (504) 658-1117; or by email to the attention at [wstrattonjr@nola.gov](mailto:wstrattonjr@nola.gov).

Field Code Changed

Fifteen (15) copies of the RFQ submission, including samples of work products, must be submitted in hard copy form by 5:00 PM CST on Tuesday, October 31, 2017 to the City Council Utilities Regulatory Office, Room 6E07 City Hall, 1300 Perdido Street, New Orleans, LA 70112. Where possible, an electronic version of the proposal should also be submitted to [pthomas@nola.gov](mailto:pthomas@nola.gov) and [wstrattonjr@nola.gov](mailto:wstrattonjr@nola.gov). Copies of the submission, both in hard copy and electronic forms, must also be provided to the following individuals:

Field Code Changed

Field Code Changed

Clinton Vince, Esq.  
Emma Hand, Esq.  
Denton's US LLP  
1900 K Street, NW  
Washington, DC 20006  
[clinton.vince@dentons.com](mailto:clinton.vince@dentons.com)  
[emma.hand@dentons.com](mailto:emma.hand@dentons.com)

Mr. Joseph Vumbaco, P. E.  
Mr. Victor Prep, P. E.  
Legend Consulting Group Limited  
8055 East Tufts Avenue, Suite 1250  
Denver, CO 80237  
[jvumbaco@ergconsulting.com](mailto:jvumbaco@ergconsulting.com)  
[vprep@ergconsulting.com](mailto:vprep@ergconsulting.com)

Field Code Changed

Field Code Changed

Field Code Changed

Field Code Changed

Walter Wilkerson, Esq.  
Wilkerson & Associates, PLC  
650 Poydras Street, Suite 1913  
New Orleans, LA 70130  
[wwilkerson@wilkersonplc.com](mailto:wwilkerson@wilkersonplc.com)

Field Code Changed

All Respondents should be apprized that the City of New Orleans is a political subdivision of the State of Louisiana pursuant to Chapter 10-A, Section 4545.1 through 4545.37 of the Louisiana Revised Statutes of 1950, as amended. As such, materials submitted by any Respondent may be subject to the open records act of Louisiana. Louisiana Revised Statutes 44:3.2 – Proprietary and Trade Secret Information provides: (1) All records containing proprietary or trade secret

information submitted by a developer, owner, or manufacturer to a public body pursuant to Subsection A, B, or C of this Section shall contain a cover sheet that provides in bold type "DOCUMENT CONTAINS CONFIDENTIAL PROPRIETARY OR TRADE SECRET INFORMATION." The developer, owner, or manufacturer shall clearly mark each instance of information which is, in his opinion, proprietary or trade secret information. However, the determination of whether such information is in fact proprietary or trade secret information shall be made by the custodian within thirty days of a submission; however, if a custodian receives a public records request during the period of thirty days, the determination shall be made within the time period provided in R.S. 44:32(D) and 33(B).

A custodian who receives a request for any information which has been marked by the developer, owner or manufacturer as proprietary or trade secret information shall, prior to the disclosure of the information, immediately notify such developer, owner, or manufacturer of the request and of the custodian's determination of whether or not the information so requested is subject to disclosure.

A SRC composed of the Interim Council Chief of Staff, the Council Research Officer if that position is filled by the October 31, 2017 deadline for responses, the Council Utilities Regulatory Office Chief of Staff and its Director, and one representative each from the Council's Regulatory Technical and Legal Advisors will review and evaluate the submissions, and select qualified proposals for referral to the UCTTC no later than 5:00 PM CST on Friday, December 1, 2017. The SRC shall conduct its meetings in accordance with the Louisiana Public Meetings Law, R.S. 42:12 et seq.<sup>19</sup> For each submission selected for referral, the SRC will contact one or more of the persons suggested as references. The UCTTC may or may not choose to interview one or more of the respondents selected by the SRC. The SRC Report will be considered at a UCTTC meeting. It is anticipated the UCTTC will act expeditiously on the selection of the successful respondent it will recommend to the City Council. The successful respondent must be selected by Motion of the Council.

The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee relating to the procurement of goods or services by the city, including meetings involving third party transactions. The notice required shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four hours prior to the scheduled meeting. The Inspector General may attend all city meetings relating to the procurement of goods or services as provided herein and may pose questions and raise concerns consistent with the functions, authority, and powers of the Inspector General. An audio recorder or court stenographer may be utilized to record all selection or negotiation committee meetings attended by the Office of the Inspector General.

---

<sup>19</sup> Rule 45(8) requires compliance with R.S. 42:4.1, that section was redesignated as R.S. 42:12 by Actions 2010 No. 861 § 23.

**Length of Contract**

The contract will extend through the completion of the DSM Potential Study and incorporation of the Study results into the planning process for the 2018 Triennial IRP at the discretion of the Council. Each respondent is to include in its submittal a clear and concise statement of those personnel and firm resources for which it is willing and can commit to make available for the Council's regulatory activities during such period.

**Additional Information**

1. The City of New Orleans is not liable for any costs incurred prior to entering into a formal written contract. Any costs incurred in the preparation of the statement interview, or other pre-contract activity are the responsibility of the person submitting the statement.
2. All submissions become the property of the City and as such are public information.
3. The contractor will invoice the City Council on a monthly basis in accordance with specified billing guidelines during the term of the contract. Work shall be billed in increments of one-tenth of an hour.
4. Any contract awarded shall contain a provision that:
  - a. With regard to any subcontractor proposed to be retained by the respondent to perform work on the contract with the City Council, the respondent must provide notice to the appropriate Council Committee within thirty (30) days of retaining said subcontractor and the retention must be approved by Motion of the Council. The Council may require information on ownership interests in the sub-contractor prior to approval of the sub-contractor's retention.
  - b. Unless otherwise approved by the Contracting Officer of the City Council or CURO, reimbursable expenses shall be limited as provided for in Council Motion M-17-164 (Appendix XI).<sup>20</sup>
  - c. When the attendance of contractor is requested at meetings of the Council, meetings of the UCTTC, meetings with Council members and/or Council staff, meetings with ENO and Stakeholders, and/or meetings with the public, the Council will only provide labor fee and expense reimbursement for one consultant,

---

<sup>20</sup> Appendix XI – M-17-164 CURO Work & Billing Practices Policy for UCTTC Advisors, March 23, 2017. (provide link here).

unless otherwise specifically approved by the Contracting Officer of the City Council or CURO.

- d. Key Personnel assigned may not be replaced without consent of the Contracting Officer of the City Council or CURO.
5. Section 2-1120 of the Code of the City of New Orleans, relative to the Office of the Inspector General provides in part as follows:

With the exception of those contracts specified in subsection (1) of this paragraph, every city contract and every contract amendment where the original contract does not include this statement, and every bid, proposal, application, or solicitation for a city contract, and every application for certification of eligibility for a city contract or program shall contain the following statement:

“It is agreed that the contractor or applicant will abide by all provisions of City Code § 2-1120, including, but not limited to, City Code § 2-1120(12), which requires the contractor to provide the Office of Inspector General with documents and information as requested. Failure to comply with such requests shall constitute a material breach of the contract. In signing this contract, the contractor agrees that it is subject to the jurisdiction of the Orleans Parish Civil District Court for purposes of challenging a subpoena.” City Code Sec. 2-1120.-Office of inspector general.

DRAFT

**Consulting Services Questionnaire**

1. Project Name

2. Date Submitted

3. Specify type of ownership and indicate if applicable:

\_\_\_\_ Private corporation \_\_\_\_ Public corporation \_\_\_\_ Proprietorship

\_\_\_\_ Partnership \_\_\_\_ Small business \_\_\_\_ Minority owned business

\_\_\_\_ Woman owned business \_\_\_\_ Limited Liability Company

4. Firm or Joint Venture contact information

4a. Firm (or joint venture) name, mailing address, telephone number

4b. Firm(s) owners

4c. Name, title, telephone, and email address of principal to contact

4d. Name, title, telephone, and email address of proposed project manager

5. Full time personnel assigned to project

Number	Position/Title	Hourly rate of Pay
_____		
_____		
_____		

6. Is submittal a joint venture

6a. If so, has joint venture worked together before?

6b. If a joint venture, name of lead firm.

7. Summary of professional services fees received in (insert index number)

2014	2013	2012	2011	2010
( )	( )	( )	( )	( )

Use index below:

Index

- 1. Less than \$250,000
- 2. \$250,000 to \$1,000,000
- 4. \$3,000,000 to \$6,000,000
- 5. \$6,000,000 or greater

3. \$1,000,000 to \$3,000,000

8. Brief resumes of key persons anticipated for this project. Please indicate male/female, minority/majority, and parish or county and state of domicile.
  - a. Name and title
  - b. Project assignment
  - c. Name of firm by which employed full time and location of office.
  - d. Years of experience with this firm.  
With other firms in the New Orleans market \_\_\_\_\_
  - e. Highest Academic Degree: \_\_\_\_\_ Year received \_\_\_\_\_
  - f. Names of public officials, political candidates, and/or public agencies, especially in Louisiana for which the firm has provided service since August 1, 2011, with dates of the service and brief description of the service provided.
9. Work by firm(s) personnel members to be assigned to this job which best illustrates current qualifications relevant to this project (list not more than 5 projects including experience with government issues).
  - a. Project Name & Location and Owner(s) Name
  - b. Project Description
  - c. Nature of Firm(s) Responsibilities
  - d. Completion Date (Actual or Estimated)
  - e. Estimated Fees for Entire Project
10. Provide any additional information or description of resources supporting your firm(s) qualifications for the proposed project.
11. Provide four references including name/title, phone number and address. References must exclude City Council members, Council Staff; City of New Orleans Employees; agents, employees, or representatives of Entergy or any Entergy subsidiary or affiliate;

and agents, employees or representatives of Intervenor in any open Council utility dockets.

DRAFT

**COMPETITIVE SELECTION PROCESS FOR  
PROFESSIONAL SERVICES CONTRACTS**

**Rule 45.** Pursuant to Section 6-308(5)(c) of the City Charter, contracts for professional services to be administered by the Council shall include but not be limited to the following professions:

- Accountants
- Appraisers
- Architects
- Auditors
- Attorneys
- Economists
- Management Consultants
- Public Relations/Media Consultants
- Real Estate Consultants
- Telecommunications Consultants
- Utilities Regulatory Consultants

The following process shall be followed for retention of consultants with expertise in a field as required by the Council for all contracts at or above the threshold amount established by Section 2-7 of the City Code:

1. Upon determination by a majority vote of the entire membership of the City Council that the services of a professional are needed, a Request for Qualifications ("RFQ") or Request for Proposals ("RFP"), as appropriate based on the scope of work to be performed, shall be issued. The Request shall include the deadline for submission of responses. The RFQ or RFP shall additionally require that the person or entity responding to the RFP or RFQ (the respondent) provide the following information:

- A sworn affidavit listing all persons with an ownership interest in the respondent. An "ownership interest" shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an



interest in a mutual fund or trust that holds an interest in a publicly traded corporation. This affidavit is a public record.

- A sworn affidavit stating that no other person holds an ownership interest in the respondent via a counter letter.
- A list of all persons, natural or artificial, who are retained by the respondent at the time of the application and who are expected to perform work as sub-contractors in connection with the respondent's work for the City Council. The Council may require information on employees or sub-contractors of or ownership interests in the sub-contractor. This list is a public record.

The RFQ or RFP shall additionally advise the respondent that the contract with the City Council shall contain a provision that in regard to any sub-contractor proposed to be retained by the respondent to perform work on the contract with the City Council, the respondent must provide notice to the appropriate Council Committee within thirty (30) days of retaining said sub-contractor. The Council may require information on ownership interests in the sub-contractor.

2. The **Request for Qualifications or Request for Proposals** shall be published at least three times in a 10 day period in the Official Journal by the **Clerk of Council**. The publication may be in brief, if the Request is lengthy, and may be supplemented by letters of inquiry and/or placement of the request in appropriate additional publications.
3. Interested professionals who respond by the deadline date shall be evaluated by the **Selection Review Committee**. If more than five (5) responses are received, the Selection Review Committee shall review all responses but is authorized to eliminate from consideration, if it deems doing so appropriate, all but the five (5) most qualified and responsive respondents.

4. The committee shall establish appropriate evaluation criteria, which may include but not be limited to the following:
- (a) training and experience with type of task required;
  - (b) appropriateness of plan submitted;
  - (c) capability of contractor to provide staffing and support;
  - (d) knowledge of local conditions;
  - (e) ability to provide the work in the time period required, as evidenced by past performance and current workload;
  - (f) involvement of members of disadvantaged groups at the professional level;
  - (g) participation by persons living and/or working in New Orleans at a professional level;
  - (h) the need for continuity of services and/or specialized and institutional experience and knowledge.
  - (i) For RFP's, cost of services to be provided. (M-07-277, Adopted, As Amended, 7/26/07); (M-07-413, Adopted, 10/4/07).
5. **The Selection Review Committee** shall forward to the Council Committee under whose jurisdiction the subject matter of the contract falls, if any, a list of up to five top respondents, with an analysis of each respondent's compliance with each criterion. If there is no such Council Committee, the list shall be forwarded to the entire Council.
6. **The Council Committee**, or the Council, if there is no specific committee, may choose one of these respondents and negotiate a proposed contract, including a scope of work to be performed. If a proposed contract cannot be negotiated with the firm/individual initially chosen, one of the other

firms/individuals submitted by the Selection Review Committee may be chosen; and a proposed contract negotiated.

7. **The Council Committee** may recommend to the City Council its choice of the firm/individual. The Council, by a majority vote of its entire membership and by motion, may accept or reject the Council Committee's recommendation and choose one of the other firms/individuals submitted by the Selection Review Committee to the Council Committee. If the Council does not choose one of the firms/individuals submitted by the Selection Committee, the selection process shall begin again. In the absence of a Council Committee, this same process shall be followed by the City Council. (M-96-106).
8. **The Selection Review Committee** shall consist of the **Council Chief of Staff, the Council Research Officer and either the Council Fiscal Officer or the Director of Council Utilities**, depending on the type of professional service to be performed. The Council, responsible committee, or Chief of Staff may invite additional knowledgeable persons to participate as member(s) of the Selection Review Committee when particular expertise would be helpful in the evaluation process. The Selection Review Committee shall conduct its meetings in accordance with the Louisiana Public Meetings Law, R.S. 42:4.1, et seq. (M-07413, Adopted, 10/4/07); (M-08-380, Adopted, 2/5/09).
9. **Exceptions** from this Competitive Selection process shall be made for:
  - (a) Professional services contracts for an individual Councilmember's Office.

- (b) Annual Audit, for which requests for qualifications shall be sent to “Big Four” accounting firms with local offices. (M-07413, Adopted, 10/4/07).
- (c) Emergency situations in which a majority of the entire membership of the Council by motions determines that there is an immediate need for a specific contract and that there is not sufficient time to go through the Competitive Selection Process. Emergency situations may include, but are not limited to, legal actions to which action or response is needed or required in 30 days or less or emergency situations as defined in L.A. R.S. 38:2211 A (6). (M-96-105). In those emergency instances, where there are available at least 10 working days but not the 30-35 days required for an RFQ/RFP process, an informal process consisting of solicitation of firms/individuals and a shortened review process shall be followed.
- (d) Any contracts in existence prior to January 1, 1996 for:
  - Renewal or extension of the contract, when continuity of service is essential;
  - Amendments to such contracts that may expand but do not materially alter the scope of services and for which specialized and institutional experience and knowledge are required. (M 07-413, Adopted, 10/4/07).

The Council, by majority vote of its entire membership, shall determine which contracts are eligible for **exemption** under this sub-paragraph. (Substitute M-96-29, Adopted, As Amended 2/15/96); (M-07-413, Adopted, 10/4/07).

- (e) The Council may by motion authorize the amendment of a contract that was under the monetary threshold for use of the competitive selection process to increase the maximum compensation or modify the scope of services if justified by a need to ensure continuity of services for the performance of work related to the original scope of services if the proposed amendment satisfies one or more of the following criteria (M-07-413, Adopted, 10/4/07):
  - 1) the increase in scope of work adds a task which can best and most efficiently be performed in a timely and effective manner by a contractor having knowledge and experience gained during performance of the scope of the existing contract;

- 2) the increase in scope of work adds a task which is essential to completion of the original scope of work but could not reasonably have been anticipated when the original scope was developed;
- 3) the increase in compensation is needed because the time required to complete the original scope of work exceeded the original estimate, which was reasonable based upon the information available to the Council and its consultant at the time the compensation was agreed upon;
- 4) the Council may authorize no more than three such amendments to any individual contract. (M-04-236, As Amended, As Corrected, 5/20/04).

DRAFT

DRAFT

## **ATTACHMENT C**

Redline of Draft DSM Potential Study RFQ Showing  
Changes Made in Response to AAE Comments

**REQUEST FOR QUALIFICATIONS STATEMENTS (“RFQ”)  
FOR  
DEMAND SIDE MANAGEMENT CONSULTANT  
ISSUED SEPTEMBER 15, 2017**

Formatted: Different first page header

Pursuant to the provisions of the Council of the City of New Orleans’ Motion M-17-~~XXX~~, dated September 14, 2017, and in accordance with paragraph 1 of ~~the attached~~ Council Rule 45 ([Attachment 1](#)), the Council of the City of New Orleans (“Council”), is seeking Statements of Qualifications from qualified professionals with substantial experience in performing Demand Side Management (“DSM”) potential studies to perform such work for consideration by the Council in formulating inputs to Entergy New Orleans, Inc’s (“ENO”) 2018 Triennial Integrated Resource Plan (“IRP”) and to use the DSM inputs to the IRP to inform future DSM planning relative to the Council’s stated goal of ENO attaining energy savings of 2% relative to sales. Based on the schedule for ENO’s 2018 Triennial IRP, the DSM Potential Study will need to be completed by mid-May 2018, allowing approximately four and a half months to complete the Study.

**Background**

The Council, in accordance with the New Orleans Home Rule Charter and the Louisiana Constitution, acts as retail regulator for electric and gas utility services in Orleans Parish, Louisiana. It regulates ENO in the provision of electric and natural gas services in Orleans Parish, Louisiana. ENO is a wholly owned subsidiary of Entergy Corporation (“Entergy”), a multistate holding company.

As a retail regulator, the Council has exclusive jurisdiction over the electric and natural gas rates, reliability, and terms and conditions of service in Orleans Parish. The Council Utilities, Cable, Telecommunications, and Technology Committee (“UCTTC”) serves as the Council Committee responsible for making recommendations to the full Council on all cable, electric, natural gas and telecommunications regulatory and franchise matters. The Council Utilities Regulatory Office (“CURO”), under the direction and supervision of the CURO’s Chief of Staff, is the administrative office of the Council responsible for providing in-house staff to the Council on regulatory issues and works with the outside legal and technical regulatory consultants retained by the Council to carry out and fulfill the Council’s regulatory responsibilities.

**Purpose**



The Council's Electric Utility Integrated Resource Plan Rules ("IRP Rules"), as embodied in Council Resolution R-17-429,<sup>1</sup> are intended to inform and empower effective Council and utility decision-making, while augmenting utility resource planning and enhancing public awareness of and input into the utility's energy choices. It is the Council's desire that a comprehensive IRP is conducted in accordance with its IRP Rules in order to provide a scope of all reasonably available resource options in light of current and expected market conditions and technology trends, and generate an informed understanding of the economic, reliability, and risk evaluation of utility resource planning as well as the associated social and environmental impacts. Further, the Council wishes to encourage and enforce a transparent process that allows all interested constituents and stakeholders to participate and that fosters the development of a complete administrative record upon which informed Council decision-making can occur. The DSM Potential Study for which the Council is issuing this RFQ will be an input into the larger IRP process, and should be performed in compliance with the Council's IRP Rules. The scope of the DSM Potential Study will encompass all potential energy efficiency and demand response measures as defined in the IRP Rules.

In furtherance of the Council's consideration of ENO's 2018 IRP Report due to be filed on or before January 25, 2019, the DSM Potential Study shall be completed on or before May 16, 2018.

The Council recognizes that spurring innovation is an important strategy to achieving greater increases in the level of DSM, and wishes to incentivize such by promoting competition among methodologies regarding the identification and methods of delivering DSM. The scope of this RFQ is structured to encourage innovative approaches to projecting the maximum achievable DSM in New Orleans.

The proposed methodology resulting from this RFQ should provide insight into the full extent of kWh and kW savings that can be achieved (based on cost-effective screening) and should encompass the IRP planning period of 20 years (2018-2037).

#### **Qualifications Statement Content**

All responses should include:

- I. A comprehensive description of how the respondent will conduct the assignment structured as follows:

<sup>1</sup> Appendix I – Council Resolution R-17-429 "Resolution Amending the Electric Utility Integrated Resource Plan Rules", at Attachment B, in Council Docket No. UD-17-01  
[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69) (provide link to website)

Formatted: Not Highlight

## A. Background and Proposed Methodology

### 1. *Principal Objective and the Required Analysis Structure to Achieve That Objective*

The DSM Potential Study shall provide credible projections of achievable DSM in New Orleans formatted as specific load shape inputs for use in the IRP process. The DSM Potential Study will screen DSM measures and programs for cost-effectiveness to enable comprehensive comparisons of DSM and supply-side resources to meet New Orleans' consumer demand through the modeling period of the IRP (2018-2037).

Responses to this RFQ should delineate the methodology proposed for the DSM Potential Study in a manner which follows the specific structure provided herein such that the Council can effectively evaluate the respondent's analytical framework, input assumptions, and anticipated quality of results.

~~The methodological choices and numerous inputs should be clearly documented in accordance with the detail prescribed herein. This includes the process to consider input from all interested stakeholders and ENO that the respondent considers appropriate and consistent with best practices in their independent judgement.<sup>2</sup> This will insure independence and transparency, which are the essential qualities that will characterize the DSM Potential Study.~~

### 2. *Selection of Proposed Methodology to be Employed*

The RFQ response should propose the methodology to be employed and describe how that methodology conforms to industry best practices. The conformance with best practices should include those generally recognized nationally and as filed and accepted in other regulatory jurisdictions.

### 3. *Process to Consider Stakeholder Input*

~~The methodological choices and numerous inputs should be clearly documented in accordance with the detail prescribed herein. This includes the process to consider input from all interested stakeholders and ENO that the respondent considers appropriate and consistent with best practices in~~

<sup>2</sup>The 2018 Triennial Procedural Schedule allows for approximately four and a half months to complete the DSM Potential Study.

their independent judgement.<sup>3</sup> This will insure independence and transparency, which are the essential qualities that will characterize the DSM Potential Study.

The selected DSM Consultant will participate in a kick-off meeting with the City Council, its Advisors, ENO and stakeholders within ten business days of project initiation to review and discuss the proposed scope of work, timeline and deliverables, data availability from ENO, and lines of communication with the Council and its Advisors. The kick-off meeting will be a public meeting held in the Council chambers and chaired by the Chairman of the UCTTC, Utility, Telecommunications, Cable and Based on this meeting, the DSM Consultant will provide a draft Study Workplan consistent with best practices in the DSM consultant's independent and best judgement. After considering comments on the draft Study Workplan, the DSM Consultant will submit to the Council a final Study Workplan.

Formatted: Justified

#### 3.4. Modeling Tools and Workpapers

The conduct of the DSM Potential Study will necessarily include the processing of large amounts of data and providing analytical techniques capable of performing forecasting and evaluating uncertainty related to the projected results. The RFQ response should provide a complete description of the modeling tools to be employed, including any proprietary models and any assumptions and limitations that will be inherent in applying the modeling tools. The RFQ response should also describe the complete set of workpapers that will be provided to the Council and Stakeholders at the completion of the project, including the format of the worksheets, supporting data, assumptions and references, as well as a confirmation that the workpapers and results provided have cell formulas intact.

#### 4.5. Review of Entergy New Orleans Energy Smart Performance and Metrics

Since the Energy Smart Program is currently in its seventh year of implementing DSM in New Orleans<sup>4,5</sup>, it is imperative to establish a frame

<sup>3</sup> The 2018 Triennial Procedural Schedule allows for approximately four and a half months to complete the DSM Potential Study.

<sup>4</sup> Appendix II – Program Year 5 Energy Smart Annual Report, July 28, 2016.

[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)(provide link here)

<sup>5</sup> Appendix III – Program Years 6 Energy Smart Annual Report, August 14, 2017.

[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)(provide link here).

Formatted: Not Highlight

Formatted: Not Highlight

of reference and continuity with the DSM Potential Study. The RFQ response should describe what aspects of the Energy Smart performance are considered important to convey into the analysis as reference data in projecting DSM measures and potential savings.

#### 5.6. Range of DSM Measures

The RFQ response should provide an explanation of how the respondent will include a comprehensive range of the type of energy efficiency and demand response DSM measures that will be appropriate for consideration in projecting DSM potential in New Orleans, while maintaining continuity with the New Orleans Technical Reference Manual (“NO TRM”).<sup>6</sup>

The review of naturally occurring conservation and customer-sited battery storage and distributed energy resources in the ENO load forecast will be included in the comprehensive evaluation of the IRP and ENO’s analytics therein. The baseline assumptions and projections of customer-sited battery storage and generation will be examined in the ENO demand and energy forecast pursuant to the IRP Rules.

The response should include, but not be limited to:

- a. A definition of all available energy efficiency and demand response DSM technologies, describing how the Study will ensure comprehensiveness;
- b. A list of the range of emerging DSM technologies and how they ~~that~~ will be evaluated over the analysis period;<sup>7</sup>
- c. New energy efficiency and demand response DSM measure definitions that will be considered; and
- d. The method by which ENO’s proposed full implementation of Advanced Metering Infrastructure (“AMI”) will be incorporated into the range of DSM measures, with implementation scheduled for 2019 through 2021;<sup>8</sup>

<sup>6</sup> Appendix IV – New Orleans Energy Smart Technical Reference Manual  
[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)(provide link here).

<sup>7</sup> The DSM Potential Study analysis period will be identified with the proposed methodology and will accommodate the IRP Planning Period of 20 years (2018-2037).

<sup>8</sup> Appendix V – UD-16-04 ENO Application to Deploy AMI, October 2016.  
[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)(provide link here).

Formatted: Not Highlight

Formatted: Not Highlight

- e. Rate design measures should only consider rate designs implemented and proven in other jurisdictions to achieve ~~some~~ energy and demand savings.

#### 6.7. Regulatory and Non-Regulatory Policy Changes

The RFQ response should address how Council regulatory policies, and City, state, and federal policies ~~that~~ would be considered in the Study and how they might impact DSM potential over the analysis period. Specifically, the RFQ response should address how such impacts would be determined and quantified for specific types of DSM measures, as well as the timing and likelihood of such policies.

### B. Technical and Economic DSM Potential in New Orleans

#### 1. *Market Characterization*

For the proposed methodology, the RFQ response should describe the approach to characterizing the technical and economic DSM market in New Orleans, including, but not limited to:

- a. A comprehensive list of energy efficiency (“EE”) and demand response (“DR”) measures to be analyzed, including measure permutations and basis for new and emerging technology measures. The DSM Potential Study should not be limited to DSM measures included in the previous Integrated Resource Plans of ENO,<sup>9,10</sup> or Energy Smart Program Implementation.<sup>11</sup> The RFQ response should describe how new and emerging technology measures will be identified with the specified metrics required for the DSM Potential Study;
- b. The important metrics of each measure, including kWh and kW projected annual savings, expected useful life, incremental cost, and 24-hour load shape;

Formatted: Superscript

<sup>9</sup> Appendix VI UD-08-02 ENO 2012 Integrated Resource Plan, October 20, 2012.  
[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)

<sup>10</sup> Appendix VII UD-08-02 ENO 2015 Integrated Resource Plan, February 1, 2016.  
[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)

<sup>11</sup> Appendix VIII Energy Smart Program Year 7-9 Budget and Approved Savings.  
[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)

~~a.c.~~ Identification of existing and emerging DSM technologies as follows: (a) by sector (customer class), (b) by type, (c) by size of the market for each year of the analysis, and (d) by levels of market penetration. Customer sectors will include, as a minimum, low income residential, single-family, multi-family, and small business;

~~b.~~ Application of free riders/spillover effects and market transformation assumptions, including the corresponding investment and risk related to any market transformation proposals. Market transformation should include interventions in the market by ENO designed to influence customer decision-making and trade ally specification practices;

~~e.d.~~ An explanation of how the respondent will incorporate the uncertainty that affects the estimated impacts of DSM technologies on energy consumption; ~~and~~

~~e.~~ Demonstrating best practices to determine the technical and economic DSM potential in New Orleans relative to other standard approaches to estimate technical and economic DSM Potential; ~~and~~

f. Cost-efficient means to include non-energy benefits (“NEBs”) in the Study including:

i) Measure level quantification as feasible within the budget available for the proposed study;

ii) A proxy multiplier applied at the sector or portfolio level;

iii) Detailed analysis of NEBs for a limited number of high impact measures; and

iv) A more generalized structure for NEB identification, classification and interpretation that could serve as the basis for inclusion in the non-utility costs of the IRP scorecard matrix.

Note, the Council is particularly interested in the inclusion of low income NEBs.

- Formatted:** Font: (Default) Times New Roman, 12 pt, Font color: Blue
- Formatted:** Normal, No bullets or numbering
- Formatted:** Indent: Left: 2.33", No bullets or numbering
- Formatted:** Font: (Default) Times New Roman, 12 pt, Font color: Blue
- Formatted:** Normal, No bullets or numbering
- Formatted:** Font: (Default) Times New Roman, 12 pt, Font color: Blue
- Formatted:** Normal, No bullets or numbering
- Formatted:** Font: (Default) Times New Roman, 12 pt, Font color: Blue
- Formatted:** Normal, No bullets or numbering

2. “Business as Usual” Baselines

The RFQ response should describe how the DSM measure baselines will be defined in applying product efficiency standards, multiple efficiency tiers, and computing incremental savings for each DSM measure above the defined baselines over the analysis period.

3. *Measure Characterization*

For the proposed methodology, the RFQ response should describe the approach to characterizing the technical and economic DSM measures in New Orleans, including, but not limited to the following:

- a. Explain how the specific comparisons and differences with the technical and economic levels of DSM in the previous New Orleans DSM Potential Studies will be identified and summarized;<sup>12,13</sup> and
- b. Explain how the sector DSM market may be identified through disaggregation into building types and specific end uses if sector forecasts, such as the commercial sector, are evaluated as part of the proposed methodology.
- c. Use of the NO TRM, including any proposed modifications or additions related to measures reflecting best practices that may not be included in the NO TRM;
- d. Approaches to operational efficiency improvements for custom DSM measures by sector, including opportunities for commercial and governmental measures that may be unique to New Orleans;
- e. Assumptions in projecting enabled and non-enabled pricing and other demand response measures by sector; and
- f. Demand response programs specifically designed for the MISO capacity market;

C. Achievable DSM Potential Scenarios

<sup>12</sup> Appendix ~~IXVI~~ - Long Term Demand Side Potential in the Entergy New Orleans Service Area, developed by ICF International in support of ENO's 2015 IRP, June 23, 2015.

[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)(provide link here)

<sup>13</sup> Appendix ~~XVH~~ - Exhibit SEC-14 in CNO Docket No. UD-16-02 "Entergy New Orleans Energy Efficiency Potential Study" submitted by Navigant, June 26, 2017.

[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)(provide link here)

Formatted: Not Highlight

Formatted: Not Highlight

## 1. *Market Characterization*

For the proposed methodology, the RFQ response should provide a complete explanation of how the following components of achievable DSM will be derived and correlated with the NO TRM:

- ~~a. A comprehensive list of energy efficiency (“EE”) and demand response (“DR”) measures to be analyzed, including measure permutations and basis for new and emerging technology measures. The DSM Potential Study should not be limited to DSM measures included in the previous Integrated Resource Plans of ENO,<sup>14,15</sup> or Energy Smart Program Implementation<sup>16</sup>. The RFQ response should describe how new and emerging technology measures will be identified with the specified metrics required for the DSM Potential Study;~~
- ~~b. The important metrics of each measure, including kWh and kW projected annual savings, expected useful life, incremental cost, and 24-hour load shape;~~
- ~~a. Application of free-riders/spillover effects and market transformation assumptions, including the corresponding investment and risk related to any market transformation proposals. Market transformation should include interventions in the market by ENO designed to influence customer decision making and trade all specification practices;~~
- ~~e.b. The analytical approach that will be used to determine participant incentive costs by measure and by bundled program;~~
- ~~d.c. Each component of the utility avoided costs including line losses;~~
- ~~e.d. Forecasts of the annual values of non-utility/other benefits;~~
- ~~f.a. Supporting analytical procedures that will be employed to project the achievable DSM for each measure;~~

<sup>14</sup> Appendix VIII—UD-08-02-ENO-2012-Integrated Resource Plan, October 30, 2012. (provide link here);

<sup>15</sup> Appendix IX—UD-08-02-ENO-2015-Integrated Resource Plan, February 1, 2016. (provide link here);

<sup>16</sup> Appendix X—Energy Smart Program Year 7-9 Budget and Approved Savings. (provide link here);



e. Specific assumptions or conditions that will need to be realized in order to achieve certain measure savings estimates, such as the timing of regulatory approval for time-differentiated DR rate structures or direct load control of specific appliances or loads;

f. A complete description of how DSM measure benefits and costs will be projected, particularly how the measure savings and decreasing costs for certain existing DSM technologies could be expected to evolve over the analysis period; and

g. Supporting analytical procedures that will be employed to project the achievable DSM for each measure, including the respondent's analytical approach in the following areas supported by specific references, studies, and examples based on similar DSM work as applicable:

- i) How measure/program penetration rates will be modeled or estimated with different incentive levels and policies, and participants' acceptance of DSM by sector, including any actual experience or studies that will be used to support any program participation rate assumptions. Such studies may include those that forego DSM technology adoption curves and estimate adoption rates directly based on economic and non-economic factors;
- ii) Multiple scenario approaches that may be used to quantify the range of uncertainty in the projections of DSM measures adopted from factors such as uncertainty of customer responses to specific EE and DR measures, with supply curves for each scenario that illustrate achievable DSM;
- iii) Application of participant incentive levels as a percent of measure incremental cost, and its effect on measure penetration rates;
- iv) Estimation of projected measure saturation through the analysis period;
- v) Translation of gas savings on combined DSM measures to kWh savings equivalents;

vi) Adoption of more aggressive building codes for new and renovating buildings;<sup>17</sup> and

vii) Net-to-Gross (“NTG”) assumptions, and on what basis reasonable NTG ratios will be selected to reflect the free ridership and spillover effects related to various measures or bundled measures.

## 2. Measure Characterization and Design

For the proposed methodology, the RFQ response should describe how the following considerations will be used to characterize the specific DSM measures that will be evaluated to determine the achievable DSM potential over the analysis period:

~~a. Use of the NO TRM, including any proposed additions related to measures that may not be included in the NO TRM;~~

~~b.a.~~ New forms of “standard offer” DSM programs;

~~c.b.~~ Approaches to bundling of DSM measures into programs;

~~d.c.~~ Use of upstream and mid-stream product rebates for specific DSM measures;

~~e.a.~~ Approaches to operational efficiency improvements for custom DSM measures by sector, including opportunities for commercial and governmental measures that may be unique to New Orleans;

~~f.a.~~ Assumptions in projecting enabled and non-enabled pricing and other demand response measures by sector;

~~g.d.~~ Assumptions and credible supporting analysis for projecting behavioral response DSM measures, with respect to design, number of participants, opt-in vs. opt-out, education and information activities, and annual cost;

<sup>17</sup> Boulder, CO; San Francisco and Berkeley, CA; and Burlington, VT, have adopted rental energy ordinances. Gichon, Y., Cuzzolino, M., Hutchings, L., and Neiger, D. (2012). *Cracking the Nut on Split-Incentives: Rental Housing Policy*. Proceedings of the 2012 ACEEE Summer Study on Energy Efficiency in Buildings, Volume 8, pp. 92-101; (2012). Lawrence Berkeley National Lab. (2012). *Boulder, Colorado’s SmartRegs: Minimum Performance Standards for Residential Rental Housing*. Clean Energy Program Policy Brief.

~~h.e.~~ Treatment of low income DSM measures, specifically in cost-effectiveness screening, and how non-cost effective measures would be evaluated and may be included into the overall portfolio;

~~i. Demand response programs specifically designed for the MISO capacity market;~~

Formatted: Indent: Left: 1.83", No bullets or numbering

~~j.f.~~ Budgetary and non-budgetary assumptions that may define achievable DSM during the analysis period, particularly those related to determining the maximum achievable DSM per measure/program; and

~~k.g.~~ An explanation of how the DSM measures resulting from the proposed methodology will address the potential impacts on reliability and rates.

### 3. *Financial Inputs*

The RFQ response should provide references supporting the conceptual basis and method proposed to determine the values for discount rates, inflation rates, components and calculation of utility avoided costs, and projected ENO retail rates by customer sector.

### 4. *Net Savings/Cost Effectiveness Study*

The RFQ response should describe how each of the screening test methodologies<sup>18</sup> by measures and bundled programs will be used to evaluate cost effectiveness. For the proposed methodology, this section of the RFQ response should include the following:

- a. A definition and illustrative calculation for all quantified benefits and costs (utility, participants, stakeholders, environmental/societal) for each cost-effectiveness screening test;
- b. The algorithms and specific references to be used in quantifying each cost and benefit, including gross and net fossil fuel savings, and gross and net carbon savings;

<sup>18</sup> Screening Test methodologies are defined quantitatively in the California Standard Practices Manual, 2001, which provides the inputs for benefits and costs and cost effectiveness calculations from several perspectives: the utility, participants, all ratepayers, total resources, and societal.

- c. A list of utility benefits, including avoided transmission and distribution and traditional fuel costs and how such benefits will be determined and projected;
- d. An explicit description of how the specific values of the participant and equipment metrics will be determined for both prescriptive and types of custom measures;
- e. The manner in which the cost impact to ratepayers from the utility's loss of billing units due to the kWh reduction related to energy efficiency programs will be addressed;~~and~~
- f. A listing of the input assumptions that will be used in the calculations to screen for DSM cost-effectiveness, indicating which assumptions should be consistent with those used in the IRP process to ensure that demand and supply-side resources are evaluated on an equal footing; and

f.g. Quantification of gas savings on combined measures.

#### D. Results and Key Findings

The RFQ response should describe and provide examples of how projected incremental and cumulative kWh and kW reduction for each year of the planning period, and costs, benefits, and net benefits by DSM measure and sector, will be presented in tabular and graphic form in the results section and executive summary section of the final report. The results will include as a minimum, a reference case or business as usual scenario, as well as a maximum achievable scenario. A draft report of results will be presented at the 2<sup>nd</sup> IRP Technical Meeting, scheduled for June 2018, after which suggested edits to the draft of the final report will be completed within a two week period.

#### E. Benchmarking the Results

1. The RFQ response should discuss how the various scenarios defining the achievable levels of DSM Potential, kWh and kW savings, will be benchmarked versus the results of DSM Potential studies reported in other regulatory jurisdictions. For the proposed methodology, the RFQ response should discuss the selection process of comparable studies and the similarities and differences in DSM Potential results that will be evaluated.

2. The RFQ response should discuss how the nominal and present value of the cost and benefits of the various scenarios defining the achievable levels of DSM Potential will be benchmarked versus the levels of achievable DSM Potential reported in comparable jurisdictions.

#### F. DSM Inputs for Modeling in 2018 IRP

Composite 24 hour DSM program load profiles for required years will be modeled with supply resources in the 2018 IRP. The RFQ response should discuss the following:

1. How the composite DSM 24-hour load profiles will be constructed from cost-effective DSM programs resulting from the DSM Study; and
2. How the composite load profiles will be constructed for specific years of the analysis period with corresponding costs, as DSM inputs to the modeling in the IRP process.

#### G. Required Appendices

The RFQ response must include the following Appendices at a minimum:

1. The sources for the New Orleans Stock Forecast and Demographic Forecast that will be used to support the DSM projections, and the detailed format in which each forecast will be presented;  
+
2. No primary data collection is expected to be undertaken for this study, though contractors may propose limited primary data collections as an option, clearly noting its impact on the process timeline;
3. A detailed description and an illustrative example of the planning tool(s) (in electronic workbook format) proposed for use in conducting the analysis;  
and
4. A description of the respondent's expectations for the transfer from ENO to the respondent of all data deemed necessary for the successful conduct of the DSM Potential Study, including avoided costs, retail rate projections, voltage level demand and energy losses, and customer class sales projections; and

Formatted: Indent: Left: 1.33", No bullets or numbering

4.5. A list of draft and final report deliverables, including the workpapers referenced in Section I.A.4 of this RFQ's Qualifications Statement Content.

- II. A complete "consulting services questionnaire" using the format that is provided in Attachment 2 attached. Any subcontractors proposed to be used must also submit a complete questionnaire that must be attached to the prime firm's questionnaire.
- III. Professional experience and resumes of partners, principals, and employees in the firm who will be responsible for, and actively involved in, the provision of professional services for the Council ("Key Personnel"), including the appropriate evidence of accreditation, certification, and licensing in their profession and a specific listing of each professional's relevant professional experience in the conduct of DSM potential studies and energy efficiency programs.
- IV. A description of three or more assignments which best illustrate the respondent's current qualifications relevant to the areas requested in this RFQ, including samples of work product.
- V. Demonstrated ability to provide coverage for City Council matters related to this assignment when the principal consultant is unavailable because of other assignments, illness, vacation, or similar conflicting demands.
- VI. A sworn affidavit listing all persons with an ownership interest in the respondent. An "ownership interest" shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that hold an interest in a publicly traded corporation. The affidavit is a public record.
- VII. A sworn affidavit that no other person holds an ownership interest in the respondent via a counter letter.
- VIII. A list of all persons, natural or artificial, who are retained by the respondent at the time of the application and who are expected to perform work as sub-contractors in connection with respondent's work for the City Council. The Council may require information on employees or sub-contractors of or ownership interests in the sub-contractor. This list is a public record.
- IX. A list of professional labor fees for all personnel included in the respondent's response to this RFQ and any others in respondent's firm who may be called upon to perform work related to this RFQ, and a clear and concise statement that such professional labor fees throughout the contract term will be the most cost efficient and will not exceed the lowest professional labor fee for similarly situated clients of the firm.

- X. The respondent's best realistic estimate of the range of labor and expense costs and project timeline associated with performing the DSM Potential Study as described in its response based upon the respondent's proposed scope of work, including the attendance at three meetings in New Orleans one of which will be the public kick-off meeting.

### **Potential Conflict of Interest**

All respondents providing a response to the RFQ shall provide a clear and unambiguous indication of any potential or real conflicts of interest it or any of its sub-contractors may have with respect to performing the work outlined in this RFQ on behalf of the Council.:

- I. Any work performed for an Investor Owned Utility in the past five years.
- II. Any work performed for any industrial, commercial or residential ratepayer (or groups and non-profit associations) in Orleans Parish or in the service area of any of Entergy's operating subsidiaries, currently and in the past five years, on any energy efficiency matters.
- III. Any work performed for any other regulator of Entergy Corporation and/or Entergy and/or any of Entergy's operating subsidiaries.
- IV. Any work performed for any individuals, groups, organizations, and/or non-profit associations that are currently an official party to Council Docket No. UD-08-02, Council Docket No. UD-17-01, and/or Council Docket No. UD-17-03.
- V. Any work performed (whether compensated or not) on behalf of any Councilmember, the City Council, or the City of New Orleans within the past five years.
- VI. Any work performed for any renewable energy companies, contractors, or marketers in Orleans Parish and the State of Louisiana within the past five years.

For any such work performed, the respondent shall indicate the scope of the engagement, the time frame, the amount of compensation received and why the respondent deems such work to be or not be in conflict with the execution of the proposed scope of work.

The Council shall be the sole arbiter as to any conflicts of interest and shall make the final determination as to whether any potential or real conflict of interest exists.

**Limitation on Respondents Competing for this RFQ:**

Any person or firm contributing to the development of this RFQ shall be prohibited from submitting a qualifications statement for selection of that procurement. Such persons or firms shall further be prohibited from participating as subcontractors to the Council’s DSM Potential Study Consultant.

Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold

~~The Council shall be the sole arbiter as to any conflicts of interest and shall make the final determination as to whether any potential or real conflict of interest exists.~~

**Evaluation Criteria**

Upon receipt by the due date of responses to this RFQ by qualified firms, the Council’s staff Selection Review Committee (“SRC”) will evaluate all responses received based upon the criteria listed herein and in Council Rule 45, a copy of which is attached. Particular emphasis will be placed on the following criteria:

- I. Training and experience of the Key Personnel and other professional personnel in the provision of services required by this RFQ.
- II. Quality of work samples presented.
- III. Clear understanding by the respondent of work to be performed, and appropriateness of the proposed methodology, including but not limited to the capabilities to assess the costs and benefits of energy efficiency, demand response, and expertise in including DSM in IRP models.
- IV. Knowledge of local conditions.
- V. Capability and experience in providing consistent, timely, and cost-effective services, as determined by information requested from references or the Council’s actual experiences.
- VI. Estimated cost, based on hourly rates of consultants at various levels of expertise and experience.
- VII. Involvement at the professional level of members of disadvantaged groups and of certified disadvantaged business enterprises, as defined in Section 70-456 of the New Orleans City Code.
- VIII. Participation by persons living and/or working in New Orleans at a professional level.



- IX. Willingness to accept a “not to exceed cost” for the scope of work proposed by the respondent.

### **RFQ Process**

Except as provided herein below, no written, electronic, or oral communications from any actual or potential respondent to this RFQ or anyone acting as agent or representative for such person shall be made to any Councilmember, city employee, or Council staff person during this RFQ process, which is defined as the Blackout Period. The Blackout Period is a specified period of time during this competitive RFQ process in which any actual or potential respondent or their/its agent or representative is prohibited from communicating with any City Councilmember, Council staff person, or City of New Orleans employees regarding any matter related to the RFQ process. All communications to and from any actual or potential respondent and/or their/its agent or representative during the Blackout Period must be in accordance with this RFQ’s defined method of communication with the designated contact person. The Blackout Period will begin upon posting of this RFQ. The Blackout Period will end when the contract is awarded.

RFQ Expressions of Interest by potential respondents, although not a requirement for responding to the RFQ, should be provided to CURO at the earliest possible date in order to provide a response to all potential respondents’ questions properly received by CURO prior to the response cut-off date of October 24, 2017.

All questions regarding this RFQ shall be submitted in writing via U.S. Mail, Facsimile, or by email with both a “Request Delivery Receipt” and a “Request Read Receipt” for verification and tracking purposes of the email message. Any emails transmitted absent such tracking receipts shall be deemed not delivered to CURO. All questions of respondents must be submitted no later than 5:00 PM CST on Tuesday, October 17, 2017. All responses to questions properly received by the above date will be responded to no later than five (5) business days after receipt of same with copies to all potential respondents who submitted correspondence as an “Expression of Interest.”

Any and all inquiries and correspondence should be directed to Mr. W. T. Stratton, the Director of the City Council Utilities Regulatory Office, Room 6E07, City Hall, 1300 Perdido Street, New Orleans, LA 70112 in writing by U.S. Mail; by Facsimile at (504) 658-1117; or by email to the attention at [wstrattonjr@nola.gov](mailto:wstrattonjr@nola.gov).

Field Code Changed

Fifteen (15) copies of the RFQ submission, including samples of work products, must be submitted in hard copy form by 5:00 PM CST on Tuesday, October 31, 2017 to the City

Council Utilities Regulatory Office, Room 6E07 City Hall, 1300 Perdido Street, New Orleans, LA 70112. Where possible, an electronic version of the proposal should also be submitted to [pthomas@nola.gov](mailto:pthomas@nola.gov) and [wtstrattonjr@nola.gov](mailto:wtstrattonjr@nola.gov). Copies of the submission, both in hard copy and electronic forms, must also be provided to the following individuals:

Field Code Changed  
Field Code Changed

Clinton Vince, Esq.  
Emma Hand, Esq.  
Denton’s US LLP  
1900 K Street, NW  
Washington, DC 20006  
[clinton.vince@dentons.com](mailto:clinton.vince@dentons.com)  
[emma.hand@dentons.com](mailto:emma.hand@dentons.com)

Mr. Joseph Vumbaco, P. E.  
Mr. Victor Prep, P. E.  
Legend Consulting Group Limited  
8055 East Tufts Avenue, Suite 1250  
Denver, CO 80237  
[jvumbaco@ergconsulting.com](mailto:jvumbaco@ergconsulting.com)  
[vprep@ergconsulting.com](mailto:vprep@ergconsulting.com)

Field Code Changed  
Field Code Changed  
Field Code Changed  
Field Code Changed

Walter Wilkerson, Esq.  
Wilkerson & Associates, PLC  
650 Poydras Street, Suite 1913  
New Orleans, LA 70130  
[wwilkerson@wilkersonplc.com](mailto:wwilkerson@wilkersonplc.com)

Field Code Changed

All Respondents should be apprized that the City of New Orleans is a political subdivision of the State of Louisiana pursuant to Chapter 10-A, Section 4545.1 through 4545.37 of the Louisiana Revised Statutes of 1950, as amended. As such, materials submitted by any Respondent may be subject to the open records act of Louisiana. Louisiana Revised Statutes 44:3.2 – Proprietary and Trade Secret Information provides: (1) All records containing proprietary or trade secret information submitted by a developer, owner, or manufacturer to a public body pursuant to Subsection A, B, or C of this Section shall contain a cover sheet that provides in bold type “DOCUMENT CONTAINS CONFIDENTIAL PROPRIETARY OR TRADE SECRET INFORMATION.” The developer, owner, or manufacturer shall clearly mark each instance of information which is, in his opinion, proprietary or trade secret information. However, the determination of whether such information is in fact proprietary or trade secret information shall be made by the custodian within thirty days of a submission; however, if a custodian receives a public records request during the period of thirty days, the determination shall be made within the time period provided in R.S. 44:32(D) and 33(B).

A custodian who receives a request for any information which has been marked by the developer, owner or manufacturer as proprietary or trade secret information shall, prior to the disclosure of the information, immediately notify such developer, owner, or manufacturer of the request and of the custodian's determination of whether or not the information so requested is subject to disclosure.

~~A SRC composed of the Interim Council Chief of Staff, the Council Research Officer if that position is filled by the October 31, 2017 deadline for responses, the Council Utilities~~

~~Regulatory Office Chief of Staff Director, and one representative each from the Council's Regulatory Technical and Legal Advisors. A Selection Review Committee ("SRC") shall be constituted in accordance with paragraph 8 of Council Rule 45, and in addition shall include a representative from the Council's Technical Advisors and a representative from the Council's Legal Advisors, and shall include the CURO Chief of Staff, except that if any Council employees as listed in Rule 45 or the CURO Chief of Staff are unavailable to serve as of the October 31, 2017 deadline for responses, the SRC shall be constituted of those Council employees who are available. The SRC will review and evaluate the submissions, and select qualified proposals for referral to the UCTTC no later than 5:00 PM CST on Friday, December 1, 2017. The SRC shall conduct its meetings in accordance with the Louisiana Public Meetings Law, R.S. 42:12 et seq.<sup>19</sup> For each submission selected for referral, the SRC will contact one or more of the persons suggested as references. The UCTTC may or may not choose to interview one or more of the respondents selected by the SRC. The SRC Report will be considered at a UCTTC meeting. It is anticipated the UCTTC will act expeditiously on the selection of the successful respondent it will recommend to the City Council. The successful respondent must be selected by mMotion of the Council.~~

The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee relating to the procurement of goods or services by the city, including meetings involving third party transactions. The notice required shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four hours prior to the scheduled meeting. The Inspector General may attend all city meetings relating to the procurement of goods or services as provided herein and may pose questions and raise concerns consistent with the functions, authority, and powers of the Inspector General. An audio recorder or court stenographer may be utilized to record all selection or negotiation committee meetings attended by the Office of the Inspector General.

### **Length of Contract**

The contract will extend through the completion of the DSM Potential Study and incorporation of the Study results into the planning process for the 2018 Triennial IRP at the discretion of the Council. Each respondent is to include in its submittal a clear and concise statement of those personnel and firm resources for which it is willing and can commit to make available for the Council's regulatory activities during such period.

### **Additional Information**

1. The City of New Orleans is not liable for any costs incurred prior to entering into a formal written contract. Any costs incurred in the preparation of the statement

<sup>19</sup> Rule 45(8) requires compliance with R.S. 42:4.1, that section was redesignated as R.S. 42:12 by Actions 2010 No. 861 § 23.

- interview, or other pre-contract activity are the responsibility of the person submitting the statement.
2. All submissions become the property of the City and as such are public information.
  3. The contractor will invoice the City Council on a monthly basis in accordance with specified billing guidelines during the term of the contract. Work shall be billed in increments of one-tenth of an hour.
  4. Any contract awarded shall contain a provision that:
    - a. With regard to any subcontractor proposed to be retained by the respondent to perform work on the contract with the City Council, the respondent must provide notice to the appropriate Council Committee within thirty (30) days of retaining said subcontractor and the retention must be approved by Motion of the Council. The Council may require information on ownership interests in the sub-contractor prior to approval of the sub-contractor's retention.
    - b. Unless otherwise approved by the Contracting Officer of the City Council or CURO, reimbursable expenses shall be limited as provided for in Council Motion M-17-164 (Appendix XI).<sup>20</sup>
    - c. When the attendance of contractor is requested at meetings of the Council, meetings of the UCTTC, meetings with Council members and/or Council staff, meetings with ENO and Stakeholders, and/or meetings with the public, the Council will only provide labor fee and expense reimbursement for one consultant, unless otherwise specifically approved by the Contracting Officer of the City Council or CURO.
    - d. Key Personnel assigned may not be replaced without consent of the Contracting Officer of the City Council or CURO.
  5. Section 2-1120 of the Code of the City of New Orleans, relative to the Office of the Inspector General provides in part as follows:

With the exception of those contracts specified in subsection (1) of this paragraph, every city contract and every contract amendment where the original contract does not include this statement, and every bid, proposal, application, or solicitation for a city contract, and every

<sup>20</sup> Appendix XI – M-17-164 CURO Work & Billing Practices Policy for UCTTC Advisors, March 23, 2017.  
[http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69)(provide link here).

application for certification of eligibility for a city contract or program shall contain the following statement:

“It is agreed that the contractor or applicant will abide by all provisions of City Code § 2-1120, including, but not limited to, City Code § 2-1120(12), which requires the contractor to provide the Office of Inspector General with documents and information as requested. Failure to comply with such requests shall constitute a material breach of the contract. In signing this contract, the contractor agrees that it is subject to the jurisdiction of the Orleans Parish Civil District Court for purposes of challenging a subpoena.” City Code Sec. 2-1120.-Office of inspector general.

**Consulting Services Questionnaire**

~~1. Project Name~~

~~2.1. Date Submitted~~

~~3.1. Specify type of ownership and indicate if applicable:~~

~~\_\_\_\_\_ Private corporation \_\_\_\_\_ Public corporation \_\_\_\_\_ Proprietorship~~

~~\_\_\_\_\_ Partnership \_\_\_\_\_ Small business \_\_\_\_\_ Minority owned business~~

~~\_\_\_\_\_ Woman owned business \_\_\_\_\_ Limited Liability Company~~

~~4.1. Firm or Joint Venture contact information~~

~~4a. Firm (or joint venture) name, mailing address, telephone number~~

~~4b.4a. \_\_\_\_\_ Firm(s) owners~~

~~4c.4a. \_\_\_\_\_ Name, title, telephone, and email address of principal to contact~~

~~4d.4a. \_\_\_\_\_ Name, title, telephone, and email address of proposed project manager~~

~~5.1. Full time personnel assigned to project~~

~~Number \_\_\_\_\_ Position/Title \_\_\_\_\_ Hourly rate of Pay~~

~~\_\_\_\_\_~~

~~\_\_\_\_\_~~

~~\_\_\_\_\_~~

~~6.1. Is submittal a joint venture~~

~~6a. If so, has joint venture worked together before?~~

~~6b.6a. \_\_\_\_\_ If a joint venture, name of lead firm:~~

~~7.1. Summary of professional services fees received in (insert index number)~~

~~2014 \_\_\_\_\_ 2013 \_\_\_\_\_ 2012 \_\_\_\_\_ 2011 \_\_\_\_\_ 2010 \_\_\_\_\_~~

~~( ) \_\_\_\_\_ ( ) \_\_\_\_\_ ( ) \_\_\_\_\_ ( ) \_\_\_\_\_ ( ) \_\_\_\_\_~~

~~Use index below:~~

~~\_\_\_\_\_ Index~~

~~\_\_\_\_\_ 1. Less than \$250,000 \_\_\_\_\_ 4. \$3,000,000 to \$6,000,000~~

~~\_\_\_\_\_ 2. \$250,000 to \$1,000,000 \_\_\_\_\_ 5. \$6,000,000 or greater~~

~~3. \$1,000,000 to \$3,000,000~~

~~8.1. Brief resumes of key persons anticipated for this project. Please indicate male/female, minority/majority, and parish or county and state of domicile.~~

~~a. Name and title~~

~~b.a. Project assignment~~

~~e.a. Name of firm by which employed full time and location of office.~~

~~d.a. Years of experience with this firm.~~

~~With other firms in the New Orleans market \_\_\_\_\_~~

~~e.a. Highest Academic Degree: \_\_\_\_\_ Year received \_\_\_\_\_~~

~~f.a. Names of public officials, political candidates, and/or public agencies, especially in Louisiana for which the firm has provided service since August 1, 2011, with dates of the service and brief description of the service provided.~~

~~9.1. Work by firm(s) personnel members to be assigned to this job which best illustrates current qualifications relevant to this project (list not more than 5 projects including experience with government issues):~~

~~a. Project Name & Location and Owner(s) Name~~

~~b.a. Project Description~~

~~e.a. Nature of Firm(s) Responsibilities~~

~~d.a. Completion Date (Actual or Estimated)~~

~~e.a. Estimated Fees for Entire Project~~

~~10.1. Provide any additional information or description of resources supporting your firm(s) qualifications for the proposed project.~~

~~11.1. Provide four references including name/title, phone number and address. References must exclude City Council members, Council Staff, City of New Orleans Employees; agents, employees, or representatives of Entergy or any Entergy subsidiary or affiliate;~~

~~and agents, employees or representatives of Intervenor~~ in any open Council utility  
~~dockets.~~



ATTACHMENT ~~1~~ attachment 1  
**COMPETITIVE SELECTION PROCESS FOR  
PROFESSIONAL SERVICES CONTRACTS**

**Rule 45.** Pursuant to Section 6-308(5)(c) of the City Charter, contracts for professional services to be administered by the Council shall include but not be limited to the following professions:

- Accountants
- Appraisers
- Architects
- Auditors
- Attorneys
- Economists
- Management Consultants
- Public Relations/Media Consultants
- Real Estate Consultants
- Telecommunications Consultants
- Utilities Regulatory Consultants

Formatted: Justified

The following process shall be followed for retention of consultants with expertise in a field as required by the Council for all contracts at or above the threshold amount established by Section 2-7 of the City Code:

1. Upon determination by a majority vote of the entire membership of the City Council that the services of a professional are needed, a Request for Qualifications ("RFQ") or Request for Proposals ("RFP"), as appropriate based on the scope of work to be performed, shall be issued. The Request shall include the deadline for submission of responses. The RFQ or RFP shall additionally require that the person or entity responding to the RFP or RFQ (the respondent) provide the following information:
  - A sworn affidavit listing all persons with an ownership interest in the respondent. An "ownership interest" shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an

interest in a mutual fund or trust that holds an interest in a publicly traded corporation. This affidavit is a public record.

- A sworn affidavit stating that no other person holds an ownership interest in the respondent via a counter letter.
- A list of all persons, natural or artificial, who are retained by the respondent at the time of the application and who are expected to perform work as sub-contractors in connection with the respondent's work for the City Council. The Council may require information on employees or sub-contractors of or ownership interests in the sub-contractor. This list is a public record.

The RFQ or RFP shall additionally advise the respondent that the contract with the City Council shall contain a provision that in regard to any sub-contractor proposed to be retained by the respondent to perform work on the contract with the City Council, the respondent must provide notice to the appropriate Council Committee within thirty (30) days of retaining said sub-contractor. The Council may require information on ownership interests in the sub-contractor.

2. The **Request for Qualifications or Request for Proposals** shall be published at least three times in a 10-day period in the Official Journal by the **Clerk of Council**. The publication may be in brief, if the Request is lengthy, and may be supplemented by letters of inquiry and/or placement of the request in appropriate additional publications.
3. Interested professionals who respond by the deadline date shall be evaluated by the **Selection Review Committee**. If more than five (5) responses are received, the Selection Review Committee shall review all responses but is authorized to eliminate from consideration, if it deems doing so appropriate, all but the five (5) most qualified and responsive respondents.

4. The committee shall establish appropriate evaluation criteria, which may include but not be limited to the following:
  - (a) training and experience with type of task required;
  - (b) appropriateness of plan submitted;
  - (c) capability of contractor to provide staffing and support;
  - (d) knowledge of local conditions;
  - (e) ability to provide the work in the time period required, as evidenced by past performance and current workload;
  - (f) involvement of members of disadvantaged groups at the professional level;
  - (g) participation by persons living and/or working in New Orleans at a professional level;
  - (h) the need for continuity of services and/or specialized and institutional experience and knowledge.
  - (i) For RFP's, cost of services to be provided. (M-07-277, Adopted, As Amended, 7/26/07); (M-07-413, Adopted, 10/4/07).
5. **The Selection Review Committee** shall forward to the Council Committee under whose jurisdiction the subject matter of the contract falls, if any, a list of up to five top respondents, with an analysis of each respondent's compliance with each criterion. If there is no such Council Committee, the list shall be forwarded to the entire Council.
6. **The Council Committee**, or the Council, if there is no specific committee, may choose one of these respondents and negotiate a proposed contract, including a scope of work to be performed. If a proposed contract cannot be negotiated with the firm/individual initially chosen, one of the other

firms/individuals submitted by the Selection Review Committee may be chosen; and a proposed contract negotiated.

7. **The Council Committee** may recommend to the City Council its choice of the firm/individual. The Council, by a majority vote of its entire membership and by motion, may accept or reject the Council Committee's recommendation and choose one of the other firms/individuals submitted by the Selection Review Committee to the Council Committee. If the Council does not choose one of the firms/individuals submitted by the Selection Committee, the selection process shall begin again. In the absence of a Council Committee, this same process shall be followed by the City Council. (M-96-106).
8. The **Selection Review Committee** shall consist of the **Council Chief of Staff, the Council Research Officer and either the Council Fiscal Officer or the Director of Council Utilities**, depending on the type of professional service to be performed. The Council, responsible committee, or Chief of Staff may invite additional knowledgeable persons to participate as member(s) of the Selection Review Committee when particular expertise would be helpful in the evaluation process. The Selection Review Committee shall conduct its meetings in accordance with the Louisiana Public Meetings Law, R.S. 42:4.1, et seq. (M-07413, Adopted, 10/4/07); (M-08-380, Adopted, 2/5/09).
9. **Exceptions** from this Competitive Selection process shall be made for:
  - (a) Professional services contracts for an individual Councilmember's Office.

- (b) Annual Audit, for which requests for qualifications shall be sent to “Big Four” accounting firms with local offices. (M-07413, Adopted, 10/4/07).
- (c) Emergency situations in which a majority of the entire membership of the Council by motions determines that there is an immediate need for a specific contract and that there is not sufficient time to go through the Competitive Selection Process. Emergency situations may include, but are not limited to, legal actions to which action or response is needed or required in 30 days or less or emergency situations as defined in LA. R.S. 38:2211 A (6). (M-96-105). In those emergency instances, where there are available at least 10 working days but not the 30-35 days required for an RFQ/RFP process, an informal process consisting of solicitation of firms/individuals and a shortened review process shall be followed.
- (d) Any contracts in existence prior to January 1, 1996 for:
  - Renewal or extension of the contract, when continuity of service is essential;
  - Amendments to such contracts that may expand but do not materially alter the scope of services and for which specialized and institutional experience and knowledge are required. (M 07-413, Adopted, 10/4/07).

The Council, by majority vote of its entire membership, shall determine which contracts are eligible for **exemption** under this sub-paragraph. (Substitute M-96-29, Adopted, As Amended 2/15/96); (M-07-413, Adopted, 10/4/07).

- (e) The Council may by motion authorize the amendment of a contract that was under the monetary threshold for use of the competitive selection process to increase the maximum compensation or modify the scope of services if justified by a need to ensure continuity of services for the performance of work related to the original scope of services if the proposed amendment satisfies one or more of the following criteria (M-07-413, Adopted, 10/4/07):
  - 1) the increase in scope of work adds a task which can best and most efficiently be performed in a timely and effective manner by a contractor having knowledge and experience gained during performance of the scope of the existing contract;

- 2) the increase in scope of work adds a task which is essential to completion of the original scope of work but could not reasonably have been anticipated when the original scope was developed;
- 3) the increase in compensation is needed because the time required to complete the original scope of work exceeded the original estimate, which was reasonable based upon the information available to the Council and its consultant at the time the compensation was agreed upon;
- 4) the Council may authorize no more than three such amendments to any individual contract. (M-04-236, As Amended, As Corrected, 5/20/04).

ATTACHMENT ~~t~~ ~~t~~ ~~a~~ ~~c~~ ~~h~~ ~~e~~ ~~m~~ ~~e~~ ~~n~~ ~~t~~ 2

Consulting Services Questionnaire **CONSULTING SERVICES QUESTIONNAIRE**

1. Project Name

2. Date Submitted

3. Specify type of ownership and indicate if applicable:

Private corporation      Public corporation      Proprietorship

Partnership      Small business      Minority owned business

Woman owned business      Limited Liability Company

4. Firm or Joint Venture contact information

4a. Firm (or joint venture) name, mailing address, telephone number

4b. Firm(s) owners

4c. Name, title, telephone, and email address of principal to contact

4d. Name, title, telephone, and email address of proposed project manager

5. Full time personnel assigned to project

<u>Number</u>	<u>Position/Title</u>	<u>Hourly rate of Pay</u>
<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>

6. Is submittal a joint venture

6a. If so, has joint venture worked together before?

6b. If a joint venture, name of lead firm.

7. Summary of professional services fees received in (insert index number)

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>( )</u>	<u>( )</u>	<u>( )</u>	<u>( )</u>	<u>( )</u>

Use index below:

Index

1. Less than \$250,000      4. \$3,000,000 to \$6,000,000

- 2. \$250,000 to \$1,000,000    5. \$6,000,000 or greater
- 3. \$1,000,000 to \$3,000,000

8. Brief resumes of key persons anticipated for this project. Please indicate male/female, minority/majority, and parish or county and state of domicile.

a. Name and title

b. Project assignment

c. Name of firm by which employed full time and location of office.

d. Years of experience with this firm.  
With other firms in the New Orleans market \_\_\_\_\_

e. Highest Academic Degree: \_\_\_\_\_ Year received \_\_\_\_\_

f. Names of public officials, political candidates, and/or public agencies, especially in Louisiana for which the firm has provided service since August 1, 2011, with dates of the service and brief description of the service provided.

9. Work by firm(s) personnel members to be assigned to this job which best illustrates current qualifications relevant to this project (list not more than 5 projects including experience with government issues).

a. Project Name & Location and Owner(s) Name

b. Project Description

c. Nature of Firm(s) Responsibilities

d. Completion Date (Actual or Estimated)

e. Estimated Fees for Entire Project

10. Provide any additional information or description of resources supporting your firm(s) qualifications for the proposed project.

11. Provide four references including name/title, phone number and address. References must exclude City Council members, Council Staff; City of New Orleans Employees; agents, employees, or representatives of Entergy or any Entergy subsidiary or affiliate;



and agents, employees or representatives of Intervenor in any open Council utility docket.



Formatted: Left, Indent: Left: 0", Space After: 10 pt

## **ATTACHMENT D**

Clean Version of Revised Draft DSM Potential Study  
RFQ Reflecting Changes Made in Response to AAE  
Comments

**REQUEST FOR QUALIFICATIONS STATEMENTS (“RFQ”)  
FOR  
DEMAND SIDE MANAGEMENT CONSULTANT  
ISSUED SEPTEMBER 15, 2017**

Pursuant to the provisions of the Council of the City of New Orleans’ Motion M-17-XXX, dated September 14, 2017, and in accordance with paragraph 1 of Council Rule 45 (Attachment 1), the Council of the City of New Orleans (“Council”), is seeking Statements of Qualifications from qualified professionals with substantial experience in performing Demand Side Management (“DSM”) potential studies to perform such work for consideration by the Council in formulating inputs to Entergy New Orleans, Inc’s (“ENO”) 2018 Triennial Integrated Resource Plan (“IRP”) and to use the DSM inputs to the IRP to inform future DSM planning relative to the Council’s stated goal of ENO attaining energy savings of 2% relative to sales. Based on the schedule for ENO’s 2018 Triennial IRP, the DSM Potential Study will need to be completed by mid-May 2018, allowing approximately four and a half months to complete the Study.

**Background**

The Council, in accordance with the New Orleans Home Rule Charter and the Louisiana Constitution, acts as retail regulator for electric and gas utility services in Orleans Parish, Louisiana. It regulates ENO in the provision of electric and natural gas services in Orleans Parish, Louisiana. ENO is a wholly owned subsidiary of Entergy Corporation (“Entergy”), a multistate holding company.

As a retail regulator, the Council has exclusive jurisdiction over the electric and natural gas rates, reliability, and terms and conditions of service in Orleans Parish. The Council Utilities, Cable, Telecommunications, and Technology Committee (“UCTTC”) serves as the Council Committee responsible for making recommendations to the full Council on all cable, electric, natural gas and telecommunications regulatory and franchise matters. The Council Utilities Regulatory Office (“CURO”), under the direction and supervision of the CURO's Chief of Staff, is the administrative office of the Council responsible for providing in-house staff to the Council on regulatory issues and works with the outside legal and technical regulatory consultants retained by the Council to carry out and fulfill the Council's regulatory responsibilities.

**Purpose**

The Council's Electric Utility Integrated Resource Plan Rules ("IRP Rules"), as embodied in Council Resolution R-17-429,<sup>1</sup> are intended to inform and empower effective Council and utility decision-making, while augmenting utility resource planning and enhancing public awareness of and input into the utility's energy choices. It is the Council's desire that a comprehensive IRP is conducted in accordance with its IRP Rules in order to provide a scope of all reasonably available resource options in light of current and expected market conditions and technology trends, and generate an informed understanding of the economic, reliability, and risk evaluation of utility resource planning as well as the associated social and environmental impacts. Further, the Council wishes to encourage and enforce a transparent process that allows all interested constituents and stakeholders to participate and that fosters the development of a complete administrative record upon which informed Council decision-making can occur. The DSM Potential Study for which the Council is issuing this RFQ will be an input into the larger IRP process, and should be performed in compliance with the Council's IRP Rules. The scope of the DSM Potential Study will encompass all potential energy efficiency and demand response measures as defined in the IRP Rules.

In furtherance of the Council's consideration of ENO's 2018 IRP Report due to be filed on or before January 25, 2019, the DSM Potential Study shall be completed on or before May 16, 2018.

The Council recognizes that spurring innovation is an important strategy to achieving greater increases in the level of DSM, and wishes to incentivize such by promoting competition among methodologies regarding the identification and methods of delivering DSM. The scope of this RFQ is structured to encourage innovative approaches to projecting the maximum achievable DSM in New Orleans.

The proposed methodology resulting from this RFQ should provide insight into the full extent of kWh and kW savings that can be achieved (based on cost-effective screening) and should encompass the IRP planning period of 20 years (2018-2037).

**Qualifications Statement Content**

All responses should include:

---

<sup>1</sup> Appendix I – Council Resolution R-17-429 "Resolution Amending the Electric Utility Integrated Resource Plan Rules", at Attachment B, in Council Docket No. UD-17-01.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

- I. A comprehensive description of how the respondent will conduct the assignment structured as follows:

- A. Background and Proposed Methodology

1. *Principal Objective and the Required Analysis Structure to Achieve That Objective*

The DSM Potential Study shall provide credible projections of achievable DSM in New Orleans formatted as specific load shape inputs for use in the IRP process. The DSM Potential Study will screen DSM measures and programs for cost-effectiveness to enable comprehensive comparisons of DSM and supply-side resources to meet New Orleans' consumer demand through the modeling period of the IRP (2018-2037).

Responses to this RFQ should delineate the methodology proposed for the DSM Potential Study in a manner which follows the specific structure provided herein such that the Council can effectively evaluate the respondent's analytical framework, input assumptions, and anticipated quality of results.

2. *Selection of Proposed Methodology to be Employed*

The RFQ response should propose the methodology to be employed and describe how that methodology conforms to industry best practices. The conformance with best practices should include those generally recognized nationally and as filed and accepted in other regulatory jurisdictions.

3. *Process to Consider Stakeholder Input*

The methodological choices and numerous inputs should be clearly documented in accordance with the detail prescribed herein. This includes the process to consider input from all interested stakeholders and ENO that the respondent considers appropriate and consistent with best practices in their independent judgement.<sup>2</sup> This will insure independence and transparency, which are the essential qualities that will characterize the DSM Potential Study.

---

<sup>2</sup> The 2018 Triennial Procedural Schedule allows for approximately four and a half months to complete the DSM Potential Study.

The selected DSM Consultant will participate in a kick-off meeting with the City Council, its Advisors, ENO and stakeholders within ten business days of project initiation to review and discuss the proposed scope of work, timeline and deliverables, data availability from ENO, and lines of communication with the Council and its Advisors. The kick-off meeting will be a public meeting held in the Council chambers and chaired by the Chairman of the UCTTC. Based on this meeting, the DSM Consultant will provide a draft Study Workplan consistent with best practices in the DSM consultant's independent and best judgement. After considering comments on the draft Study Workplan, the DSM Consultant will submit to the Council a final Study Workplan.

#### 4. *Modeling Tools and Workpapers*

The conduct of the DSM Potential Study will necessarily include the processing of large amounts of data and providing analytical techniques capable of performing forecasting and evaluating uncertainty related to the projected results. The RFQ response should provide a complete description of the modeling tools to be employed, including any proprietary models and any assumptions and limitations that will be inherent in applying the modeling tools. The RFQ response should also describe the complete set of workpapers that will be provided to the Council and Stakeholders at the completion of the project, including the format of the worksheets, supporting data, assumptions and references, as well as a confirmation that the workpapers and results provided have cell formulas intact.

#### 5. *Review of Entergy New Orleans Energy Smart Performance and Metrics*

Since the Energy Smart Program is currently in its seventh year of implementing DSM in New Orleans,<sup>3,4</sup> it is imperative to establish a frame of reference and continuity with the DSM Potential Study. The RFQ response should describe what aspects of the Energy Smart performance are considered important to convey into the analysis as reference data in projecting DSM measures and potential savings.

#### 6. *Range of DSM Measures*

---

<sup>3</sup> Appendix II – Program Year 5 Energy Smart Annual Report, July 28, 2016.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

<sup>4</sup> Appendix III – Program Years 6 Energy Smart Annual Report, August 14, 2017.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

The RFQ response should provide an explanation of how the respondent will include a comprehensive range of the type of energy efficiency and demand response DSM measures that will be appropriate for consideration in projecting DSM potential in New Orleans, while maintaining continuity with the New Orleans Technical Reference Manual (“NO TRM”).<sup>5</sup>

The review of naturally occurring conservation and customer-sited battery storage and distributed energy resources in the ENO load forecast will be included in the comprehensive evaluation of the IRP and ENO’s analytics therein. The baseline assumptions and projections of customer-sited battery storage and generation will be examined in the ENO demand and energy forecast pursuant to the IRP Rules.

The response should include, but not be limited to:

- a. A definition of all available energy efficiency and demand response DSM technologies, describing how the Study will ensure comprehensiveness;
- b. A list of the range of emerging DSM technologies and how they will be evaluated over the analysis period;<sup>6</sup>
- c. New energy efficiency and demand response DSM measure definitions that will be considered;
- d. The method by which ENO’s proposed full implementation of Advanced Metering Infrastructure (“AMI”) will be incorporated into the range of DSM measures, with implementation scheduled for 2019 through 2021;<sup>7</sup> and
- e. Rate design measures should only consider rate designs implemented and proven in other jurisdictions to achieve energy and demand savings.

## 7. *Regulatory and Non-Regulatory Policy Changes*

---

<sup>5</sup> Appendix IV – New Orleans Energy Smart Technical Reference Manual.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

<sup>6</sup> The DSM Potential Study analysis period will be identified with the proposed methodology and will accommodate the IRP Planning Period of 20 years (2018-2037).

<sup>7</sup> Appendix V – UD-16-04 ENO Application to Deploy AMI, October 2016.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))



The RFQ response should address how Council regulatory policies, and City, state, and federal policies would be considered in the Study and how they might impact DSM potential over the analysis period. Specifically, the RFQ response should address how such impacts would be determined and quantified for specific types of DSM measures, as well as the timing and likelihood of such policies.

## B. Technical and Economic DSM Potential in New Orleans

### 1. *Market Characterization*

For the proposed methodology, the RFQ response should describe the approach to characterizing the technical and economic DSM market in New Orleans, including, but not limited to:

- a. A comprehensive list of energy efficiency (“EE”) and demand response (“DR”) measures to be analyzed, including measure permutations and basis for new and emerging technology measures. The DSM Potential Study should not be limited to DSM measures included in the previous Integrated Resource Plans of ENO,<sup>8,9</sup> or Energy Smart Program Implementation.<sup>10</sup> The RFQ response should describe how new and emerging technology measures will be identified with the specified metrics required for the DSM Potential Study;
- b. The important metrics of each measure, including kWh and kW projected annual savings, expected useful life, incremental cost, and 24-hour load shape;
- c. Identification of existing and emerging DSM technologies as follows: (a) by sector (customer class), (b) by type, (c) by size of the market for each year of the analysis, and (d) by levels of market penetration. Customer sectors will include, as a minimum, low income residential, single-family, multi-family, and small business;

---

<sup>8</sup> Appendix VI - UD-08-02 ENO 2012 Integrated Resource Plan, October 20, 2012.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

<sup>9</sup> Appendix VII - UD-08-02 ENO 2015 Integrated Resource Plan, February 1, 2016.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

<sup>10</sup> Appendix VIII - Energy Smart Program Year 7-9 Budget and Approved Savings.  
([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

- d. An explanation of how the respondent will incorporate the uncertainty that affects the estimated impacts of DSM technologies on energy consumption;
- e. Demonstrating best practices to determine the technical and economic DSM potential in New Orleans relative to other standard approaches to estimate technical and economic DSM Potential; and
- f. Cost-efficient means to include non-energy benefits (“NEBs”) in the Study including:
  - i) Measure level quantification as feasible within the budget available for the proposed study;
  - ii) A proxy multiplier applied at the sector or portfolio level;
  - iii) Detailed analysis of NEBs for a limited number of high impact measures; and
  - iv) A more generalized structure for NEB identification, classification and interpretation that could serve as the basis for inclusion in the non-utility costs of the IRP scorecard matrix.

Note, the Council is particularly interested in the inclusion of low income NEBs.

## 2. *“Business as Usual” Baselines*

The RFQ response should describe how the DSM measure baselines will be defined in applying product efficiency standards, multiple efficiency tiers, and computing incremental savings for each DSM measure above the defined baselines over the analysis period.

## 3. *Measure Characterization*

For the proposed methodology, the RFQ response should describe the approach to characterizing the technical and economic DSM measures in New Orleans, including, but not limited to the following:

- a. Explain how the specific comparisons and differences with the technical and economic levels of DSM in the previous New Orleans DSM Potential Studies will be identified and summarized;<sup>11,12</sup>
- b. Explain how the sector DSM market may be identified through disaggregation into building types and specific end uses if sector forecasts, such as the commercial sector, are evaluated as part of the proposed methodology;
- c. Use of the NO TRM, including any proposed modifications or additions related to measures reflecting best practices that may not be included in the NO TRM;
- d. Approaches to operational efficiency improvements for custom DSM measures by sector, including opportunities for commercial and governmental measures that may be unique to New Orleans;
- e. Assumptions in projecting enabled and non-enabled pricing and other demand response measures by sector; and
- f. Demand response programs specifically designed for the MISO capacity market.

## C. Achievable DSM Potential Scenarios

### 1. *Market Characterization*

For the proposed methodology, the RFQ response should provide a complete explanation of how the following components of achievable DSM will be derived and correlated with the NO TRM:

- a. Application of free-riders/spillover effects and market transformation assumptions, including the corresponding investment and risk related to any market transformation proposals. Market transformation should include interventions in the market by ENO designed to influence customer decision making and trade ally specification practices;

---

<sup>11</sup> Appendix IX - *Long Term Demand Side Potential in the Entergy New Orleans Service Area*, developed by ICF International in support of ENO's 2015 IRP, June 23, 2015.

([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

<sup>12</sup> Appendix X - Exhibit SEC-14 in CNO Docket No. UD-16-02 "*Entergy New Orleans Energy Efficiency Potential Study*" submitted by Navigant, June 26, 2017. ([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

- b. The analytical approach that will be used to determine participant incentive costs by measure and by bundled program;
- c. Each component of the utility avoided costs including line losses;
- d. Forecasts of the annual values of non-utility/other benefits;
- e. Specific assumptions or conditions that will need to be realized in order to achieve certain measure savings estimates, such as the timing of regulatory approval for time-differentiated DR rate structures or direct load control of specific appliances or loads;
- f. A complete description of how DSM measure benefits and costs will be projected, particularly how the measure savings and decreasing costs for certain existing DSM technologies could be expected to evolve over the analysis period; and
- g. Supporting analytical procedures that will be employed to project the achievable DSM for each measure, including the respondent's analytical approach in the following areas supported by specific references, studies, and examples based on similar DSM work as applicable:
  - i) How measure/program penetration rates will be modeled or estimated with different incentive levels and policies, and participants' acceptance of DSM by sector, including any actual experience or studies that will be used to support any program participation rate assumptions. Such studies may include those that forego DSM technology adoption curves and estimate adoption rates directly based on economic and non-economic factors;
  - ii) Multiple scenario approaches that may be used to quantify the range of uncertainty in the projections of DSM measures adopted from factors such as uncertainty of customer responses to specific EE and DR measures, with supply curves for each scenario that illustrate achievable DSM;

- iii) Application of participant incentive levels as a percent of measure incremental cost, and its effect on measure penetration rates;
- iv) Estimation of projected measure saturation through the analysis period;
- v) Translation of gas savings on combined DSM measures to kWh savings equivalents;
- vi) Adoption of more aggressive building codes for new and renovating buildings;<sup>13</sup> and
- vii) Net-to-Gross (“NTG”) assumptions, and on what basis reasonable NTG ratios will be selected to reflect the free ridership and spillover effects related to various measures or bundled measures.

## 2. *Measure Characterization and Design*

For the proposed methodology, the RFQ response should describe how the following considerations will be used to characterize the specific DSM measures that will be evaluated to determine the achievable DSM potential over the analysis period:

- a. New forms of “standard offer” DSM programs;
- b. Approaches to bundling of DSM measures into programs;
- c. Use of upstream and mid-stream product rebates for specific DSM measures;
- d. Assumptions and credible supporting analysis for projecting behavioral response DSM measures, with respect to design, number of participants, opt-in vs. opt-out, education and information activities, and annual cost;

---

<sup>13</sup> Boulder, CO; San Francisco and Berkeley, CA; and Burlington, VT, have adopted rental energy ordinances. Gichon, Y., Cuzzolino, M., Hutchings, L., and Neiger, D. (2012). *Cracking the Nut on Split-Incentives: Rental Housing Policy*. Proceedings of the 2012 ACEEE Summer Study on Energy Efficiency in Buildings, Volume 8, pp. 92-101; (2012). Lawrence Berkeley National Lab. (2012). *Boulder, Colorado’s SmartRegs: Minimum Performance Standards for Residential Rental Housing*. Clean Energy Program Policy Brief.

- e. Treatment of low income DSM measures, specifically in cost-effectiveness screening, and how non-cost effective measures would be evaluated and may be included into the overall portfolio;
- f. Budgetary and non-budgetary assumptions that may define achievable DSM during the analysis period, particularly those related to determining the maximum achievable DSM per measure/program; and
- g. An explanation of how the DSM measures resulting from the proposed methodology will address the potential impacts on reliability and rates.

### 3. *Financial Inputs*

The RFQ response should provide references supporting the conceptual basis and method proposed to determine the values for discount rates, inflation rates, components and calculation of utility avoided costs, and projected ENO retail rates by customer sector.

### 4. *Net Savings/Cost Effectiveness Study*

The RFQ response should describe how each of the screening test methodologies<sup>14</sup> by measures and bundled programs will be used to evaluate cost effectiveness. For the proposed methodology, this section of the RFQ response should include the following:

- a. A definition and illustrative calculation for all quantified benefits and costs (utility, participants, stakeholders, environmental/societal) for each cost-effectiveness screening test;
- b. The algorithms and specific references to be used in quantifying each cost and benefit, including gross and net fossil fuel savings, and gross and net carbon savings;
- c. A list of utility benefits, including avoided transmission and distribution and traditional fuel costs and how such benefits will be determined and projected;

---

<sup>14</sup> Screening Test methodologies are defined quantitatively in the California Standard Practices Manual, 2001, which provides the inputs for benefits and costs and cost effectiveness calculations from several perspectives: the utility, participants, all ratepayers, total resources, and societal.

- d. An explicit description of how the specific values of the participant and equipment metrics will be determined for both prescriptive and types of custom measures;
- e. The manner in which the cost impact to ratepayers from the utility's loss of billing units due to the kWh reduction related to energy efficiency programs will be addressed;
- f. A listing of the input assumptions that will be used in the calculations to screen for DSM cost-effectiveness, indicating which assumptions should be consistent with those used in the IRP process to ensure that demand and supply-side resources are evaluated on an equal footing; and
- g. Quantification of gas savings on combined measures.

#### D. Results and Key Findings

The RFQ response should describe and provide examples of how projected incremental and cumulative kWh and kW reduction for each year of the planning period, and costs, benefits, and net benefits by DSM measure and sector, will be presented in tabular and graphic form in the results section and executive summary section of the final report. The results will include as a minimum, a reference case or business as usual scenario, as well as a maximum achievable scenario. A draft report of results will be presented at the 2<sup>nd</sup> IRP Technical Meeting, scheduled for June 2018, after which suggested edits to the draft of the final report will be completed within a two-week period.

#### E. Benchmarking the Results

1. The RFQ response should discuss how the various scenarios defining the achievable levels of DSM Potential, kWh and kW savings, will be benchmarked versus the results of DSM Potential studies reported in other regulatory jurisdictions. For the proposed methodology, the RFQ response should discuss the selection process of comparable studies and the similarities and differences in DSM Potential results that will be evaluated.
2. The RFQ response should discuss how the nominal and present value of the cost and benefits of the various scenarios defining the achievable levels of

DSM Potential will be benchmarked versus the levels of achievable DSM Potential reported in comparable jurisdictions.

#### F. DSM Inputs for Modeling in 2018 IRP

Composite 24 hour DSM program load profiles for required years will be modeled with supply resources in the 2018 IRP. The RFQ response should discuss the following:

1. How the composite DSM 24-hour load profiles will be constructed from cost-effective DSM programs resulting from the DSM Study; and
2. How the composite load profiles will be constructed for specific years of the analysis period with corresponding costs, as DSM inputs to the modeling in the IRP process.

#### G. Required Appendices

The RFQ response must include the following Appendices at a minimum:

1. The sources for the New Orleans Stock Forecast and Demographic Forecast that will be used to support the DSM projections, and the detailed format in which each forecast will be presented;
2. No primary data collection is expected to be undertaken for this study, though contractors may propose limited primary data collections as an option, clearly noting its impact on the process timeline;
3. A detailed description and an illustrative example of the planning tool(s) (in electronic workbook format) proposed for use in conducting the analysis;
4. A description of the respondent's expectations for the transfer from ENO to the respondent of all data deemed necessary for the successful conduct of the DSM Potential Study, including avoided costs, retail rate projections, voltage level demand and energy losses, and customer class sales projections; and
5. A list of draft and final report deliverables, including the workpapers referenced in Section I.A.4 of this RFQ's Qualifications Statement Content.



- II. A complete “consulting services questionnaire” using the format that is provided in Attachment 2. Any subcontractors proposed to be used must also submit a complete questionnaire that must be attached to the prime firm’s questionnaire.
- III. Professional experience and resumes of partners, principals, and employees in the firm who will be responsible for, and actively involved in, the provision of professional services for the Council (“Key Personnel”), including the appropriate evidence of accreditation, certification, and licensing in their profession and a specific listing of each professional’s relevant professional experience in the conduct of DSM potential studies and energy efficiency programs.
- IV. A description of three or more assignments which best illustrate the respondent’s current qualifications relevant to the areas requested in this RFQ, including samples of work product.
- V. Demonstrated ability to provide coverage for City Council matters related to this assignment when the principal consultant is unavailable because of other assignments, illness, vacation, or similar conflicting demands.
- VI. A sworn affidavit listing all persons with an ownership interest in the respondent. An “ownership interest” shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that hold an interest in a publicity traded corporation. The affidavit is a public record.
- VII. A sworn affidavit that no other person holds an ownership interest in the respondent via a counter letter.
- VIII. A list of all persons, natural or artificial, who are retained by the respondent at the time of the application and who are expected to perform work as sub-contractors in connection with respondent’s work for the City Council. The Council may require information on employees or sub-contractors of or ownership interests in the sub-contractor. This list is a public record.
- IX. A list of professional labor fees for all personnel included in the respondent’s response to this RFQ and any others in respondent’s firm who may be called upon to perform work related to this RFQ, and a clear and concise statement that such professional labor fees throughout the contract term will be the most cost efficient and will not exceed the lowest professional labor fee for similarly situated clients of the firm.
- X. The respondent’s best realistic estimate of the range of labor and expense costs and project timeline associated with performing the DSM Potential Study as described in

its response based upon the respondent's proposed scope of work, including the attendance at three meetings in New Orleans one of which will be the public kick-off meeting.

### **Potential Conflict of Interest**

All respondents providing a response to the RFQ shall provide a clear and unambiguous indication of any potential or real conflicts of interest it or any of its sub-contractors may have with respect to performing the work outlined in this RFQ on behalf of the Council.:

- I. Any work performed for an Investor Owned Utility in the past five years.
- II. Any work performed for any industrial, commercial or residential ratepayer (or groups and non-profit associations) in Orleans Parish or in the service area of any of Entergy's operating subsidiaries, currently and in the past five years, on any energy efficiency matters.
- III. Any work performed for any other regulator of Entergy Corporation and/or Entergy and/or any of Entergy's operating subsidiaries.
- IV. Any work performed for any individuals, groups, organizations, and/or non-profit associations that are currently an official party to Council Docket No. UD-08-02, Council Docket No. UD-17-01, and/or Council Docket No. UD-17-03.
- V. Any work performed (whether compensated or not) on behalf of any Councilmember, the City Council, or the City of New Orleans within the past five years.
- VI. Any work performed for any renewable energy companies, contractors, or marketers in Orleans Parish and the State of Louisiana within the past five years.

For any such work performed, the respondent shall indicate the scope of the engagement, the time frame, the amount of compensation received and why the respondent deems such work to be or not be in conflict with the execution of the proposed scope of work.

The Council shall be the sole arbiter as to any conflicts of interest and shall make the final determination as to whether any potential or real conflict of interest exists.

### **Limitation on Respondents Competing for this RFQ**

Any person or firm contributing to the development of this RFQ shall be prohibited from submitting a qualifications statement for selection of that procurement. Such persons or firms

shall further be prohibited from participating as subcontractors to the Council's DSM Potential Study Consultant.

### **Evaluation Criteria**

Upon receipt by the due date of responses to this RFQ by qualified firms, the Council's staff Selection Review Committee ("SRC") will evaluate all responses received based upon the criteria listed herein and in Council Rule 45, a copy of which is attached. Particular emphasis will be placed on the following criteria:

- I. Training and experience of the Key Personnel and other professional personnel in the provision of services required by this RFQ.
- II. Quality of work samples presented.
- III. Clear understanding by the respondent of work to be performed, and appropriateness of the proposed methodology, including but not limited to the capabilities to assess the costs and benefits of energy efficiency, demand response, and expertise in including DSM in IRP models.
- IV. Knowledge of local conditions.
- V. Capability and experience in providing consistent, timely, and cost-effective services, as determined by information requested from references or the Council's actual experiences.
- VI. Estimated cost, based on hourly rates of consultants at various levels of expertise and experience.
- VII. Involvement at the professional level of members of disadvantaged groups and of certified disadvantaged business enterprises, as defined in Section 70-456 of the New Orleans City Code.
- VIII. Participation by persons living and/or working in New Orleans at a professional level.
- IX. Willingness to accept a "not to exceed cost" for the scope of work proposed by the respondent.

## **RFQ Process**

Except as provided herein below, no written, electronic, or oral communications from any actual or potential respondent to this RFQ or anyone acting as agent or representative for such person shall be made to any Councilmember, city employee, or Council staff person during this RFQ process, which is defined as the Blackout Period. The Blackout Period is a specified period of time during this competitive RFQ process in which any actual or potential respondent or their/its agent or representative is prohibited from communicating with any City Councilmember, Council staff person, or City of New Orleans employees regarding any matter related to the RFQ process. All communications to and from any actual or potential respondent and/or their/its agent or representative during the Blackout Period must be in accordance with this RFQ's defined method of communication with the designated contact person. The Blackout Period will begin upon posting of this RFQ. The Blackout Period will end when the contract is awarded.

RFQ Expressions of Interest by potential respondents, although not a requirement for responding to the RFQ, should be provided to CURO at the earliest possible date in order to provide a response to all potential respondents' questions properly received by CURO prior to the response cut-off date of October 24, 2017.

All questions regarding this RFQ shall be submitted in writing via U.S. Mail, Facsimile, or by email with both a "Request Delivery Receipt" and a "Request Read Receipt" for verification and tracking purposes of the email message. Any emails transmitted absent such tracking receipts shall be deemed not delivered to CURO. All questions of respondents must be submitted no later than 5:00 PM CST on Tuesday, October 17, 2017. All responses to questions properly received by the above date will be responded to no later than five (5) business days after receipt of same with copies to all potential respondents who submitted correspondence as an "Expression of Interest."

Any and all inquiries and correspondence should be directed to Mr. W. T. Stratton, the Director of the City Council Utilities Regulatory Office, Room 6E07, City Hall, 1300 Perdido Street, New Orleans, LA 70112 in writing by U.S. Mail; by Facsimile at (504) 658-1117; or by email to the attention at [wtstrattonjr@nola.gov](mailto:wtstrattonjr@nola.gov).

Fifteen (15) copies of the RFQ submission, including samples of work products, must be submitted in hard copy form by 5:00 PM CST on Tuesday, October 31, 2017 to the City Council Utilities Regulatory Office, Room 6E07 City Hall, 1300 Perdido Street, New Orleans, LA 70112. Where possible, an electronic version of the proposal should also be submitted to [pthomas@nola.gov](mailto:pthomas@nola.gov) and [wtstrattonjr@nola.gov](mailto:wtstrattonjr@nola.gov). Copies of the submission, both in hard copy and electronic forms, must also be provided to the following individuals:

Clinton Vince, Esq.  
Emma Hand, Esq.  
Denton's US LLP  
1900 K Street, NW  
Washington, DC 20006  
[clinton.vince@dentons.com](mailto:clinton.vince@dentons.com)  
[emma.hand@dentons.com](mailto:emma.hand@dentons.com)

Mr. Joseph Vumbaco, P. E.  
Mr. Victor Prep, P. E.  
Legend Consulting Group Limited  
8055 East Tufts Avenue, Suite 1250  
Denver, CO 80237  
[jvumbaco@ergconsulting.com](mailto:jvumbaco@ergconsulting.com)  
[vprep@ergconsulting.com](mailto:vprep@ergconsulting.com)

Walter Wilkerson, Esq.  
Wilkerson & Associates, PLC  
650 Poydras Street, Suite 1913  
New Orleans, LA 70130  
[wwilkerson@wilkersonplc.com](mailto:wwilkerson@wilkersonplc.com)

All Respondents should be apprized that the City of New Orleans is a political subdivision of the State of Louisiana pursuant to Chapter 10-A, Section 4545.1 through 4545.37 of the Louisiana Revised Statutes of 1950, as amended. As such, materials submitted by any Respondent may be subject to the open records act of Louisiana. Louisiana Revised Statutes 44:3.2 – Proprietary and Trade Secret Information provides: (1) All records containing proprietary or trade secret information submitted by a developer, owner, or manufacturer to a public body pursuant to Subsection A, B, or C of this Section shall contain a cover sheet that provides in bold type “DOCUMENT CONTAINS CONFIDENTIAL PROPRIETARY OR TRADE SECRET INFORMATION.” The developer, owner, or manufacturer shall clearly mark each instance of information which is, in his opinion, proprietary or trade secret information. However, the determination of whether such information is in fact proprietary or trade secret information shall be made by the custodian within thirty days of a submission; however, if a custodian receives a public records request during the period of thirty days, the determination shall be made within the time period provided in R.S. 44:32(D) and 33(B).

A custodian who receives a request for any information which has been marked by the developer, owner or manufacturer as proprietary or trade secret information shall, prior to the disclosure of the information, immediately notify such developer, owner, or manufacturer of the request and of the custodian's determination of whether or not the information so requested is subject to disclosure.

A Selection Review Committee shall be constituted in accordance with paragraph 8 of Council Rule 45, and in addition shall include a representative from the Council's Technical Advisors and a representative from the Council's Legal Advisors, and shall include the CURO Chief of Staff, except that if any Council employees as listed in Rule 45 or the CURO Chief of Staff are unavailable to serve as of the October 31, 2017 deadline for responses, the SRC shall be constituted of those Council employees who are available. The SRC will review and evaluate the submissions, and select qualified proposals for referral to the UCTTC no later

than 5:00 PM CST on Friday, December 1, 2017. The SRC shall conduct its meetings in accordance with the Louisiana Public Meetings Law, R.S. 42:12 et seq.<sup>15</sup> For each submission selected for referral, the SRC will contact one or more of the persons suggested as references. The UCTTC may or may not choose to interview one or more of the respondents selected by the SRC. The SRC Report will be considered at a UCTTC meeting. It is anticipated the UCTTC will act expeditiously on the selection of the successful respondent it will recommend to the City Council. The successful respondent must be selected by motion of the Council.

The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee relating to the procurement of goods or services by the city, including meetings involving third party transactions. The notice required shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four hours prior to the scheduled meeting. The Inspector General may attend all city meetings relating to the procurement of goods or services as provided herein and may pose questions and raise concerns consistent with the functions, authority, and powers of the Inspector General. An audio recorder or court stenographer may be utilized to record all selection or negotiation committee meetings attended by the Office of the Inspector General.

### **Length of Contract**

The contract will extend through the completion of the DSM Potential Study and incorporation of the Study results into the planning process for the 2018 Triennial IRP at the discretion of the Council. Each respondent is to include in its submittal a clear and concise statement of those personnel and firm resources for which it is willing and can commit to make available for the Council's regulatory activities during such period.

### **Additional Information**

1. The City of New Orleans is not liable for any costs incurred prior to entering into a formal written contract. Any costs incurred in the preparation of the statement interview, or other pre-contract activity are the responsibility of the person submitting the statement.
2. All submissions become the property of the City and as such are public information.
3. The contractor will invoice the City Council on a monthly basis in accordance with specified billing guidelines during the term of the contract. Work shall be billed in increments of one-tenth of an hour.

---

<sup>15</sup> Rule 45(8) requires compliance with R.S. 42:4.1, that section was redesignated as R.S. 42:12 by Actions 2010 No. 861 § 23.

4. Any contract awarded shall contain a provision that:
  - a. With regard to any subcontractor proposed to be retained by the respondent to perform work on the contract with the City Council, the respondent must provide notice to the appropriate Council Committee within thirty (30) days of retaining said subcontractor and the retention must be approved by Motion of the Council. The Council may require information on ownership interests in the sub-contractor prior to approval of the sub-contractor's retention.
  - b. Unless otherwise approved by the Contracting Officer of the City Council or CURO, reimbursable expenses shall be limited as provided for in Council Motion M-17-164.<sup>16</sup>
  - c. When the attendance of contractor is requested at meetings of the Council, meetings of the UCTTC, meetings with Council members and/or Council staff, meetings with ENO and Stakeholders, and/or meetings with the public, the Council will only provide labor fee and expense reimbursement for one consultant, unless otherwise specifically approved by the Contracting Officer of the City Council or CURO.
  - d. Key Personnel assigned may not be replaced without consent of the Contracting Officer of the City Council or CURO.
5. Section 2-1120 of the Code of the City of New Orleans, relative to the Office of the Inspector General provides in part as follows:

With the exception of those contracts specified in subsection (1) of this paragraph, every city contract and every contract amendment where the original contract does not include this statement, and every bid, proposal, application, or solicitation for a city contract, and every application for certification of eligibility for a city contract or program shall contain the following statement:

“It is agreed that the contractor or applicant will abide by all provisions of City Code § 2-1120, including, but not limited to, City Code § 2-1120(12), which requires the contractor to provide the Office of Inspector General with documents and information as requested. Failure to comply with such requests shall constitute a material breach of the contract. In signing this contract, the contractor agrees that it is subject to the jurisdiction of the

---

<sup>16</sup> Appendix XI – M-17-164 CURO Work & Billing Practices Policy for UCTTC Advisors, March 23, 2017. ([http://nolacitycouncil.com/resources/resources\\_rfp.asp?id=69](http://nolacitycouncil.com/resources/resources_rfp.asp?id=69))

Orleans Parish Civil District Court for purposes of challenging a subpoena.” City Code Sec. 2-1120.-Office of inspector general.



**ATTACHMENT 1  
COMPETITIVE SELECTION PROCESS FOR  
PROFESSIONAL SERVICES CONTRACTS**

**Rule 45.** Pursuant to Section 6-308(5)(c) of the City Charter, contracts for professional services to be administered by the Council shall include but not be limited to the following professions:

Accountants  
Appraisers  
Architects  
Auditors  
Attorneys  
Economists  
Management Consultants  
Public Relations/Media Consultants  
Real Estate Consultants  
Telecommunications Consultants  
Utilities Regulatory Consultants

The following process shall be followed for retention of consultants with expertise in a field as required by the Council for all contracts at or above the threshold amount established by Section 2-7 of the City Code:

1. Upon determination by a majority vote of the entire membership of the City Council that the services of a professional are needed, a Request for Qualifications (“RFQ”) or Request for Proposals (“RFP”), as appropriate based on the scope of work to be performed, shall be issued. The Request shall include the deadline for submission of responses. The RFQ or RFP shall additionally require that the person or entity responding to the RFP or RFQ (the respondent) provide the following information:
  - A sworn affidavit listing all persons with an ownership interest in the respondent. An “ownership interest” shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an

interest in a mutual fund or trust that holds an interest in a publicly traded corporation. This affidavit is a public record.

- A sworn affidavit stating that no other person holds an ownership interest in the respondent via a counter letter.
- A list of all persons, natural or artificial, who are retained by the respondent at the time of the application and who are expected to perform work as sub-contractors in connection with the respondent's work for the City Council. The Council may require information on employees or sub-contractors of or ownership interests in the sub-contractor. This list is a public record.

The RFQ or RFP shall additionally advise the respondent that the contract with the City Council shall contain a provision that in regard to any sub-contractor proposed to be retained by the respondent to perform work on the contract with the City Council, the respondent must provide notice to the appropriate Council Committee within thirty (30) days of retaining said sub-contractor. The Council may require information on ownership interests in the sub-contractor.

2. The **Request for Qualifications or Request for Proposals** shall be published at least three times in a 10-day period in the Official Journal by the **Clerk of Council**. The publication may be in brief, if the Request is lengthy, and may be supplemented by letters of inquiry and/or placement of the request in appropriate additional publications.
3. Interested professionals who respond by the deadline date shall be evaluated by the **Selection Review Committee**. If more than five (5) responses are received, the Selection Review Committee shall review all responses but is authorized to eliminate from consideration, if it deems doing so appropriate, all but the five (5) most qualified and responsive respondents.

4. The committee shall establish appropriate evaluation criteria, which may include but not be limited to the following:
  - (a) training and experience with type of task required;
  - (b) appropriateness of plan submitted;
  - (c) capability of contractor to provide staffing and support;
  - (d) knowledge of local conditions;
  - (e) ability to provide the work in the time period required, as evidenced by past performance and current workload;
  - (f) involvement of members of disadvantaged groups at the professional level;
  - (g) participation by persons living and/or working in New Orleans at a professional level;
  - (h) the need for continuity of services and/or specialized and institutional experience and knowledge.
  - (i) For RFP's, cost of services to be provided. (M-07-277, Adopted, As Amended, 7/26/07); (M-07-413, Adopted, 10/4/07).
5. **The Selection Review Committee** shall forward to the Council Committee under whose jurisdiction the subject matter of the contract falls, if any, a list of up to five top respondents, with an analysis of each respondent's compliance with each criterion. If there is no such Council Committee, the list shall be forwarded to the entire Council.
6. **The Council Committee**, or the Council, if there is no specific committee, may choose one of these respondents and negotiate a proposed contract, including a scope of work to be performed. If a proposed contract cannot be negotiated with the firm/individual initially chosen, one of the other

firms/individuals submitted by the Selection Review Committee may be chosen; and a proposed contract negotiated.

7. **The Council Committee** may recommend to the City Council its choice of the firm/individual. The Council, by a majority vote of its entire membership and by motion, may accept or reject the Council Committee's recommendation and choose one of the other firms/individuals submitted by the Selection Review Committee to the Council Committee. If the Council does not choose one of the firms/individuals submitted by the Selection Committee, the selection process shall begin again. In the absence of a Council Committee, this same process shall be followed by the City Council. (M-96-106).
8. The **Selection Review Committee** shall consist of the **Council Chief of Staff, the Council Research Officer and either the Council Fiscal Officer or the Director of Council Utilities**, depending on the type of professional service to be performed. The Council, responsible committee, or Chief of Staff may invite additional knowledgeable persons to participate as member(s) of the Selection Review Committee when particular expertise would be helpful in the evaluation process. The Selection Review Committee shall conduct its meetings in accordance with the Louisiana Public Meetings Law, R.S. 42:4.1, et seq. (M-07413, Adopted, 10/4/07); (M-08-380, Adopted, 2/5/09).
9. **Exceptions** from this Competitive Selection process shall be made for:
  - (a) Professional services contracts for an individual Councilmember's Office.

- (b) Annual Audit, for which requests for qualifications shall be sent to “Big Four” accounting firms with local offices. (M-07413, Adopted, 10/4/07).
- (c) Emergency situations in which a majority of the entire membership of the Council by motions determines that there is an immediate need for a specific contract and that there is not sufficient time to go through the Competitive Selection Process. Emergency situations may include, but are not limited to, legal actions to which action or response is needed or required in 30 days or less or emergency situations as defined in LA. R.S. 38:2211 A (6). (M-96-105). In those emergency instances, where there are available at least 10 working days but not the 30-35 days required for an RFQ/RFP process, an informal process consisting of solicitation of firms/individuals and a shortened review process shall be followed.
- (d) Any contracts in existence prior to January 1, 1996 for:
  - Renewal or extension of the contract, when continuity of service is essential;
  - Amendments to such contracts that may expand but do not materially alter the scope of services and for which specialized and institutional experience and knowledge are required. (M 07-413, Adopted, 10/4/07).

The Council, by majority vote of its entire membership, shall determine which contracts are eligible for **exemption** under this sub-paragraph. (Substitute M-96-29, Adopted, As Amended 2/15/96); (M-07-413, Adopted, 10/4/07).

- (e) The Council may by motion authorize the amendment of a contract that was under the monetary threshold for use of the competitive selection process to increase the maximum compensation or modify the scope of services if justified by a need to ensure continuity of services for the performance of work related to the original scope of services if the proposed amendment satisfies one or more of the following criteria (M-07-413, Adopted, 10/4/07):
  - 1) the increase in scope of work adds a task which can best and most efficiently be performed in a timely and effective manner by a contractor having knowledge and experience gained during performance of the scope of the existing contract;

- 2) the increase in scope of work adds a task which is essential to completion of the original scope of work but could not reasonably have been anticipated when the original scope was developed;
- 3) the increase in compensation is needed because the time required to complete the original scope of work exceeded the original estimate, which was reasonable based upon the information available to the Council and its consultant at the time the compensation was agreed upon;
- 4) the Council may authorize no more than three such amendments to any individual contract. (M-04-236, As Amended, As Corrected, 5/20/04).

**ATTACHMENT 2  
CONSULTING SERVICES QUESTIONNAIRE**

- 1. Project Name
- 2. Date Submitted
- 3. Specify type of ownership and indicate if applicable:

\_\_\_\_\_ Private corporation \_\_\_\_\_ Public corporation \_\_\_\_\_ Proprietorship  
 \_\_\_\_\_ Partnership \_\_\_\_\_ Small business \_\_\_\_\_ Minority owned business  
 \_\_\_\_\_ Woman owned business \_\_\_\_\_ Limited Liability Company

- 4. Firm or Joint Venture contact information

4a. Firm (or joint venture) name, mailing address, telephone number

4b. Firm(s) owners

4c. Name, title, telephone, and email address of principal to contact

4d. Name, title, telephone, and email address of proposed project manager

- 5. Full time personnel assigned to project

Number	Position/Title	Hourly rate of Pay
--------	----------------	--------------------

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- 6. Is submittal a joint venture
  - 6a. If so, has joint venture worked together before?
  - 6b. If a joint venture, name of lead firm.

## 7. Summary of professional services fees received in (insert index number)

2014	2013	2012	2011	2010
( )	( )	( )	( )	( )

Use index below:

Index

- |                               |                               |
|-------------------------------|-------------------------------|
| 1. Less than \$250,000        | 4. \$3,000,000 to \$6,000,000 |
| 2. \$250,000 to \$1,000,000   | 5. \$6,000,000 or greater     |
| 3. \$1,000,000 to \$3,000,000 |                               |

## 8. Brief resumes of key persons anticipated for this project. Please indicate male/female, minority/majority, and parish or county and state of domicile.

- a. Name and title
- b. Project assignment
- c. Name of firm by which employed full time and location of office.
- d. Years of experience with this firm.  
With other firms in the New Orleans market \_\_\_\_\_
- e. Highest Academic Degree: \_\_\_\_\_ Year received \_\_\_\_\_
- f. Names of public officials, political candidates, and/or public agencies, especially in Louisiana for which the firm has provided service since August 1, 2011, with dates of the service and brief description of the service provided.

## 9. Work by firm(s) personnel members to be assigned to this job which best illustrates current qualifications relevant to this project (list not more than 5 projects including experience with government issues).

- a. Project Name & Location and Owner(s) Name
- b. Project Description
- c. Nature of Firm(s) Responsibilities
- d. Completion Date (Actual or Estimated)
- e. Estimated Fees for Entire Project



10. Provide any additional information or description of resources supporting your firm(s) qualifications for the proposed project.
  
11. Provide four references including name/title, phone number and address. References must exclude City Council members, Council Staff; City of New Orleans Employees; agents, employees, or representatives of Entergy or any Entergy subsidiary or affiliate; and agents, employees or representatives of Intervenors in any open Council utility dockets.