

# **Request for Quotes – Short- and Long-Term Transmission Planning**

## **Consultant to the Public Staff**

**July 2022**

### **Introduction**

The Public Staff – N.C. Utilities Commission is a state agency that represents customer interests in proceedings before the North Carolina Utilities Commission. The Public Staff is independent of the Commission.

The Public Staff may, with approval, hire independent contractors to provide subject matter expertise, pursuant to N.C. General Statute 62-15(h):

The executive director is authorized to employ, subject to approval by the State Budget Director, expert witnesses and such other professional expertise as the executive director may deem necessary from time to time to assist the public staff in its participation in Commission proceedings, and the compensation and expenses therefor shall be paid by the utility or utilities participating in said proceedings. Such compensation and expenses shall be treated by the Commission, for rate-making purposes, in a manner generally consistent with its treatment of similar expenditures incurred by utilities in the presentation of their cases before the Commission. An accounting of such compensation and expenses shall be reported annually to the Joint Legislative Commission on Governmental Operations and to the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

The Public Staff seeks a consultant to assist with the Public Staff's analysis of short-and long-term transmission needs in North Carolina. Recently enacted legislation in North Carolina requires the adoption of a "Carbon Plan," which, when implemented, will require Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP) (collectively, Duke) to reduce carbon-emitting electricity generation and shift to increased levels of carbon-free electricity generation. The Public Staff is evaluating proposals by Duke to upgrade their transmission and distribution systems to accommodate increased levels of interconnection of carbon-free or reduced-carbon generators. The need for transmission upgrades on Duke's system will be the subject of several proceedings before the Commission, including, but not limited to, the Biennial IRP and Carbon Plan (Docket No. E-100, Sub 179) and DEP's Performance-Based Regulation Application (Docket No. E-2, Sub 1300). The Public Staff expects to renew the contract for this scope of work on a recurring annual basis.

## **Scope of Work**

The scope of work will involve analysis and recommendations on best practices for short- and long-term transmission planning. This may include transmission modeling and power flow analysis specific to Duke as well as regional transmission interties in the Southeast, and the identification of transmission upgrades to accommodate increased levels of interconnection of carbon-free or reduced-carbon generators.

The consultant should be able to provide a detailed report to the North Carolina Utilities Commission on their findings, and may be required to provide expert testimony, written or oral, to defend their work product and conclusions.

The consultant's work may require the execution of confidentiality agreements with the respective utilities, and the consultant must have the ability and pre-requisites to review materials designated as Critical Energy/Electric Infrastructure Information (CEII).

The scope of work will include:

1. Reviewing transmission upgrades identified by Duke, with a focus on need, cost, prudence, and robustness;
2. Preparing and submitting bi-weekly reports on the progress of the investigation or to-date results of the investigation as appropriate; and
3. Being available for weekly conference calls with the Public Staff.

As part of this scope of work, the consultant will:

- Review proposals, studies, and/or filings made by third parties, including Duke;
- Prepare written discovery questions and document requests for utility response;
- Participate with Public Staff personnel in conference calls with the utilities;
- Communicate regularly with Public Staff personnel regarding project status and planning;
- Submit reports to the Public Staff with detailed analysis and recommendations; and
- Attend evidentiary hearings before the Commission.

The scope of work may include:

- Providing written and oral testimony to the Commission in a litigated proceeding;
- Assisting with the development of cross-examination questions;
- Evaluating and proposing alternative solutions, including, but not limited to, non-wires solutions, to identified transmission needs or pre-identified transmission plans; and

- Attending virtual or in-person meetings, including stakeholder meetings, meetings of the North Carolina Transmission Planning Collaborative, and other meetings with third parties.

The consultant must complete its duties within the time frames specified by the Public Staff. Thus, the consultant must have available sufficient staff resources to review and provide analysis of voluminous information. Time is of the essence in completing reviews for the Public Staff.

Meetings with the Public Staff are planned to be held virtually, but in some cases, an in-person meeting may be requested. Any testimony or presentations to the North Carolina Utilities Commission will likely be in person.

There is a possibility that the consultant will be called upon to provide written and oral testimony in a litigated proceeding before the North Carolina Utilities Commission. Therefore, preference will be given for experience in testifying in legal proceedings, though that is not a requirement.

The Public Staff cannot easily predict the consultant's time commitment for this project, so in addition to a not-to-exceed total contract dollar value based on an estimated 12-month timeframe for the work (with the possibility of renewal on a recurring annual basis), the Public Staff expects to receive quotes based on personnel hourly rates plus a schedule of any incidental charges (e.g., photocopying costs).

Consultant must bill at least monthly. Invoices must include a list of each consultant employee (or contractor if approved in advance by the Public Staff) who worked on the billed items, his/her hourly rates, the number of hours worked, the nature of the work, and the N.C. Utilities Commission docket number of the case being worked on.

Consultant will be required to execute confidentiality agreements with the utility or other parties whose documents are being reviewed by the Public Staff and consultant.

Consultant shall be an independent contractor. The Public Staff shall have the right to unlimited use of all work product prepared by the consultant pursuant to the contract executed under this RFQ.

The Public Staff expects to renew the contract for this scope of work on a recurring annual basis.

### **Required Information in Quotation**

All responses to this RFQ must be sent in written form, either electronically or hard copy. Responses should include:

- A statement of the consultant's qualifications to perform the requested work, with a focus on experience in transmission planning, transmission modeling, and power flow analysis.
- A description of any transmission system planning, modeling, and power flow software or other modeling tools with which the consultant is familiar, has access to, and proposes to utilize in completing the scope of work discussed herein, and the ability of the software or modeling tools to interface with or utilize typical or standard utility models.
- A list of personnel, to the extent known, who will provide the consulting services to the Public Staff, their hourly rates, and their credentials including academic background and work experience.
- A list of possible non-personnel costs and the associated rates where applicable (e.g., any separate charges for communications, copying, or travel time.)
- At least two references who can speak to previous work done by the consultant, with a focus on experience in transmission modeling and power flow analysis to the extent possible.
- A description of similar prior projects performed by the consultant, including names of clients (if not confidential), the nature of the analysis performed, and the timeframe of that performance.
- If applicable, a list of and link to all publicly filed testimony or work products provided to other state or federal regulatory agencies in the last five years.
- A statement affirming that the consultant has not performed work for Duke Energy Corporation, Duke Energy Carolinas, LLC, Duke Energy Progress, LLC, or any of their affiliates. If the consultant has performed any work under contract for Duke Energy Corporation, Duke Energy Carolinas, LLC, Duke Energy Progress, LLC, or their affiliates in the past, or expects to perform work in the foreseeable future, it must identify all such work, indicate whether any such work is ongoing, and explain why such work would not create a conflict of interest if the consultant is retained to work on behalf of the Public Staff.
- A statement of any past or present criminal charges (state or federal), and any government debarments from contracts, made against the consulting business or its current personnel.
- The consultant's federal employer identification number.

- The name, job title, mailing address, physical address, telephone number, and email address of the person who has the legal authority to issue the quotation on behalf of the consultant and to legally bind the consultant in a contract for consulting services pursuant to this RFQ.
- A statement that the consultant accepts all the provisions, terms, and conditions of this RFQ.
- A statement of the not-to-exceed dollar amount for providing consulting services pursuant to this RFQ for a twelve-month period beginning with commencement of the contract (anticipated to be August/September 2022, but subject to change).
- An annual estimate of total costs expected per the listed scope of work along with the estimated amount of billable hours and respective costs for each of the following categories: research, discovery or submittal of documentation to Duke for data gathering, modeling, final report, and meetings.

### **Procedure**

All inquiries about procedures and responses to this RFQ should be directed in writing to the Business Officer of the Public Staff: Joyce Gwyn, at [joyce.gwyn@psncuc.nc.gov](mailto:joyce.gwyn@psncuc.nc.gov).

Any questions about the RFQ scope of work may be sent to the Public Staff by email to Nadia Luhr at [nadia.luhr@psncuc.nc.gov](mailto:nadia.luhr@psncuc.nc.gov) until 5:00 pm (Eastern) on July 25, 2022. Responses will be in writing via email and will be made available upon request.

**Quotations in response to this RFQ must be received by the Public Staff no later than 5:00 p.m. (Eastern) on August 1, 2022.**

All quotations will be kept confidential by the Public Staff until a contract for consulting services has been executed.

The Public Staff hopes to select a consultant from the quotation submissions in August/September 2022; however, the process may take longer if we have follow-up questions on the quotation, and we must also obtain approval thereafter from the State Budget Director. Acceptance of a contract for consulting services pursuant to this RFQ is subject to both the Public Staff's discretionary judgment, and also approval by the State Budget Director.

The contract for consulting services pursuant to this RFQ shall consist of this RFQ, the written quotation in response to the RFQ, and a signed acceptance letter from an authorized employee of the Public Staff to the consultant.

## **GENERAL CONTRACT TERMS AND CONDITIONS**

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1. **CONFIDENTIAL INFORMATION**: To the extent permitted by applicable statutes and rules, the State will maintain confidential trade secrets that the Consultant does not wish disclosed. As a condition to confidential treatment, each page containing trade secret information shall be identified in boldface at the top and bottom as "CONFIDENTIAL" by the Consultant, with specific trade secret information enclosed in boxes or similar indication. Cost information shall not be deemed confidential under any circumstances. Regardless of what a Consultant may label as a trade secret, the determination whether it is or is not entitled to protection will be determined in accordance with G.S. §132-1.2. Any material labeled as confidential constitutes a representation by the Consultant that it has made a reasonable effort in good faith to determine that such material is, in fact, a trade secret under G.S. §132-1.2. Consultants are urged and cautioned to limit the marking of information as a trade secret or as confidential so far as is possible.
2. **INFORMAL COMMENTS**: The State shall not be bound by informal explanations, instructions, or information given at any time by anyone on behalf of the State during the competitive process or after award. The State is bound only by information provided in this RFQ and in formal Addenda issued.
3. **COST FOR QUOTE PREPARATION**: Any costs incurred by Consultant in preparing or submitting quotes are the Consultant's sole responsibility; the State of North Carolina will not reimburse any Consultant for any costs incurred prior to award.
4. **DEFAULT**: If, through any cause, Consultant shall fail to fulfill in timely and proper manner the obligations under this agreement, the State shall have the right to terminate this contract by giving written notice to the Consultant and specifying the effective date thereof.

Upon the Consultant filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Consultant, the State may immediately terminate, for cause, this Contract.

Upon termination by the State for Consultant's inadequate performance or bankruptcy, the State may terminate all other existing Contracts the Consultant has with the State, and debar the Consultant from doing future business with the State.

5. **SOURCE AND AVAILABILITY OF FUNDS**: Consultant invoices for services under

this Contract shall be sent to the Business Officer of the Public Staff. The Public Staff will forward the invoices to the utility responsible for payment, and payment will be made from the utility to the Consultant. Otherwise, any and all payments to the Consultant are dependent upon and subject to the availability of funds to the agency for the purpose set forth in this agreement.

6. **SITUS**: The place of this Contract, its situs and forum, shall be North Carolina, where all matters, whether sounding in Contract or tort, relating to its validity, construction, interpretation, and enforcement shall be determined.
7. **GOVERNING LAWS**: This Contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina, without regard to its conflict of laws rules.
8. **AFFIRMATIVE ACTION**: The Consultant will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability.
9. **INTELLECTUAL PROPERTY INDEMNITY**: Consultant shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including costs and expenses, resulting from infringement of the rights of any third party in any copyrighted material, patented or unpatented invention, articles, device, or appliance delivered in connection with this contract.
10. **ADVERTISING**: Consultant agrees not to use the existence of this Contract or the name of the State of North Carolina as part of any commercial advertising or marketing of products or services. A Consultant may inquire whether the State is willing to act as a reference by providing factual information directly to other prospective customers.
11. **ACCESS TO PERSONS AND RECORDS**: During and after the term hereof, the State Auditor and any using agency's internal auditors shall have access to persons and records related to this Contract to verify accounts and data affecting fees or performance under the Contract, as provided in G. S. §143-49(9).
12. **ASSIGNMENT**: No assignment of the Consultant's obligations or the Consultant's right to receive payment hereunder shall be permitted.

However, upon written request approved by the issuing purchasing authority and solely as a convenience to the Consultant, the State may:

- a. Forward the Consultant's payment check directly to any person or entity designated by the Consultant, and
- b. Include any person or entity designated by Consultant as a joint payee on the Consultant's payment check.

In no event shall such approval and action obligate the State to anyone other than the Consultant and the Consultant shall remain responsible for fulfillment of all Contract obligations. Upon advance written request, the State may, in its unfettered discretion, approve an assignment to the surviving entity of a merger, acquisition, or corporate reorganization, if made as part of the transfer of all or substantially all of the Consultant's assets. Any purported assignment made in violation of this provision shall be void and a material breach of this Contract.

13. **GENERAL INDEMNITY**: The Consultant shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Consultant in the performance of this Contract and that are attributable to the negligence or intentionally tortious acts of the Consultant provided that the Consultant is notified in writing within 30 days that the State has knowledge of such claims. The Consultant represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of Consultant goods to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of this Contract.
  
18. **COMPLIANCE WITH LAWS**: Consultant shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and performance in accordance with this contract, including those of federal, state, and local agencies having jurisdiction and/or authority.
  
19. **ENTIRE AGREEMENT**: This RFQ and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral or written statements or agreements. This RFQ, any Addenda hereto, and the Consultant's quotes are incorporated herein by reference as though set forth verbatim.

All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.