



**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

**Request for Proposals for  
Wind Energy Marketing and Energy Exchange Services**

**RFP Date: September 29, 2014**  
**Response Deadline: October 10, 2014 by 4:00 p.m. PDT**

**I. Introduction**

The Southern California Public Power Authority (SCPPA), on behalf of its Member Utilities, is hereby soliciting competitive proposals for wind energy marketing and energy exchange services, as described below in Section III.

SCPPA is interested in discovering all Respondent's capabilities related to specified Areas of Interest and associated pricing to enable informed decisions and potentially proceed to more specific negotiations on contract development with one or more qualified Respondents to this Request for Proposals (RFP).

Responses to this RFP are due on or before October 10, 2014 by 4:00 p.m. PDT, as described below in Sections III and V.

**II. Background**

SCPPA is a joint powers authority and a public entity organized under the California Joint Exercise of Power Act found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and through the SCPPA Joint Powers Agreement, for the purposes of planning, financing, developing, acquiring, constructing, operating and maintaining projects for the generation or transmission of electric energy. SCPPA also facilitates joint service contracts, at the request of its members, to aggregate like project efforts among its Members for the purposes of developing energy efficiency, demand response and resource procurement Programs or Projects to improve operating efficiencies and reduce costs.

Membership of SCPPA consists of eleven cities and one irrigation district, which supply electric energy within Southern California, including the municipal utilities of the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District. SCPPA is governed by its Board of Directors, which consists of representatives from each of its Members. The management of SCPPA is under the direction of an Executive Director who is appointed by the Board.

Any service contract subsequently entered into by SCPPA pursuant to this RFP would be utilized directly by the interested Members to serve their respective utility customers' needs. The service and work products would be ordered and approved directly by SCPPA and/or the applicable Members and the billing would be administered through SCPPA.

### **III. Areas of Interest**

Certain SCPPA Members have expressed interest in wind energy marketing and energy exchange services to meet the needs of their municipalities as follows:

1. The respondents should propose services designed to meet the following objectives beginning in 2015, and possibly as soon as January 1, 2015:

#### **Energy Exchange Services (Energy Delivery Option)**

- Receive wind energy at an agreed Point of Integration (POI). See Table 1 below.
- Schedule energy delivery and issue all applicable E-Tags
- Option to: 1) deliver fixed blocks of energy at an agreed SCPPA Point of Delivery (POD) (e.g. NOB) as discussed in section 9 below, OR 2) deliver an amount as scheduled ahead of time.
- Reconcile energy to be as concurrent as possible and comply with applicable regulations and reporting requirements; ***SCPPA/Member retains all REC's produced***
- Manage all required transmission rights, integration charges and associated tariffs

#### **Wind Energy Marketing Services (Energy Non-delivery Option)**

- Receive wind energy at the project bus (point of interconnection to the BPA or Klickitat PUD transmission system)
- Market wind energy in the Pacific Northwest; SCPPA/Member retains all REC's
- Market wind energy and pay SCPPA resulting revenues using the ICE Day Ahead Mid-C Index; another Index may be offered but is not preferred
- Specify which risks and costs (including Balancing Area charges) are assumed by the service provider and which risks and costs are assumed by SCPPA/Member (including but not limited to persistent deviation, DSO216, Failure to Comply, and Generation Imbalance)
- Redirectable BPA Point-to Point Transmission rights for the amount of the project may be available
- Specify forecasting, scheduling, and tagging responsibilities
- Provide audit rights

**SCPPA Wind Energy Marketing and Energy Exchange Services RFP – October 10, 2014**

2. Proposals will be for the projects as outlined in Table 1. **Energy Exchange Service** proposals may be submitted for Projects 1-4. **Wind Energy Marketing Service** proposals may be submitted for Projects 1 and 4.

**Table 1: Renewable Projects for which Marketing, and/or Energy Exchange Service is Requested**

Project	Maximum Term (yrs)	Maximum Capacity (MW)	Expected Average Capacity Factor (MW)	Expected Average Capacity (MW)	Expected Average Energy (GWh/yr)	Point of Integration (POI)	BPA Point of Delivery	SCPPA Point of Delivery (if applicable)	Assignable and Redirectable PTP Transmission Rights form POI to POD
1	18	99	32%	31.7	277.631	Jones Canyon (BPA)	NW Market Hub	NOB	only 20MW
2	20 + 4 year extension	262	30%	78.6	689.094	Rock Creek (KPUD)	NW Market Hub	NOB	yes
3	--	50	33%	18.05	146.493	Harvalum (BPA)	NW Market Hub	NOB	yes
4	15	72	31.30%	22.5	197.3	Boardman (BPA)	Boardman (BPA)	NOB	no

3. For Energy Exchange Services: The respondent will transmit all of the power in Table 1 above from BPA Point of Delivery to the SCPPA POD at Northern Oregon Border (NOB).
4. BPA Transmission Rights
- For Energy Exchange Services: For project 2 and 3 in Table 1, SCPPA has transmission rights from the POI to the NW Market Hub up to the project maximum capacity that would be assigned to the respondent to conduct the requested transmission services. For project 1, SCPPA has transmission rights guaranteed for only 20 MW of the entire project. All other projects have TSRs submitted with BPA.
  - For Wind Energy Marketing Services: For project 1, SCPPA has transmission rights guaranteed for only 20 MW of the entire project.
5. SCPPA may propose Projects with different POIs in addition to those in Table 1
6. For Energy Exchange Services: SCPPA will consider alternative PODs for a small portion of the energy. (Possible other PODs where SCPPA Members have transmission rights include Mead, COB, Marketplace and other locations.)
7. Pricing shall be offered as a cost per megawatt-hour of energy (\$/MWh) delivered at the SCPPA POD for Energy Exchange Services, to be paid by SCPPA. For Wind Energy Marketing Services, payments to SCPPA shall be offered as a net price per megawatt-hour of energy (\$/MWh).

8. The anticipated average monthly production (based on historical data) at POI for each project in Table 1 is shown in Table 2.

**Table 2: Estimated Average Monthly Production in GWh**

Project Estimated Average Monthly Production in GWh													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1	11.98	13.991	27.834	21.018	30.05	33.541	32.982	29.858	24.082	20.901	17.73	13.666	277.633
2	48.254	41.984	61.074	61.216	69.822	73.999	71.74	63.885	50.763	53.666	46.497	46.194	689.094
3	9.682	8.293	12.054	13.049	16.36	15.233	16.107	13.616	11.154	11.566	10.366	9.013	146.493
4	8.899	10.182	20.383	17.857	19.91	22.258	22.633	20.916	17.759	16.378	11.287	8.84	197.302
Total	78.815	74.45	121.345	113.14	136.142	145.031	143.462	128.275	103.758	102.511	85.88	77.713	1310.522

9. **Energy Exchange Service Options: If providing Energy Exchange service**, provide pricing, at minimum, for each of the following delivery scenarios:

Project	Option #	Delivery	MW	Period
1	1	flat, 24/7	32	12 months
		flat, 24/7	33	Mar-Oct
	2	flat, 24/7	5	Mar-Oct
		flat, 24/7	10	Mar-Oct
		flat, 24/7	34	Mar-Oct
	3	on peak, 16/6	8	Mar-Oct
		on peak, 16/6	17	Mar-Oct
2	1	flat, 24/7	79	12 months
	2	flat, 24/7	118	Mar-Oct
3	1	flat, 24/7	17	12 months
	2	flat, 24/7	25	Mar-Oct
4	1	flat, 24/7	23	12 months
	2	flat, 24/7	34	Mar-Oct

10. Assumptions:

- SCPPA will provide hourly historical data to the service provider.
- SCPPA will provide day-ahead and hour-ahead estimates of the expected Project energy, according to the WECC protocol, including access to the hourly facility wind forecaster/scheduler. The final forecast for scheduling will be provided by SCPPA 30 minutes before the hour.
- Delivery shall take place under WSPP Schedule C, Firm subject to Liquidated Damages, delivered in fixed blocks (shapes to be negotiated).
- “On-Peak” shall be defined as HE0700 through HE 2200 PPT (16 hrs/day) Monday through Saturday, except for NERC Holidays.
- All Environmental Attributes associated with the Projects shall be retained by SCPPA.
- Contractor shall work with SCPPA to assure compliance with existing and potential future changes to applicable regulatory guidelines and standards throughout the Term of the agreement.

## SCPPA Wind Energy Marketing and Energy Exchange Services RFP – October 10, 2014

- NW Market Hub is defined as the composite point of delivery including Columbia, Midway, Sickler, Valhalla, and/or Vantage substations pursuant to the BPA Open Access Transmission Tariff and the PTP-06 rate schedule (or successor).
- Table 1 shows the expected average energy per year based on the expected capacity factor for the wind farm. Table 2 shows the estimated average monthly production of the wind farm based on historical actual data. Both of these numbers are estimates, and the actual production of the wind farm may fall within both numbers. For Energy Exchange services, a True Up period at the end of the year will reconcile all of the actual energy, annually.
- Term: One to three years, with automatic renewal, and including a termination provision for SCPPA.

### **Timeline / Schedule\***

<b>SCPPA RFP for Wind Energy Marketing and Energy Exchange Services Selection Process</b>	
<b>Schedule of Requirements</b>	<b>Target Date(s)</b>
Issue RFP	September 29, 2014
Responses Due	October 10, 2014 @ 4:00 PM PST
Review of Responses	October 14-17, 2014
Interviews (if necessary)	The week of October 20 – 24, 2014
Selection of Respondent(s)	October 27, 2014

\*Timeline/Schedule is subject to change.

## **IV. Proposal Submission Required Elements**

### **1. Transmittal Letter Content:**

- a. A brief statement of the Respondent's understanding of the work to be done and commitment to perform the work as scheduled, including:
  - i) statement of work specifications; and
  - ii) reference to any proposed contractual terms and conditions required by the Respondent; and
  - iii) a summary of exceptions taken to the RFP requirements; and
  - iv) any and all expectations from SCPPA including, but not limited to: requirements definitions, strategy refinement, and staffing requirements to support the proposed project or program implementation.
- b. An officer authorized to bind must sign the proposal on behalf of the Respondent and must include the following declarations on the transmittal letter:

“This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the Respondent has not directly or indirectly induced or solicited any other Respondent to put in a sham bid, or any other person, firm or corporation to refrain from submitting a proposal; and the Respondent has not in any manner sought by collusion to secure for themselves an advantage over any other Respondent.”

2. **Respondent Information:** Provide legal name of Company or Individual, physical street address, the name(s) and title(s) of the individual(s) authorized to represent the Respondent, including telephone number(s) and email address(es).
3. **Proposal:** Proposals must include a description of the proposed project or program, how it meets (or does not meet) each of the objectives of this RFP, and a detailed description addressing all of the Areas of Interest. Respondents may also include additional services, products, tasks, task elements and/or functions that may not be part of or included in the RFP, but are deemed by the Respondent to be pertinent and potentially valuable to SCPPA or its Members. SCPPA will have full discretionary authority to consider, accept and/or reject without cause such supplemental information that is not directly requested, included in or made part of the RFP.
4. **Fees:** Pricing in all Proposals should be made based on good faith estimates of the requirements defined in this RFP. Please include all necessary details of specific examples or estimates of the fees, labor rates and service charges. Describe how the fees, rates or charges will be determined. Respondents shall also be prepared to provide a breakdown of the applicable overheads and fringe benefit costs that are part of any labor rates and other direct costs associated with the services to be performed.
5. **Experience:** Respondent shall clearly identify project participants and management team, including:
  - a. Describe your firm's experience as may be applicable to this RFP, your organizational structure, management qualifications, and other contract related qualifications, including number of years firm has been in business.
  - b. Specify key employees and describe their qualifications, experience and duties related to this RFP, including the office location(s) where work will be performed, in addition to the physical street address referenced above.
  - c. Provide a commitment statement for the retention and use of key employees as proposed, their availability to initiate and sustain the proposal, as well as planned supplemental employees if key personnel are not available to assure project delivery.
  - d. State whether Respondent will use subcontractors to perform services pursuant to the contract. Should the use of subcontractors be offered, the Respondent shall provide the same assurances of competence for the subcontractor, plus the demonstrated ability to manage and supervise the subcontracted work. Subcontractors shall not be allowed to further subcontract with others for work. The provisions of any contract resulting from this RFP shall apply to all subcontractors in the same manner as to the Respondent.
  - e. Respondent shall indicate any and all pending litigation that could affect the viability of Respondent's proposal, continuance of existing contracts, operation or financial stability.
6. **References:**
  - a. Describe whether the Respondent has, within the last five (5) years, rendered any service to SCPPA or to any of SCPPA's Members, either as a contractor or subcontractor, either under the current Respondent's name or any other name or organization. If so, please provide details (status

as prime or subcontractor, brief description of the contract, contract start and end date, the contract administrator name, and total actual contract expenditures).

- b. If the Respondent has not rendered any service within the last five (5) years to SCPPA or to any of SCPPA's Members, then please provide references over that period with the details described above including the counterparty for which services were provided.
- c. Identify existing related or relevant projects or programs which Respondent developed and/or operates that would demonstrate Respondent's capabilities in this area.
- d. Describe relevant program development and implementation experience, approach, and provide a list of references for similar projects completed.

## **V. Proposal Submission Delivery Requirements**

There will not be an initial Respondent's conference associated with this RFP. Clarification questions may be addressed to Angelica Drugge at [angelica.drugge@ladwp.com](mailto:angelica.drugge@ladwp.com).

One (1) hard copy of your response, including a transmittal letter of authentic offer with wet-ink authority signature, and any supporting documentation should be delivered no later than 4:00 PM PST on October 10, 2014 to:

Southern California Public Power Authority  
Wind Energy Marketing and Energy Exchange Services  
1160 Nicole Court  
Glendora, California 91740

One (1) electronic copy of your proposal should also be delivered to the address above, preferably on a CD or USB flash drive, or alternatively e-mailed to [shomer@scppa.org](mailto:shomer@scppa.org) no later than the time and date referenced above.

No contact should be made with the Board of Directors, committees or working group representatives, or SCPPA Members concerning this RFP.

All information received by SCPPA in response to this RFP is subject to the California Public Records Act and may be subject to the California Brown Act and all submissions may be subject to review in the event of an audit.

## **VI. Terms and Conditions**

1. SCPPA reserves the right to cancel this RFP at any time, reject any and all proposals and to waive irregularities.
2. SCPPA shall determine at its sole discretion the value of any and/or all proposals including price and non-price attributes.

3. Proposals may be sub-divided or combined with other proposals, at SCPPA's sole discretion.
4. SCPPA shall perform an initial screening evaluation to identify and eliminate any proposals that are, for example, not responsive to the RFP, do not meet the minimum requirements set forth in the RFP, are not economically competitive with other proposals, or are submitted by Respondents that lack appropriate creditworthiness, sufficient financial resources, or qualifications to provide dependable and reliable services for this RFP.
5. SCPPA reserves the right to submit follow up questions or inquiries to request clarification of information submitted and to request additional information from any one or more of the Respondents.
6. SCPPA reserves the right, without qualification and in its sole discretion, to accept or reject any or all proposals for any reason without explanation to the Respondent, or to make any award to that Respondent, who, in the opinion of SCPPA, will provide the most value to SCPPA and its Members.
7. SCPPA may decline to enter into any potential engagement agreement or contract with any Respondent, terminate negotiations with any Respondent, or to abandon the request for proposal process in its entirety.
8. SCPPA reserves the right to make an award, at its sole discretion, irrespective of price or technical ability, if SCPPA determines that to do so would result in the greatest value to SCPPA and its Members.
9. Those Respondents who submit proposals agree to do so without legal recourse against SCPPA, its Members, their directors, officers, employees and agents for rejection of their proposal(s) or for failure to execute or act on their proposal for any reason.
10. SCPPA shall not be liable to any Respondent or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in connection with this RFP.
11. SCPPA shall not be liable for any costs incurred by any Respondents in preparing any information for submission in connection with this RFP process or any and all costs resulting from responding to this RFP. Any and all such costs whatsoever shall remain the sole responsibility of the Respondent.
12. SCPPA may require certain performance assurances from Respondents prior to entering into negotiations for work that may result from this RFP. Such assurances may potentially include a requirement that Respondents provide some form of performance security.
13. Prior to contract award, the successful Respondent shall supply a detailed breakdown of the applicable overheads and fringe benefit costs that are part of the labor rates and other direct costs associated with the services to be performed.
14. SCPPA Members, either collectively or individually may contact Respondents to discuss or enter into negotiations regarding a proposal. SCPPA is not responsible or liable for individual Members interactions with the Respondent which are not entirely conducted through SCPPA or at SCPPA's option or election to engage the Respondent as defined within the RFP.



15. Submission of a Proposal constitutes acknowledgement that the Respondent has read and agrees to be bound by the terms and specifications of this RFP and any addenda subsequently issued by SCPPA.
16. Information in this RFP is accurate to the best of SCPPA's and its Members' knowledge but is not guaranteed to be correct. Respondents are expected to complete all of their due diligence activities prior to entering into any final contract negotiations with SCPPA.
17. SCPPA reserves the right to reject any Proposal for any reason without cause. SCPPA reserves the right to enter into relationships with more than one Respondent, can choose not to proceed with any Respondent with respect to one or more categories of services, and can choose to suspend this RFP or to issue a new RFP that would supersede and replace this RFP.

## **VII. Additional Requirements for Proposal**

1. **Consideration of Responses:** Submitted proposals should be prepared simply and economically, without the inclusion of unnecessary promotional materials. Proposals should be submitted on recycled paper that has a minimum of thirty percent (30%) post-consumer recycled content and duplex copied (double-sided pages) where possible.
2. **Insurance, Licensing, or other Certification:** If selected, the Respondent will be required to maintain sufficient insurance, licenses, or other required certifications for the type of work being performed. SCPPA or its Members may require specific insurance coverage to be established and maintained during the course of work and as a condition of award or continuation of contract.
3. **Non-Discrimination/Equal Employment Practices/Affirmative Action Plan:** If selected, the Respondent and each of its known subcontractors may be required to complete and file an acceptable Affirmative Action Plan. The Affirmative Action Plan may be set forth in the form required as a business practice by the Department of Water and Power of the City of Los Angeles which is SCPPA's largest Member.
4. **Living Wage Ordinance:** If selected, the Respondent may be required to comply with the applicable provisions of the City of Los Angeles Living Wage Ordinance and the City of Los Angeles Service Contract Workers Retention Ordinance. The Living Wage Ordinance provisions are found in Section 10.36 of the Los Angeles City Administrative Code; and the Service Contract Workers Retention Ordinance are found in Section 10.37 of the Los Angeles Administrative Code (SCWRO/LW0).
5. **Prevailing Wage Rates:** If selected, the Respondent will be required to conform to prevailing wage rates applicable to the location(s) where any work is being performed. Workers shall be paid not less than prevailing wages pursuant to determinations of the Director of Industrial Relations as applicable in accordance with the California Labor Code. To access the most current information on effective determination rates, Respondent shall contact:

Department of Industrial Relations  
Division of Labor Statistics and Research  
PO Box 420603, San Francisco, CA 94142-0603  
Division Office Telephone: (415) 703-4780  
Prevailing Wage Unit Telephone: (415) 703-4774  
Web: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm>

6. **Child Support Policy:** If selected, Respondent may be required to comply with the City of Los Angeles Ordinance No. 172401, which requires all contractors and subcontractors performing work to comply with all reporting requirements and wage earning assignments and wage earning assignments relative to court ordered child support.
7. **Supplier Diversity:** Respondents shall take reasonable steps to ensure that all available business enterprises, including Small Business Enterprises (SBEs) and Disabled Veteran Business Enterprises (DVBES) have an equal opportunity to compete for and participate in the work being requested by this RFP. Efforts to obtain participation of SBEs, DVBES, and other business enterprises may reasonably be expected to produce a twenty percent (20%) participation goal for SBEs and a three percent (3%) participation goal for DVBES. For the purpose of this RFP, SCPPA's Supplier Diversity program is modeled after that of the Los Angeles Department of Water and Power. Further information concerning the Supplier Diversity Program may be obtained from the Supply Chain Services Division of the Los Angeles Department of Water and Power.
8. **SCPPA-Furnished Property:** SCPPA or a Member's utility drawings, specifications, and other media furnished for the Respondent's use shall not be furnished to others without written authorization from SCPPA or the applicable Member(s).
9. **Contractor-Furnished Property:** Upon completion of all work under any agreement developed as a result of this RFP, ownership and title to reports, documents, drawings, specifications, estimates, and any other document produced as a result of the agreement shall automatically be vested to SCPPA and no further agreement will be necessary for the transfer of ownership to SCPPA. SCPPA has the sole right to distribute, reproduce, publish, license, or grant permission to use all or a portion of the deliverable documentation, work product or presentations as it determines in its sole discretion.