



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Request for Proposals for Dodd-Frank Compliance Consulting Services

RFP Posting Date: October 24, 2012

Response Deadline: October 31, 2012 by 4:00 p.m. PST

Deadline extended to November 7, 2012 by 4:00 p.m. PST

The Southern California Public Power Authority (SCPPA) is hereby soliciting competitive proposals for Dodd-Frank Compliance consulting services. SCPPA expects to enter into an “umbrella” professional services agreement(s) with selected respondent(s) based on which SCPPA Members would be able to retain specifically needed services.

Background

SCPPA, a joint powers authority and a public entity organized under the laws of the State of California, was created pursuant to the California Joint Exercise of Powers 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 purpose of planning, financing, developing, acquiring, constructing, operating and maintaining projects for the generation or transmission of electric energy.

In addition, SCPPA has the ability to enter into professional, technical, financial and other services agreements, at the request of and for the benefit of its Members, to coordinate and facilitate collective project efforts among its Members to render a more efficient process through which the Members can acquire desired services. Any such potential services agreement entered into by SCPPA, pursuant to this RFP, may be directly utilized by any interested SCPPA Member to serve its respective utility. The services pursuant to such an arrangement would be directly requested and approved by the individual Member utility and the invoice for the services would be managed by SCPPA.

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, Vernon, and the Imperial Irrigation District (“Members”).

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.

Scope of Services

Several SCPPA Members have expressed interest in retaining consulting services to assist them in understanding, preparing for and achieving compliance with Dodd-Frank and Title VII as a Public Owned Utility (POU). More specifically, services may be needed in the following areas:

1. Overview of Dodd-Frank and Title VII (with respect to Electric Utilities)

- Special Entity definition
- Volker Rule
- Municipal Advisor
- Swap Dealer registration
- Swap Dealer definition
- Definition of Swap – Typical SCPPA Member transactions and inclusion or not
- Treatment of Environmental Attributes (RECs, Allowances, etc.)
- Contract for Difference Arrangements (CFD)

2. Exemptions under Dodd-Frank

- CAISO
- ISDA Protocol
- Special Entities
- Forward Contract Exclusion
- Trade Option Exemption
- End User Exception

3. Compliance Obligations

- Deadlines
- Recordkeeping
- Reporting
- When Clearinghouses must be used
- Affirmations to counterparties regarding physical hedging

4. Reporting Compliance

- Overview of subject transactions and requirements
- Relevant timelines
- Swap definition
- Special Entity impacts (internal and external)
- Information Requests from Counterparties

5. Utility Impacts

- Current state evaluation
- Gap identification
- Tactical planning
- Working group formation
- “Best of Class” policies and procedures
- Cost of implementation
- Overview of future state for compliance

6. Other Related Matters

- Evaluate certain SCPPA contracts

Proposal Submission Required Elements

1. **Transmittal Letter:** A brief statement of the Respondent's understanding of the work to be done and commitment to perform the work as scheduled including a summary of exceptions taken to the request for proposal requirements, statement of work, specifications, and reference to any proposed contractual terms and conditions required by the proposer. An officer authorized to bind must sign the proposal on behalf of the proposer 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 proposer has not directly or indirectly induced or solicited any other proposer to put in a sham bid, or any other person, firm or corporation to refrain from submitting a proposal; and the proposer has not in any manner sought by collusion to secure for themselves an advantage over any other proposer.”

2. **Applicant Information:** Provide legal name of the company, physical street address, e-mail address, telephone, name and title of individuals authorized to represent the Respondent.
3. **Proposal:** Provide a description of the proposed project, how it meets each of the objectives of this request for proposals, a detailed description addressing all of the Scope of Services, as well as any tasks, task elements and/or functions that are not part of the proposal.
4. **Fees:** SCPPA is interested in discovering the Respondent's capabilities and pricing to make an informed decision and proceed to more specific negotiations. Pricing should be made based on good faith estimates of the requirements defined in this request for proposals. Detail specific examples or estimates of the fees. Describe how the fees will be determined. Prior to contract award, the successful bidder 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. The proposal will provide a fixed price for each area of the Scope of Services. Award of the Scope of Services may be to different Respondents based on the evaluation of the proposals.
5. In addition to the pricing for each area of the Scope of Services, an optional lower combined fixed price for all Scope of Services (combined award), may be offered at the Respondent's discretion. In this case, payment for each area of the Scope of Services would be proportional to the sum of the discrete fixed pricing applied to the combined award price. Whether a combined award is offered or not, all proposals shall have pricing for each Scope of Services.
6. **Experience:** Respondent will clearly identify project participants and management team.
 - a. Describe your firm's experience as may be applicable to this request for proposals, 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 request for proposals, including the office location(s) where work will be performed.
- 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 proposer will use subcontractors to perform services pursuant to the contract. Should the use of subcontractors be offered, the proposer 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 proposer.
- 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.
- f. Describe whether the proposer has, within the last five years, rendered any service to SCPPA or to any of SCPPA's Members, either as a contractor or subcontractor, either under the current proposer'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 dates, the contract administrator name, and total actual contract expenditures).
- g. If the proposer has not rendered any service within the last five years to SCPPA or to any of SCPPA's Members, then please provide references over that period with the requested details described above including the counterparty for which services were provided.

7. **Schedule:** Respondents will clearly outline a schedule for all of the Scope of Services. The agreed upon schedule is not to be modified except by written mutual agreement by both parties.

Evaluation of Proposals

A selection committee, composed of participating Members, will evaluate all submitted proposals on the following four criteria. Proposers that are within the competitive range of scores in the written proposal may be invited to an oral interview. Factors to be considered, but not limited to, include:

- Fees
- Schedule
- Experience
- Quality

Proposal Submission Delivery Requirements

There will not be an initial proposer's conference associated with this request for proposals. Clarification questions may be addressed to Vernon Oates at: voates@scppa.org.

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 p.m. PPT on October 31, 2012 to:

Southern California Public Power Authority
Attention: Vernon Oates, Director of Finance & Accounting
1160 Nicole Court
Glendora, California 91740

One electronic copy of your proposal should also be e-mailed to voates@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 Participating Members concerning this request for proposals.

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

Proposal 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 not responsive to the request for proposals, do not meet the minimum requirements set forth in the request for proposals, are clearly 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.
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 the award to that respondent, who, in the opinion of SCPPA, will provide the most value to SCPPA and its customers.
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, 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 request for proposals.
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 proposers prior to entering into negotiations for a proposed project. Such assurances may potentially include a requirement that proposers provide some form of performance security.
13. Either SCPPA collectively or Members individually may respond to, or enter into negotiations for 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 Terms and Conditions herein.
14. Submission of a Proposal constitutes acknowledgement that the Proposer has read and agrees to be bound by the terms and specifications of this RFP and any addenda subsequently issued prior to the due date for a Proposal.
15. Information in this RFP is accurate to the best of SCPPA's knowledge but is not guaranteed to be correct. Proposers are expected to complete all of their due diligence activities prior to entering into any final contract negotiations with SCPPA.
16. 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 vendor, can choose not to proceed with any Proposer 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 one.

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 applicable.
2. **Insurance, Licensing, or other Certification:** If selected, the proposer 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 proposer 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 proposer 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, and if the project is funded in any part by resources with such an obligation, the respondent may be required to conform to prevailing wage rates applicable to the location(s) where any work is being performed.
6. **Child Support Policy:** If selected, proposer may be required to comply with 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:** Proposers shall take reasonable steps to ensure that all available business enterprises, including Women Business Enterprises (WBEs) and Minority Business Enterprises (MBEs) have an equal opportunity to compete for and participate in the work being requested by this request for proposals. Efforts to obtain participation of MBEs, WBEs, and other business enterprises could reasonably be expected to produce a level of participation by interested subcontractors including 15 percent MBE and 7 percent WBE. 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 Purchasing Division of the Los Angeles Department of Water and Power.
8. **SCPPA-Furnished Property:** SCPPA or participating utility drawings, specifications, and other media furnished for the Contractor's use shall not be furnished to others without written authorization from the source agency.
9. **Contractor-Furnished Property:** Upon completion of all work under this Agreement, ownership and title to reports, documents, drawings, specifications, estimates, and any other document produces 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 use all or portion of the deliverable documentation or presentations.