



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Request for Proposals for Energy Scheduling and Trading Services

RFP Date: July 25, 2013

Response Deadline: August 16, 2013

Deadline extended to: August 23, 2013

The Southern California Public Power Authority (SCPPA) is soliciting competitive proposals for energy scheduling and trading services on behalf of its Member Utilities.

Introduction

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 (California Government Code sec. 6500 et seq.) for the purpose 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 for the purposes of developing energy efficiency, demand response and resource procurement programs.

Membership of SCPPA consists of eleven cities and one irrigation district that 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 entered into by SCPPA pursuant to this RFP would be utilized directly by the interested Members to serve their respective utility's needs. The service and work products will be ordered and approved directly by the Members and the billing will be administered through SCPPA.

Areas of Interest

Several SCPPA Members have expressed interest in front office services related to energy (including power and/or natural gas commodity and transportation) portfolio management, scheduling, and trading to meet the needs of their municipalities.

The Scheduling Services Provider is expected to perform all scheduling for load, resources and transactions on a day-ahead and hour-ahead/real-time basis. The Scheduling Services Provider is expected to be a CAISO Scheduling Coordinator.

The Scheduling Services Provider is expected to demonstrate all skills, knowledge and ability necessary to perform as Scheduling Services Provider including any applicable certifications or licenses associated with the Scheduling Services or required by the CAISO, NERC or WECC. The Scheduling Services Provider is responsible for emergency operational actions as may be needed.

The Scheduling Services Provider shall provide the following Services:

- CAISO Scheduling
 - 7-day per week day-ahead pre-scheduling services
 - 7 day, 24 hour real-time services
 - Non-Business Day real-time services
- WECC (non-CAISO) Scheduling
 - Business day day-ahead services
 - 7 day, 24 hour real-time services
 - Non-Business Day real-time services
- Bidding or self-scheduling into appropriate energy and ancillary services markets. The Scheduling Services Provider is expected to implement and apply on a daily and hourly basis the selected bidding strategies to assure that generation and ancillary offers and load bids are submitted.
 - Scheduling. Scheduling Services Provider shall submit to the CAISO and/or Balancing Authorities schedules and/or bids consistent with the CAISO's and/or Balancing Authorities' timelines as prescribed by their tariffs.
 - Final Schedules. Scheduling Services Provider shall provide final confirmed day-ahead pre-schedules no later than 5:00 PM Pacific Prevailing Time the day prior to the day that electricity flows. Any changes to the pre-schedules shall be provided as soon as practicable, but no later than 8:00 AM Pacific Prevailing Time the next day
 - OASIS and Other Pertinent Applications. Scheduling Services Provider shall utilize applications (such as OASIS, OATI and ICE) to perform scheduling and procurement functions.
- Interacting with generating facilities to adjust generation as necessary consistent with reliability considerations and economic alternatives.
- Scheduling Services Provider shall perform all services in a professional manner consistent with Good Industry Practices and Applicable Laws.
- Scheduling Services Provider shall provide the CAISO, Balancing Authorities and/or Transmission Owners/Operators with all required notices and updates regarding generation facilities as required by applicable procedures, requirements and standards. This includes information such as SLIC

outage requests, SLIC Forced Outages, CAISO Forced Outage Reports, among other requirements.

- Scheduling Services Provider shall be responsible for all tagging and checkout of schedules consistent with pertinent timelines.
- Scheduling Services Provider shall be responsible for submitting data to appropriate Balancing Authorities to satisfy planning requirements.

Specific information about the three areas of scheduling services is outlined below:

1. Same Day Scheduling and Resource Management

These services will be provided on a 24/7 basis. The services will include coordinating, forecasting, scheduling and accounting for utility power generation and transmission according to system demands; and to monitor, purchase, and sell power resources on a real-time basis to and from other utilities or other resources. An outline of expected services for this area is below.

- Provide 24/7 Real Time desk services
- Forecast and adjust load and power requirements hourly
- Validate the forecasted schedules against contracts and generate schedules
- Marketing of excess resources from over-estimated load forecasts or as market conditions warrant and under established guidelines
- Adjust Inc and Dec bid prices hourly to capture market opportunities
- Download hourly PIRP forecast, adjust schedule, upload changes hourly to ISO
- Make hourly changes to intermittent resources and submit hourly changes to ISO
- Optimize use limited resources on a daily and hourly basis
- Forecast Intraday gas requirements for specified resources
- Submit Intraday gas schedules to scheduling agent(s) Manage several sub-SCID's that are associated with the main SCID
- Submit hourly and 15 minute schedules to California Independent System Operator (CAISO)
- Review Scheduling Infrastructure Business Rule (SIBR) to check status of schedules
- Procure transmission using webOASIS on an daily and hourly basis
- Generate & submit E-Tags on a daily and hourly basis
- Monitor real-time system conditions and generation utilizing meter data on a constant 24/7 basis
- Monitor SCADA load and temperature readings on a constant 24/7 basis
- Perform curtailments or adjustments as and when required
- Perform end-of -day check-out with counterparties
- Perform Energy Accounting (based on contracts/meter data) / Settlements
- Perform Transmission Accounting
- Verify (after the hour) actual, deviations and integrations
- Checkout with counterparties for daily /hourly transactions
- Must integrate with SCPPA scheduling software, SCADA

For Members with resources participating in CAISO ancillary service (A/S) or supplemental energy markets, these services will include recommending or submitting updated ancillary services and supplemental energy bids. Services will include monitoring and responding to CAISO dispatch

instructions received through the CAISO's Automated Dispatch System (ADS) system that will be recorded for reference and communicated to the appropriate plant personnel. Appropriate plant response to CAISO instructions will also be monitored. Plant outage information will be submitted to the CAISO via the Scheduling and Logging for ISO of California (SLIC) system.

2. Day Ahead Scheduling and Resource Management

These services will manage the Member's Day-Ahead (DA) scheduling and resource management requirements, including but not limited to the following:

- Forecasting electric load on a daily, weekly, and monthly basis for the electric utility's bulk power system
- Perform pre-scheduling functions, including daily gas scheduling and trading, daily energy scheduling and trading, and submitting schedules and load forecasts to CAISO SIBR
- Forecast Day-Ahead gas requirements for specified resources
- Submit Day-Ahead gas schedules to scheduling agent(s)
- Plan the use of transmission facilities, electric generation resources, electric generation capacity, and wholesale power transactions to serve the bulk system load at the least possible cost
- Negotiate, monitor, and administer short term power supply contracts
- Monitor and analyze supply and demand contract requirements and make recommendations to management regarding strategies for maximizing the benefits of these contracts
- Calculate daily resource costs and provide daily electric and natural gas prices to real-time staff
- Ensure that generation resources and contracts are dispatched in economic order

3. Joint Resource Scheduling

- Act as scheduling agent for projects that have multiple SCPPA participants. Accept energy schedules from Project and divide said schedules pro-rata into sub-schedules. Distribute sub-schedule to SCPPA participants on a daily and hourly basis.
- Scheduling procedures describe the details of pro-rata shares and alternate scheduling methods.

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 Respondent. 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 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 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 Areas of Interest, 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.
5. **Timeline/Schedule:** Provide a timeline/schedule for each potential Areas of Interest and any other applicable subdivisions of work pertaining to the proposal.
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 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.
- f. Describe whether the Respondent 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 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 dates, the contract administrator name, and total actual contract expenditures).
- g. If the Respondent 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.
- h. Identify existing projects or programs which respondent developed and/or operates.
- i. Describe relevant program development and implementation experience, approach, and provide a list of references for similar projects completed.
- j. Identify expectations from customer including requirements definition, strategy refinement, and staffing requirements to support implementation methodology.

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 Kelly Nguyen at knguyen@scppa.org or 626-793-9364.

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 August 16, 2013 to:

Attention: Kelly Nguyen
RFP for Energy Scheduling and Trading Services
Southern California Public Power Authority
1160 Nicole Court
Glendora, California 91740

One electronic copy of your proposal should also be delivered to the address above, preferably on a CD or USB flash drive, or alternately e-mailed to knguyen@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.

Additional 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 Respondents prior to entering into negotiations for a proposed project. Such assurances may potentially include a requirement that Respondents 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 Respondent 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. Respondents 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 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 one.

Tentative Schedule

SCPPA RFP for Energy Scheduling and Trading Services Selection Process	
Schedule of Requirements	Target Date(s)
Issue RFP	July 25, 2013
Responses Due	August 23, 2013
Review of Responses	August 23 – September 6, 2013
Interviews (if necessary)	September 9 – 20, 2013
Selection of Respondent(if awarded)	September 30, 2013