



Southern California Public Power Authority

Questions and Answers related to the Request for Proposals for Energy and Trading Services

10/18/17

1. Who is the Load Forecast provider, or is the service provider responsible for using their load forecast software at their cost?

Response: The service provider should be able to use their own tool to forecast.

2. Describe the number of resources, including fuel type, operational parameters, ancillary service certifications and expected monthly run-hours for each SCPPA member.

Response: Refer to SCPPA Members Portfolio Table.

3. What are the numbers of executed Purchase Power Agreements and Sales Agreements per each SCPPA member to be managed by the service provider? Please include descriptions of each, and their scheduling requirements?

Response: Refer to SCPPA Members Portfolio Table. PPAs typically are just schedules and do not require additional work other than outage coordination and related communications to and from the ISO.

4. Describe any balancing arrangements under contract with the host BA, and each SCPPA Member' specific requirements.

Response: For the ISO participants this does not apply, however it likely applies for the non-ISO members.

5. What are the numbers of submitted annual outage tickets for each generating resource – including planned, forced, and extended in 2016 and 2017?

Response: Variable by resource however typically about 1 a day on average.

6. What are the numbers of PIRP forecasts to upload on an hourly basis to the CalISO?

Response: None

7. Will the SCPPA members provide three-part offer curve data and ancillary cost parameters for each unit?

Response: Will provide the formula and methodology to direct the development of the bid curves by the service provider, however they will need to be prepared to calculate it as needed.

8. Describe the number of limited use resources and their parameters

Response: None

9. What are the numbers of transmission reservations procured over the past 12 months for each SCPPA member?

Response: None

10. For each SCPPA Member, what are the numbers of submitted e-tags annually – including number of revisions submitted?

Response: 5-20 a day, number of revisions vary.

11. What are the numbers of SCIDs per SCPPA Member? Also, please explain the purpose for any sub-SCIDs?

Response: 1-3 typically. One for the member owned resources and the others for joint projects that must be kept separately from the member owned resources.

12. What are the SCCPA scheduling software and interface requirements?

Response: The service provider should prepared work with the SCPPA member to develop the necessary API to allow data transfer from the SCPPA member to the service provider and vice versa based on standard specifications.

13. Will any of the SCPPA Members provide access to their SCADA systems in order to perform services?

Response: Access to SCADA data is possible.

14. Will the bilateral transactions be executed as agent for the respective municipality, or facilitated through the third party service provider?

Response: All transactions and services performed by the service provider will be done as Agent for the SCPPA member.

15. An umbrella agreement exists with SCPPA and Participating members, could that agreement continue or can we propose a standard form agreement?

Response: An umbrella agreement would be ideal, but I am unsure of what SCPPA's preference would be regarding the propose standard form agreement.

16. How many of the 11 cities and 1 irrigation district will participate and take services from vendor?

Response: Not all SCPPA members but more than a couple are interested in full or partial services within the scope of services in the RFP.

17. Will the finalist negotiate a final contract with each interested city or just with SCPPA?

Response: SCPPA for the umbrella, but a contract with each individual participant is expected.

18. How does SCPPA want us to price services?

a. Individually for all members or one single price?

Response: Refer to SCPPA Members Portfolio Table.

b. By service?

Response: Yes, as the RFP states, some of the members are interested in a sub set of the services. Day Ahead should be separately priced from Real Time series too. You can have an all in price too assuming vendor would include a discounted pricing for SCPPA members joining.

19. How many JOUs are there among the SCPPA Members?

Response: No approximate numbers on Jointly Owned Units at this time.

20. Please describe in detail what is meant by “provide related IT services”?

Response: IT service necessary to perform the services intended. Including development of necessary tools and communication, data transfer to and from other SCPPA members.

21. Please describe in detail what is meant by “cybersecurity (protection/monitoring on client data, IT/OT systems used) services”?

Response: Protection of data and services from cybersecurity related threats and/or risks. Systems may need to comply with latest NERC CIP requirements.

22. What is the monthly P/L report? Can you provide example?

Response: Profit and Loss report.

23. What is the proposed Term of the Agreement (start date and length)?

Response: 1-3 year term and could be priced by 1, 2 and/or 3 years, approx. 1-2 years out to allow for a smooth transition of tasks and responsibilities.

24. Would you clarify and list the emergency operational actions the Scheduling Services Provider will be responsible for?

Response: It may be specific to in the event of an emergency, and we have the ability to request our current service provider to take over the responsibility of Day Ahead if we are unable to perform this on a particular day as needed.

25. Section III, item 5 Timeline/Schedule; could you be more specific on what information SCPPA is looking for? Ex. 6 months after final negotiations Service X would begin, Service Y needs 3 months to implement before going operational

Response: Yes, service provider's best estimate on the minimum time required to implement and begin performing the service. The specifics would be negotiated in more detail when the contract is negotiated with the individual SCPPA member based on needs.

26. What is the Peak Load for each SCPPA Member?

Response: Refer to SCPPA Members Portfolio Table.

27. What are the annual energy sales per SCPPA Member?

Response: Refer to SCPPA Members Portfolio Table.

28. Describe the resources that are dynamically scheduled and the specific scheduling requirements for each resource for each SCPPA Member? Are these resources dispatchable by CAISO (i.e., can they respond to a CAISO 5-minute deployment)?

Response: 1-3 Dynamically Scheduled Resources within the CAISO. 2 of them are unable to respond to CAISO 5 minute dispatches at this time, require tag adjustments prior to and after the hour. 1 Resource may be added and may be able to respond to 5 minute dispatches through CAISO ADS.

29. How much natural gas is burned or consumed on a daily basis by each SCPPA Member? How regular are these burns?

Response: Gas burns vary from zero to 20,000 MMBtu, typically between 2,500 MMBtu and 7,000 MMBtu.

30. How many pipelines is SCPPA Members actively receiving gas?

Response: 1-2, typically 1

31. Do any SCPPA Members have physical storage contracts?

Response: No physical storage contracts.

32. What is the average number of gas transactions executed in a given month for each SCPPA Member?

Response: 2-5 per day, 60-150 per month, 1/2 of which are long term contracts that only require scheduling.

33. Do any SCPPA Members have sole gas supplier agreements?

Response: No, some have contracts guaranteeing gas supplies. However, none to my knowledge would restrict the other SCPPA members from having a single gas supplier

34. Does SCCPA want supplier only gas settlements or also pipeline and gas supplier settlements for its Members?

Response: SCPPA would want both pipeline and gas settlements.

35. Will vendor be requested to execute either cleared or OTC financial transactions for any commodities? If either, or both, for what commodities?

Response: No financial trades are expected.

36. Does SCPPA envision forward hedging recommendations? The RFP asks for "risk assessment input to the hedging program." Please provide more clarity on what risk assessment input is required?

Response: On an as-needed basis. It will be prudent to expect up to three hedging related recommendation requests in a contract year.

37. Does SCPPA want included coal agreement negotiation services as requested under section 7, Contract Administration Services? Would this include coal transportation services as well?

Response: Not needed.

38. The RFP only references creating credit policies for SCPPA Members. Would SCPPA Members want or need assistance in developing any other risk policies such as Enterprise Risk Management, Hedge Policy, Trading Authority Policy, or Sanctions Policy?

Response: Not planning to utilize selected vendor to develop policies and/or procedures for its energy portfolio risk management program. Vendor may be requested to weigh in on policies and/or procedures adequacy to ensure an effective program.

39. How many counterparties of each contract type (EEI, ISDA, and NAESB) do SCPPA estimate requiring negotiation of credit thresholds? How many counterparties of each contract type (EEI, ISDA, and NAESB) do SCPPA estimate requiring credit provision negotiations?

Response: SCPPA Member does this on their own.

40. How many counterparties would vendor need to provide annual analysis of counterparty credit worthiness, perform financial analysis and ratios and benchmark to industry ratios?

Response: Up to 50 counterparties.

41. The RFP requests the creation of daily credit exposure reports which are website accessible. How many separate reports will be needed? Would this be by Member, or just to SCPPA?

Response: I would think just one for SCPPA and we could predefine the parties to cover all members, if needed.

42. Will responses to all vendor questions be posted to the SCPPA RFP website?

Response: Yes, this is to ensure all have similar information and nobody can claim that this was unfair

43. The website states that the Response deadline is October 27th, however the RFP states October 30, 2017. Could you please clarify the response deadline?

Response: RFP has been updated to reflect this change already.

44. On page 2, under Areas of Interest, the RFP states: The 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. Could you please clarify which certificates are required?

Response: Typical knowledge and procedures in place to conform to each. SCPPA members may want vendors to be using their SC ID. Other SCPPA members may prefer a different approach.

45. On page 3, under Same Day Scheduling and Resource Management, services must integrate with SCPPA scheduling software, SCADA. Could you clarify what scheduling software is currently being used? That could vary depending upon the SCPPA member. That would be discussed as well as cost once that info is revealed to the service provider.

Response: This would be discussed as well as cost once the info is revealed to the service provider and part of the negotiations of the individual contract with each SCPPA member.

46. Please confirm if it is required for the Service Provider to offer all of the services specified in the RFP or if it is possible to offer some of the service and not others. In other words, can a Service provider offer only some of the service specified in the RFP?

Response: Yes, a provider can offer a portion of the services as some of the members may only subscribe to a subset of the services.

47. Can you provide an indication of the size of the portfolio of generating facilities that are subject to the Same Day and Day Ahead Resource Management as well as Daily gas scheduling and trading that is subject to this RFP? Is it a portion of the SCPPA asset portfolio?

Response: Refer to SCPPA Members Portfolio Table.

48. How many resources do SCPPA Members have on PIRP? Are all SCPPA Members renewables resources in the CAISO VER Program?

Response: For SCPPA members in the CAISO, no resources are in PIRP, however, most wind and solar resources are in CAISO VER Program. Renewables that are not wind and solar are not in the CAISO VER Program.

49. Can you clarify what you mean by perform energy and transmission accounting?

Response: System of record for transactions to be used by settlements function.

50. Can you provide additional details about how you would expect Service Providers to integrate with SCPPA scheduling software and SCADA? Using ICCP, EIDE, other?

Response: The service provider is expected to have their own software necessary to perform the services and API would need to be developed to transfer data from the SCPPA member to the Service Provider and from the Service Provider to the SCPPA member.

51. Can you clarify what you mean by Negotiate, monitor and administer power supply contracts?

Response: If sales or purchases are necessary they will be negotiated/executed under the WSPP as Agent for the SCPPA member. Also, SCPPA members have existing contracts both short term and long term and the Service Provider is expected to be familiar with these contract and may need to negotiate, monitor or administer the contract within the provisions of the contract in order to extract maximum flexibility and value from the contract.

52. Submittal Deadline: Please confirm if the RFP submittal deadline is October 30th. Section V of the RFP lists the due date as Sept. 27?

Response: RFP submittal is October 30th. Section V has been updated to reflect this change.

53. Realizing that the start date/schedule for services is being requested by SCPPA, is there a particular start date that is ideally suited for SCPPA members? Also, will there be a transition period for new provider migration? Are all services set to start simultaneously or are they staggered?

Response: We expect a transition period of about 6 months starting at the end of 2018. The services would start at the same time.

54. Realizing that many of the SCPPA members have fully integrated and active front to back office solutions, is SCPPA able to provide any information on the members (or size of the portfolio) considering these services?

Response: Please refer to the SCPPA Member Portfolio table (Addendum 2)

55. Is the need for these services a result of expiring contracts with current service providers?

Response: A combination of both expiring and interest on potential new vendors.

56. Is each service offering from third parties being judged on its own merit or is there a preference for an entity willing to do all services?

Response: A provider can offer a portion of the services as some of the members may only subscribe to a subset of the services, however it would be unlikely that 2 or more providers will be used by the same SCPPA member.

57. Why are member(s) entertaining a change of service provider? (price, scope of services, quality of services, etc.)

Response: It could be a combination of reasons but the need for a competitive process is necessary.

58. Is SCPPA contemplating performing these services on behalf of its members as part of this RFP?

Response: Not at this time.

59. Is SCPPA contemplating having different service providers perform services for different service members? (Can there be more than one service provider awarded?)

Response: Each SCPPA member is able to choose a different vendor if they choose to do so.

60. With respect to energy trading and scheduling, will the role of the entity providing these services for SCPPA members be strictly as agent? If not, can you identify the roles where the service provider would act as principal for a SCPPA member?

Response: The services will be performed as Agent for the SCPPA members.