

**BOARD AGENDA SUMMARY SHEET**

<b>Committee or Board:</b> Board	<b>Date:</b> March 13, 2020	<b>Board Meeting Date:</b> March 27, 2020
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**For All Board Voting Items:**

**Title of Agenda Item:** Approval of the Selection of Utility Consultant Services

**Consent Agenda:** Yes No      **Accompanying Presentation:** Yes No

**Recommendation from Committee:** N/A  F&A;  GP&P;  Oversight & REV

**LIPA Presenter:** Rick Shansky      **PSEG Long Island Presenter:** N/A

**For Contract Approvals Only:**

**RFP:**  Yes  No      **Term:** 5 years

<b>Requested Action:</b>	The Board is requested to approve a resolution authorizing the Chief Executive Officer, or his designee, to engage twenty firms to provide utility consulting services, in the technical areas described below, on an as-needed basis for a term not to exceed five (5) years.
<b>Summary: (include proposed amendments to Board Policies, if applicable)</b>	<p>The consulting services to be provided by the firms selected will support LIPA’s contract oversight functions, including by providing specific technical expertise related to the Operations Services under the OSA, as well as support LIPA’s finance and ratemaking functions. The proposed contracts will replace existing contracts that are due to expire this year. The need for consulting assistance will vary depending on the nature and extent of performance monitoring issues that arise, the need to modify the existing metrics under the OSA, and the nature of projects or initiatives proposed by PSEG.</p> <p>Accordingly, on October 24, 2019, LIPA issued a Request for Proposals (“RFP”) from experienced firms to provide utility consulting services on an as-needed basis. The selected firms would be engaged under contract but would not be awarded any work unless and until a specific need arises.</p>

## **FOR CONSIDERATION**

March 27, 2020

**TO:** The Board of Trustees

**FROM:** Thomas Falcone

**REQUEST:** Approval of the Selection of Utility Consulting Services

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### **Requested Action**

The Board of Trustees (the “Board”) of the Long Island Power Authority is requested to approve a resolution, attached hereto as **Exhibit “A”**, authorizing the Chief Executive Officer, or his designee, to engage twenty firms to provide utility consulting services, in the technical areas described below, on an as-needed basis for the Long Island Power Authority and its subsidiary, the Long Island Lighting Company d/b/a LIPA (collectively, “LIPA”) for a term not to exceed five (5) years.

### **Background**

The consulting services to be provided by the firms selected in the RFP (as defined below) will support LIPA’s oversight functions, including by providing specific technical expertise related to the Operations Services under the Amended and Restated Operations Services Agreement (“OSA”), as well as support LIPA’s finance and ratemaking functions. The proposed contracts will replace existing contracts that are due to expire this year. The need for consulting assistance will vary depending on the nature and extent of performance monitoring issues that arise, the need to modify the existing metrics under the OSA, and the nature of projects or initiatives proposed by PSEG Long Island. LIPA staff believes it is likely that the needs will be project-specific, diverse, and for limited duration and therefore are best met by consultants rather than full-time staff.

On October 24, 2019, LIPA issued a Request for Proposals (“RFP”) for experienced firms to provide utility consulting services on an as-needed basis. The selected firms would be engaged under contract but would not be awarded any work unless and until a specific need arises. On or before November 21, 2019, LIPA received timely proposals from 24 firms. The 24 proposals were evaluated by a team of LIPA technical staff under the guidance of LIPA’s legal and procurement staff.

Proposals were sought in the following areas or scopes of work:

1. Power Supply Planning
2. Transmission and Distribution Services
3. Customer Service oversight
4. Behind the Meter Resources
5. Information Technology & Services
6. Financial Support Services
7. Wholesale Market Policy
8. Governmental Affairs

## **Discussion**

The 24 responsive proposals were evaluated according to the guidelines set forth in the RFP, which included assessments of the firms' experience and qualifications, their hourly rates, proposed changes to LIPA's standard consulting contract, and their proposals to comply with state requirements for participation by minority and women-owned business enterprises. Based on the evaluation, LIPA staff recommends that the following firms be awarded contracts in the scopes indicated:

Company Name	Scope 1	Scope 2	Scope 3	Scope 4	Information Technology						Scope 6	Scope 7	Scope 8
	Power Supply Planning	Transmission & Dist. Svcs.	Customer Service	Behind the Meter Resources	5A	5B	5C	5D	5E	5F	Financial Support Services	Wholesale Market Policy	Governmental Affairs
Vantage Energy Consulting, LLC											✓	✓	✓
Navigant		✓							✓				
Western Power P. Advisors	✓	✓		✓								✓	✓
Enernex					✓					✓	✓		✓
Donnelly & Moore								✓	✓				
The Brattle Group				✓									
Tie Bridge Inc.			✓		✓	✓	✓		✓		✓		
Utiligent			✓		✓	✓	✓						
Levitan & Associates, Inc.	✓											✓	
Energy & Environmental Economics, Inc.	✓			✓									
Advance Digital Systems								✓		✓			
NPTS, Inc.		✓											
Unique Comp, Inc.								✓	✓	✓			
Oliver Wyman							✓						
Applied Energy Group				✓		✓		✓					
Millennial Strategies													✓
PA Consulting	✓	✓	✓			✓	✓					✓	
Deloitte			✓		✓					✓	✓		

When a need for services arises that is beyond the expertise or availability of LIPA staff, and would be inappropriate to obtain from PSEG Long Island (e.g., oversight), LIPA will provide each selected contractor for the relevant scope of work with a description of the services required and experience necessary. Each contractor will be requested to provide resumes of available candidates, a plan for completing the work, and an estimate of each consultant's time. In deciding to engage a contractor on a particular project, LIPA staff will consider the contractor's expertise and "fit" for the assignment and the cost of the work. Appropriate budgetary review will also be conducted.

## **Recommendation**

Based upon the foregoing, I recommend approval of the above-requested action by adoption of a resolution in the form of the attached resolution.

## **Attachment**

## **Exhibit "A" Resolution**

**RESOLUTION AUTHORIZING THE ENGAGEMENT OF FIRMS TO PROVIDE  
UTILITY CONSULTANT SERVICES**

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**NOW, THEREFORE, BE IT RESOLVED**, that consistent with the attached Memorandum, the Chief Executive Officer or his designee be, and hereby is, authorized to engage the firms so designated in the Requested Action to provide utility consulting services, in the technical areas described, on an as-needed basis for the Long Island Power Authority and its subsidiary, the Long Island Lighting Company d/b/a LIPA (collectively, "LIPA") for a term not to exceed five (5) years

Dated: March 27, 2020