

FOR CONSIDERATION

February 24, 2021

TO: The Board of Trustees

FROM: Thomas Falcone

SUBJECT: Approval of the Selection of Utility Consulting Services

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to approve a resolution, attached hereto as **Exhibit “A”**, authorizing the Chief Executive Officer, or his designee, to engage 20 firms to provide utility consulting services, in the technical areas described below, on an as-needed basis for LIPA and its subsidiary, the Long Island Lighting Company d/b/a LIPA for a term not to exceed five years.

Background

The consulting services to be provided by the firms selected in the Request for Proposals (“RFP”) 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, for limited duration, and therefore are best met by consultants rather than full-time staff.

On March 27, 2020, the Board approved 18 contracts for Utility Consulting Services. However, the Office of the State Comptroller (“OSC”), on August 12, 2020, recommended LIPA issue a Supplemental RFP to qualify additional vendors for the seven scopes, in order to have a minimum of four vendors per scope.

On September 23, 2020, LIPA issued the Supplemental RFP for experienced firms to provide utility consulting services on an as-needed basis. On or before October 18, 2020, LIPA received timely proposals from 26 firms. The 26 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

Discussion

The 26 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:

	Scopes Description	Firms
1	Power Supply Planning	Siemens Industry, Inc., Energy & Environmental Economics and The Brattle Group, Inc.
2	Transmission & Distribution Services	K&A Engineering Consulting, P.C.
3	Customer Service	Deloitte & Touche, LLP.
4	Behind the Meter Resources	Energy & Environmental Economics, Vrinda Inc. and The Brattle Group, Inc.
5A	Information Technology & Services	Avance Digital Systems, Inc.
6	Financial Support Services	Ernst & Young LLP and Utility Consulting Partners
7	Wholesale Market Policy	Western Power Project Advisors, Energy & Environmental Economics and The Brattle Group, Inc.

When a need for services arises, LIPA will provide each selected contractor for the relevant scope of work a description of the services required and necessary experience. 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, its “fit” for the assignment, and the cost of the work. An 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**

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 years

Dated: February 24, 2021