



STATE OF RHODE ISLAND

## OFFICE OF ENERGY RESOURCES

### REQUEST FOR PROPOSALS (RFP) FOR CONSULTANT SERVICES ON POTENTIAL INTERSTATE NATURAL GAS CAPACITY AND INFRASTRUCTURE CONTRACTS FILED PURSUANT TO RIGL §39-31, THE AFFORDABLE CLEAN ENERGY SECURITY ACT

**Proposals Due via Electronic Mail by**  
**November 27, 2015, 4:00 PM eastern**

#### **OER Point of Contact**

***Nicholas Ucci, Chief of Staff, (401) 574-9104 or [Nicholas.ucci@energy.ri.gov](mailto:Nicholas.ucci@energy.ri.gov)***

The Rhode Island Office of Energy Resources (OER) is seeking qualified consulting services to advise on potential interstate natural gas capacity and infrastructure contracts which may be filed pursuant to Rhode Island General Laws §39-31, the Affordable Clean Energy Security (ACES) Act.

OER is the State's lead energy policy agency. It works closely with private and public stakeholders to increase the reliability and security of our energy supply, reduce energy costs and mitigate price volatility, and improve environmental quality. The agency is led by a Governor-appointed Commissioner of Energy Resources. For more information, please visit [www.energy.ri.gov](http://www.energy.ri.gov).

Pursuant to ACES, the State's primary electric and natural gas distribution utility, Narragansett Electric (d/b/a National Grid), "in consultation with the Office of Energy Resources and the Division of Public Utilities and Carriers is authorized to voluntarily participate in multi-state or regional efforts to...[p]rocure incremental, natural-gas pipeline infrastructure and capacity into New England to help strengthen energy system reliability and facilitate the economic interests of the state and its ratepayers."<sup>1</sup> ACES also requires OER to provide the Rhode Island Public Utilities Commission (PUC) with "an advisory opinion on the expected energy security, reliability, environmental, and economic impacts resulting" in the event that the electric and/or gas distribution utility proposes contracts in accordance with §39-31.<sup>2</sup>

On October 23, 2015, National Grid issued a Notice of Request for Proposals for Natural Gas Capacity, Liquefied Natural Gas (LNG), and Natural Gas Storage (National Grid RFP), available at: [http://www.nationalgridus.com/energysupply/current\\_procurement.asp](http://www.nationalgridus.com/energysupply/current_procurement.asp).

OER is looking for a qualified consultant to advise the agency and support its interests, along with any statutory and regulatory responsibilities, associated with the National Grid RFP.

This RFP for consultant services is being posted in accordance with RIGL §37-2-69, which states that "any contract resulting from such solicitation shall not exceed a total value of twenty thousand dollars (\$20,000), including change orders."

#### **QUALIFICATIONS**

OER seeks a qualified consultant advisor who shall:

- Possess a significant and demonstrated understanding of Rhode Island's and New England's integrated energy system and electric wholesale market construct;

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<sup>1</sup> RIGL §39-31-5.

<sup>2</sup> RIGL §39-31-6.



- Possess a thorough understanding of natural gas markets, commodity pricing, contracting, capacity management and release requirements, and infrastructure development;
- Demonstrate familiarity with similar procurement activities authorized, contemplated, or underway in other New England jurisdictions and/or by New England utilities, as well as relevant Federal Energy Regulatory Commission (FERC) requirements;
- Demonstrate experience with providing relevant expert witness testimony before the Rhode Island PUC and/or other state/federal utility regulatory bodies; and
- Demonstrate an ability to work in coordination with the Rhode Island Division of Public Utilities and Carriers (DPUC) and OER's Legal Counsel.

### SCOPE OF WORK

As needed, the consultant advisory shall provide a range of policy, regulatory, and analytical support services consistent with OER's agency mission and statutory responsibilities, including, but not limited to:

- Providing expert technical and economic analysis of any contract(s) filed in response to the National Grid RFP;
- Evaluating any analysis conducted – and conclusions reached – by National Grid as it relates to any contract(s) filed in response its RFP;
- Drafting expert witness testimony on behalf of OER and supporting such testimony before the PUC;
- Supporting the development and drafting of OER advisory opinions; and
- Providing other analysis and work products, as directed by OER.

Respondents must provide a detailed written narrative demonstrating their professional experience and understanding of the issues identified in the scope of work above.

Respondents must list all project team staff expected to contribute to meeting the scope of work above. For each project team member, please provide a curriculum vitae and a brief narrative detailing their relevant educational and professional experiences. For each member, please make specific reference to any consultant and/or expert witness services that has been provided relative to public utility regulatory matters and on whose behalf (i.e. state agency, utility) those services were rendered. Please describe each individual's anticipated responsibility in helping to meet the proposed scope of work.

Respondents must disclose any actual or perceived conflict of interest associated with past or current business relationships that are or may be relevant to the National Grid RFP, including, but not limited to, any known relationships with National Grid (and all affiliate companies) and/or any potential bidders, such as interstate pipeline companies or LNG companies.

All proposals must be limited to eight (8) pages, single-spaced (not including CVs).

### BUDGET ESTIMATE

Respondents must provide an estimated project budget and detail individual charges associated with their proposal, such as any retainer fee and/or hourly rates associated with individual work products detailed in the scope of work above.



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**EVALUATION CRITERIA**

The following evaluation criteria will support OER's selection of a consultant advisor:

| <b>Criteria</b>  | <b>Points</b> |
|--|---------------|
| Respondent's approach is responsive to the tasks and activities identified in the scope of work.   | 15            |
| Respondent's qualifications and prior experience demonstrate a proven ability to conduct the tasks and activities identified in the scope of work.                                     | 30            |
| Respondent has a demonstrated understanding of natural gas and regional energy market dynamics, energy infrastructure issues, State/regional/national policy and regulatory landscape. | 40            |
| Respondent's budget estimate is reasonable, cost-justified, and in accordance with RFP requirements.   | 15            |
| <b>Total</b>   | <b>100</b>    |

**PROPOSAL DEADLINE AND SUBMITTAL**

**Interested respondents must submit their complete proposal and all attachments via electronic mail by 4:00 PM eastern on November 27, 2015 to: [Nicholas.ucci@energy.ri.gov](mailto:Nicholas.ucci@energy.ri.gov).**

**OTHER REQUIREMENTS AND GUIDELINES**

*1. Time Availability*

Consultant must have adequate time availability to complete tasks on schedule, in accordance with relevant deadlines set forth in ACES, any relevant PUC proceeding and/or as determined in consultation with OER.

*2. OER's Use of Proposals and Work Product*

During the process of evaluating proposals, OER reserves the right to request additional information or clarification from any consultant submitting a proposal, and to permit corrections of errors or omissions without notice to other bidders. OER shall be held harmless if it or the consultant retained for this or any subsequent engagement employs at any time, any technique, methodology, or procedure suggested in any proposal, regardless of whether such proposal is from the consultant selected to perform the engagement.

*3. Notification of Award*

In submitting a proposal, consultants agree to not make any press announcement or release a news announcement concerning the selection for the engagement without the prior written approval of OER.

*4. Other OER Rights*

OER retains the right to reject any and/or all proposals submitted. OER may terminate the selected consultant's engagement at any time with or without cause. The selected consultant, by acceptance of the engagement, waives any rights to claim damages as a result of such termination. OER will be the final arbiter of all disputes arising from engagement-related matters.

*5. Costs of Preparing Proposals*

Any consultant submitting a proposal in response to this RFP does so at its own expense. Any consultant submitting a proposal will not include proposal costs, or any costs incurred prior to the engagement award, as reimbursable costs related to the engagement. The selected consultant will not be reimbursed for any costs incurred prior to the engagement award.



6. *OER Participation*

OER will have the right to monitor and review consultant's work product as appropriate and necessary to achieve the desired and agreed-upon product from the consultant.

7. *Reporting Procedures*

The selected consultant and OER will meet and/or communicate as necessary, as determined by OER, or upon request of the consultant, to discuss the progress of the engagement.

8. *Work Products*

The consultant work products may be considered public documents and may be made available for public inspection and distribution as required. OER expects that draft components of final work products will be submitted to OER for review and approval in accordance with time schedules OER develops in consultation with the consultant.

9. *Work Papers*

At the conclusion of the engagement, the selected firm shall make copies, including electronic copies, of significant work papers and source documents available to OER, if so requested.

10. *Payment*

The selected consultant will submit monthly invoices to OER, including all supporting documents necessary to verify consultant's expenses. For professional service fees billed on an hourly fee basis, invoices must identify the individuals for whom services are being billed, the number of hours, and portions thereof, being billed, detail of the activities worked on, the hourly billing rates, and the total fees. For professional service fees billed on a flat fee basis, OER and consultant will negotiate a means to track consultant activities on OER behalf. OER will be the final arbiter of all disputes regarding cost and payment.

11. *Legal Compliance*

All proposals shall certify that the performance of the engagement will be in compliance with all federal and state laws and regulations, applicable in the state(s) in which all or any portion of the services will be performed, including all labor laws and all anti-discrimination regulations.

12. *Equal Employment Opportunity and Minority Business Enterprise*

Equal Employment Opportunity (RIGL 28-5.1) §28-5.1-1 Declaration of policy. – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies in all areas where the state dollar is spent, in employment, public service, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Employment Opportunity Office, at (401) 222-3090.

The State has a goal of ten percent (10%) participation by MBE's in all State procurements. For further information, visit the website [www.mbe.ri.gov](http://www.mbe.ri.gov). To speak with an MBE officer, please call (401) 574-8253. **Respondents must complete a Minority Business Enterprise Utilization Plan form and submit with their proposal.**



*13. Insurance Requirements*

Vendors shall procure at their expense and maintain all insurance required in form and terms acceptable to State for the duration of the contract or as otherwise specified. Vendor shall provide State with replacement Certificate(s) and endorsements upon expiration, renewal, expiration or cancellation of the policies during the term of the contract, unless a longer period is specified. All certificates and endorsements shall reference the solicitation.

A. Commercial General Liability Insurance: Commercial General Liability Insurance covering bodily injury broad form property damage, personal and advertising injury, independent contractors, products completed operations, and contractual coverage. Coverage shall be written on an occurrence basis and shall extend to an agent, independent contractor, temporary worker and a leased worker. A combined single limit of \$1,000,000 per occurrence and aggregate is required.

B. Auto Liability Insurance: Auto Liability Insurance covering all owned, non-owned, or hired vehicles. A combined single limit occurrence of \$1,000,000 will be obtained.

C. Workers Compensation: Workers Compensation coverage in compliance with the workers' compensation laws of the State. Coverage shall include Employers Liability Insurance with minimum limits of \$500,000 each accident, \$500,000 disease or policy limit, \$500,000 each employee.

D. Alternative Employer Endorsement shall be required for both the workers compensation and employers liability policy.

E. Independent contractors who bid directly as a vendor without workers compensation insurance, must complete a Notice of Designation as an Independent Contractor Pursuant to RI General Law 28-29-17.1.

F. Professional Liability Insurance: Coverage to include Errors or Omissions, Product Failure, Security Failure, Professional Liability and Personal Injury. Contractor will obtain Professional Liability Insurance with minimum limits of \$1,000,000 per occurrence and aggregate.

G. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this agreement shall not be limited by the insurance required in this section or in any way limit the Contractor's liability.

H. The Commercial General Liability Insurance, Auto Liability Insurance and the Professional Liability Insurance shall include the State, agencies, officers and employees as Additional Insured but only with respect to the Contractor's activities under the contract.

The insurance required through a policy or endorsement shall include:

- A waiver of subrogation waving any right to recovery the insurance company may have against the State, it agencies, officers and employees.
- A provision that Contractor's insurance coverage shall be primary to any insurance, self- insurance or self-insured retention maintained by the State, its agencies, officers and employees. Any insurance, self- insurance or self- insured retention maintained by the



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State, its agencies, officers and employees shall be in excess of the Contractor's insurance and shall not contribute.

- There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal without 30 days written notice from the Contractor or its insurer(s) to the Department of Administration, Division of Information Technology and to the Purchasing Agent. Any failure to comply with the reporting provisions of this clause shall be grounds for immediate termination of this contract.
- Insurance coverage required under the contract shall be obtained from insurance companies acceptable to the Purchasing Agent.
- The Contractor shall pay all deductibles, self-insured retentions and/or self-insurance included hereunder.
- The Contractor shall disclose to the State the amount of any deductible, self-insured retention and/or self-insurance. The State reserves the right to reject any such insurance as not complying based on the amount of the deductible, self-insured retention and/or self-insurance.
- The Purchasing Agent reserves the right to consider and accept alternative forms and plans of insurance or to require additional or more extensive coverage for any individual requirement.

### DISCLAIMER

The issuance of this RFP does not represent any agency position on natural gas capacity and/or infrastructure adequacy, nor any specific project which may or may not respond to the National Grid RFP.

The issuance of this RFP does not guarantee that an award will be made by OER.



**State of Rhode Island and Providence Plantations  
Office of Diversity, Equity and Opportunity (ODEO)  
Minority Business Enterprise Compliance Office  
Minority Business Enterprise Utilization Plan**

Company Name: \_\_\_\_\_

Representative's Name who administers MBE Program: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_ Telephone: \_\_\_\_\_

Email: \_\_\_\_\_ Project Location: \_\_\_\_\_

Bid or Project #: \_\_\_\_\_ Date Bid Opened: \_\_\_\_\_

Description of Work: \_\_\_\_\_

Contract Value: \_\_\_\_\_ MBE % Assigned: \_\_\_\_\_

Total # of All Subcontractors/Suppliers used: \_\_\_\_\_ # of MBE Subcontractors/Suppliers used: \_\_\_\_\_

**List All Subcontractors/Suppliers/Consultants/Independent Contractors – Total Dollar Amounts – Scope of Work:**

| <b>Subcontractor / Supplier</b> | <b>Dollar Award</b> | <b>Scope/Description of Work</b> | <b>RI Certified MBE Y/N</b> |
|---------------------------------|---------------------|----------------------------------|-----------------------------|
|                                 |                     |                                  |                             |
|                                 |                     |                                  |                             |
|                                 |                     |                                  |                             |

***Note:** Only those Minority Business Enterprises certified by the Rhode Island Department of Administration may be utilized to fulfill the MBE participation requirement pursuant to RIGL 37-14.1. Vendors may count towards it MBE requirement 60% of expenditures for material and supplies required under a contract and obtained from an MBE regular dealer/supplier, and 100% of such expenditures when obtained from an MBE manufacturer. For firms certified as a broker, only the fees and commission charged for the procurement, but not the cost of the materials or services, are eligible for MBE participation credit. Also note that MBE firms identified above must complete all work under their respective contracts with their own forces.*

The above referenced contract will not be released until this plan has been approved by the Director of the Department of Administration or its designee.

For assistance and advice in identifying MBE firms, please call the Minority Business Enterprise Compliance Office at (401) 574-8670. The directory of all certified MBE firms is also located at [www.mbe.ri.gov](http://www.mbe.ri.gov).

Signature of Authorized Agent of Business: \_\_\_\_\_ Date: \_\_\_\_\_

**Send Completed Form to: Minority Business Enterprise Compliance Office  
One Capitol Hill, 3rd Floor  
Providence, RI 02908**

**Phone: (401) 574-8670  
Web site: [www.mbe.ri.gov](http://www.mbe.ri.gov)**