

REQUEST FOR PROPOSALS

(This is not an order)

R MJMEUC 2020-001
E Missouri Joint Municipal Electric Utility Commission (MJMEUC)
T TO: 1808 I-70 Drive SW Date Issued: May 28, 2020
U Columbia, MO 65203
R Attn: John Grotzinger Telephone: (573) 445-3279
N

PROPOSALS MUST BE IN THE MJMEUC OFFICE PRIOR TO 5:00 P.M. ON June 19, 2020 WHICH IS LOCATED IN THE MPUA BUILDING AT 1808 I-70 DRIVE SW, COLUMBIA, MO 65203.

- Proposals shall be submitted on the forms provided and must be manually signed.
- Proposals shall be sealed in an envelope with the proposal number, opening date, and time clearly indicated.
- Proposals received after the opening date and time will be rejected and returned unopened.
- The attached Invitation shall become part of any purchase order resulting from this Request for Proposal.

DESCRIPTION

May 28, 2020

**MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION
PROPOSALS FOR RATE SERVICES**

See attached Request for Proposal, General Conditions, Specifications, and Proposal Forms for detailed description.

It is the intent and purpose of the Missouri Joint Municipal Electric Utility Commission that this Request for Proposal promotes competitive bidding. It shall be the proposer's responsibility to advise if any language, requirements, etc. or any combination thereof, inadvertently restricts or limits the requirements stated in this Request for Proposal to a single source. Such notification must be submitted in writing and must be received by not later than ten (10) days prior to the proposal opening date.

ADVERTISEMENT

May 28, 2020

**MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION
PROPOSALS FOR RATE SERVICES**

**REQUEST FOR PROPOSALS
MJMEUC 2020-001**

Sealed proposals will be received by the Missouri Joint Municipal Electric Utility Commission (MJMEUC), 1808 I-70 Drive SW, Columbia, MO 65203 until 5:00 p.m., June 19, 2020, when at that time Proposals will be opened by a MJMEUC representative.

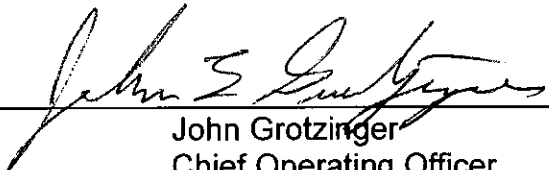
The proposal is for Rate Services as more fully described in the RFP package.

RFP packages for this project may be obtained from MJMEUC at the above address, by telephone (573) 445-3279, via e-mail request to John Grotzinger (jgrotzinger@mpua.org) or via Internet download at www.mpu.org.

No proposal may be altered, withdrawn, or resubmitted after the scheduled closing time for receipt of proposals. Proposals received after the day and time stated above will not be considered and will be returned to the proposer unopened.

Proposals will be accepted for Rate Services from companies who have established, through demonstrated expertise and experience that they are qualified to provide the services as specified.

The Missouri Joint Municipal Electric Utility Commission reserves the right to reject any and all proposals in total or in part and/or to waive defects in proposals.



John Grotzinger
Chief Operating Officer
MJMEUC

Missouri Joint Municipal Electric Utility Commission Request for Rate Review Services

1. Introduction

Missouri Joint Municipal Electric Utility Commission (MJMEUC) is seeking a qualified firm(s) to conduct rate review services for its Mid-Missouri Municipal Power Energy Pool (MMMPEP). MMMPEP is a 13 member, full-requirements pool created to collectively purchase power at wholesale costs. MJMEUC supplies and schedules power to the MMMPEP members with 24-hour scheduling and management services to improve reliability and further lower costs. A map showing the 13-member pool can be seen on MPUA's website www.mpua.org. The rate review, as defined by MJMEUC, is a high-level analysis of a utility's rate structure and revenue recovery. The primary goal of a rate review is to determine whether a utility's rates adequately cover expenses and whether there is any gross cross subsidization between rate classes. MMMPEP Members desire to receive rate services. Therefore, MJMEUC is seeking to select one or more entities to provide a range of rate services to MMMPEP Members. The goal of this solicitation is to provide MMMPEP Member utilities with a range of services, including: (1) basic rate reviews (as defined above); (2) detailed cost-of-service rate studies; and, (3) rate design services. These services are more fully described in Section 3, below.

The initial term of any agreement between MJMEUC and any proposer is anticipated to be three (3) years with extension by mutual consent.

2. MJMEUC Description

Organized in 1979, the MJMEUC is a joint action agency specifically authorized by state law to obtain sufficient and economical electrical power and energy for the benefit of member municipalities and their residents. MJMEUC provides full power purchase requirements to members and arranges purchases for members in need of supplemental power. In 1989, MJMEUC expanded to allow rural electric cooperatives, as well as out-of-state municipalities, to participate in MJMEUC's power supply programs and projects through an advisory membership status.

MJMEUC also has several long-term commitments for power purchase contracts and operating costs jointly owned power generating facilities for the use of three power pools and partial supply needs for several individual municipalities. Within MJMEUC there are three full requirement power pools, The Missouri Public Energy Pool #1 (MoPEP), the Mid-Missouri Power Energy Pool (MMMPEP) and the most recent pool, the Southwest Missouri Public Energy Pool (SWMPEP).

3. General Description of Services Sought

With this RFP, MJMEUC is seeking one or more entities to provide rate related services, as defined below, for its 13-Members of the MMMPEP.

Rate Reviews

Generally, a rate review for a member utility will consist of calculating the test year revenue requirements, estimating the test year revenues under existing rates, determining the sufficiency of existing rates, and preparing a summary letter report. MJMEUC may also request additional analysis such as the following:

- A review of funding to (from) other utilities (water, sewer) to identify possible cross-subsidies between departments

- A review of allocation of common administrative costs to determine if there are any cross-subsidies between other city funds
- A financial review of system losses to determine possible sources and to test for reasonableness
- A review of transfers to the general fund from all utilities i.e. gas, water and sewer to assure that each is paying its fare share
- A review of debt service payments for possible restructuring of debt
- A review of operation and maintenance costs for reasonableness
- A review of customer mix (residential, commercial, industrial), to determine proper classification of customers
- A review of streetlight and traffic signal charges
- A comparison of the Member's rate structure to two or three other utilities, with suggestions as to potential structure changes.

Cost-of-Service Rate Studies

As envisioned by MJMEUC, a Rate Study will be a Rate Review taken to a greater level of detail and depth. The Rate Study will involve identifying the cost of serving each customer rate class. Costs will be functionalized and classified and then allocated to the rate class. Load research data will need to be developed and used to allocate cost to each customer class.

This allocated cost of service study will be used to attribute the utility's total cost of serving to each customer class. A Rate Study may also include, at the request of the Member utility, any or all of the additional analyses outlined under "Rate Review" above.

Rate Design Services

For the purpose of this RFP, Rate Design Services will include all consulting services necessary to develop new rate(s), rate class(es), or rate structure(s) for a member utility. Examples of Rate Design Services include, but are not limited to:

- Develop appropriate energy and demand charges, terms and conditions, and other requirements for a commercial demand rate schedule.
- Develop a time-of-use rate with appropriate on-peak and off-peak charges, terms and conditions, and other requirements.
- Develop interruptible rates with appropriate incentives, charges, terms and conditions, and other requirements.
- Assist the utility in identifying cost components to facilitate unbundling of rates. Develop the unbundled rates, as appropriate.
- Prepare for any governmental or regulatory body, as appropriate.

The selected consultant(s) will contract with MJMEUC to provide the services, but will work under the direction of the Member utility. The scope of services for any specific engagement will be developed to meet the specific rate-related needs of the Member utility which may include a combination of the tasks listed above.

Ideally, MJMEUC and its Members' desire to use an experienced consultant or consultants that have the expertise to provide the services desired using their in-house staff rather than sub-

contracting the work. Firms that demonstrate this capability in their response to this RFP will be given greater consideration, all else being equal.

MJMEUC recognizes that responding to this RFP with a firm price proposal will be difficult. There are a number of unknowns, such as the availability and quality of existing data, which can have a significant impact on the price of the services to a particular member. However, we do require a pricing proposal that will allow us to evaluate each proposer's anticipated cost to deliver the services required. Each proposer should provide sufficient information in their response to reasonably allow MJMEUC to evaluate the response. We desire a "cafeteria style" pricing structure so that the various analysis options can be combined to develop a scope of services for specific utilities.

MJMEUC will conduct a pre-bid conference in order to more fully explain the services desired and discuss with potential bidders acceptable formats for their price response. Attendance at this conference is not mandatory but is strongly recommended.

4. RFP Schedule

MJMEUC's timetable for this Request for Proposal (RFP) process is shown below. Note that the dates shown are only estimates and may be modified at any time by MJMEUC.

Public Notice/Distribution of RFP	May 28, 2020
Sealed Proposal(s) Due Date	June 19, 2020
Potential Interview(s) of Short List	As Needed
Award to Proposer(s)	Expected in August

5. Notice to Proposers

Sealed proposal packages will be received until 5:00 P.M. CPT on June 19, 2020 ("Proposal Due Date") at the offices of Missouri Joint Municipal Electric Utility Commission. Each proposer is required to submit a Proposer Information Form (included in this RFP package), other forms included in this package as appropriate, and any other information necessary to allow a complete evaluation of the proposal. Registered proposers will be notified through the issue of RFP addenda of any change in the Proposal Due Date or other necessary revision to information contained in this RFP. MJMEUC reserves the right to reject all proposals received after the Proposal Due Date.

One original and two (2) copies of the proposal response package should be sealed and delivered to the following address:

Mr. John Grotzinger
Chief Operating Officer
Missouri Joint Municipal Electric Utility Commission
1808 I-70 Drive SW
Columbia, MO 65203

An electronic copy can be supplied to:
jgrotzinger@mpua.org

Clearly legible on the outside of the sealed envelope shall be "Rate Services, MJMEUC RFP 2020-001".

6. Duration of Offer

Proposals submitted in response to this RFP are irrevocable for ninety (90) days following the closing date. This period may be extended at MJMEUC's request only by written agreement of the proposer. The content of this RFP and the proposal of the successful proposer will be included by reference in any resulting contract.

7. Extension Option

This proposal may be extended for two, three-year periods by mutual agreement between the Project Participating Member and the successful proposer(s).

8. Right of Rejection

This RFP is not an offer establishing any contractual rights. This solicitation is solely an invitation to submit proposals.

MJMEUC reserves the right to:

- ❖ Reject any and all proposals received in response to this RFP;
- ❖ Waive any requirement in this RFP;
- ❖ Not disclose the reason for rejecting a proposal;
- ❖ Not select the proposal with the lowest price; and
- ❖ Seek and reflect clarifications to proposals.

9. Proposal Contents

Proposers are to include with their proposal a complete description of their understanding of the rate services requested. This description should be as definitive as possible to allow reasonable understanding and evaluation of the proposal.

The proposal should include a description of any special qualifications of the personnel to be providing services which are indicative of working familiarity with municipal utilities, providing rate services to customers, and any applicable laws and regulations.

Proposers are to identify the lead personnel and associates likely to be actively involved in the providing of the proposed services. For each of these individuals, proposers are to provide a brief biography (including any professional registrations), a description of their responsibilities, and their physical location. In addition, each proposer shall provide information concerning the current workload of key individuals working on this engagement and an indication of how they will manage the additional responsibilities of this engagement. The physical location of each office providing support to this engagement should also be provided.

Proposers should identify each of the services outlined in Section 3, above, that they are capable of providing. For each such service, the following information should be provided:

- ❖ Detailed description of the deliverable for each service.
- ❖ Cost of the service. Proposers should clearly identify the limits of their cost proposal and provide enough information to reasonably allow an evaluation and comparison to other proposals.
- ❖ To the extent possible, identify the data requirements for each service and the probable source for the data.
- ❖ Methodologies for collecting required data.
- ❖ Methodologies to streamline data gathering process.

Proposers are encouraged to identify ways to streamline the Rate Review process and standardize the deliverable(s) so that costs for this service can be kept as low as possible.

Proposers must also specifically and fully describe their ownership structure identifying all parents and affiliates and illustrate a minimum of five years hands-on experience in managing and implementing rate services.

10. Interpretations and Addenda

All questions regarding interpretation of this RFP, technical or otherwise, must be submitted in writing to the following:

By Fax: Mr. John Grotzinger
(573) 445 - 0680

By Mail or Courier: Mr. John Grotzinger
Missouri Joint Municipal Electric Utility Commission
1808 I-70 Drive SW
Columbia, MO 65203

By E Mail: jgrotzinger@mpua.org

Only written responses provided by MJMEUC to proposers' questions will be considered official. A verbal response by MJMEUC will not be considered an official response. Written responses to questions and requests for interpretations will be provided to all proposers. Copies of all addenda issued in connection with this RFP will be sent to all potential proposers.

11. Errors, Modifications or Withdrawal of Proposal

Each proposer should carefully review the information provided in the RFP prior to submitting a response. The RFP contains instructions which should be followed by all proposers. Modifications to proposals already received by MJMEUC will only be accepted prior to the Proposal Due Date. Proposals may be withdrawn by giving written notice to MJMEUC prior to the Proposal Due Date.

12. Proprietary Confidential Business Information

All proposals shall become property of MJMEUC. MJMEUC will not disclose to third parties any information that is clearly labeled "Proprietary Confidential Business Information" in a proposal unless such disclosures are required by law or by order of the court or government agency having appropriate jurisdiction. Each page of Proprietary Confidential Business Information must be clearly labeled "PROPRIETARY CONFIDENTIAL BUSINESS INFORMATION" at the top of the page. MJMEUC reserves the right to disclose information contained in proposals to its consultant(s) for the sole purpose of assisting in the proposal evaluation process. MJMEUC will require the consultant(s) to maintain the confidentiality of the document.

13. Proposer Qualifications

MJMEUC will accept proposals from firms knowledgeable in providing rate services to customers of electric utilities. Proposers unfamiliar to MJMEUC may be required to provide proof of experience.

14. Default and Damages Provisions

MJMEUC will negotiate the conditions of default and damages with the successful proposer. The respondent is requested to include default and damages provisions in its proposal.

15. Evaluation Process

The proposals will be evaluated based on information provided by each proposer by the Proposal Due Date. No additional data will be considered after the Proposal Due Date, except for clarifications requested by MJMEUC. MJMEUC will evaluate the proposals in terms of cost and other quantitative and non-quantitative factors.

Selection and rejection of proposals and notification of proposers at all stages will remain entirely with MJMEUC's discretion. MJMEUC intends to notify proposers not selected under this solicitation within a reasonable amount of time.

Minimum Requirements

Each proposal must satisfy certain minimum requirements before it will receive any further evaluation. The proposer must demonstrate in its submittal that the following minimum requirements have been met:

1. The proposer must provide an accurate and full description of the proposer's ownership structure including all parents and affiliates.
2. The proposer must identify the specific personnel to be assigned to this engagement and show that they have had first-hand experience since January 2010 in providing rate services to one or more Missouri electric utilities.
3. The proposer must supply a completed Proposer Information Form.

Additional Requirements

In addition to the above minimum requirements, MJMEUC will consider the following additional criteria in the selection and ranking of the proposals:

1. References where the proposer provided similar rate services. This listing should include the

name and address of the client, the client contact, and a general description of the services provided.

2. A demonstration of an understanding of the issues involved and the special needs of MJMEUC and its members.
3. A demonstration of the depth and breadth of the firm's capabilities.
4. The location of the firm's corporate and local offices with staffing levels of each office.
5. The location of key personnel that would be assigned to work on this project.
6. Pricing information sufficient to allow MJMEUC, using reasonable and consistent assumptions, to calculate the expected cost of each of the services listed in Section 3, above.

16. Collusion

By offering a submission pursuant to this Request for Proposal, the proposer certifies the proposer has not divulged, discussed, or compared his proposal with other proposers and has not colluded with any other proposer or parties to this proposal whatsoever. Also, the proposer certifies, and in the case of a joint proposal, each party thereto certifies, as to his own organization, that in connection with this proposal:

- (1) Any prices and/or cost data submitted have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such prices and or cost data, with any other proposer or with any competitor.
- (2) Any prices and/or cost data quoted for this proposal have not knowingly been disclosed by the proposer and will not knowingly be disclosed by the proposer prior to the scheduled opening directly or indirectly to any other proposer or to any competitor.
- (3) No attempt has been made or will be made by the proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition
- (4) The only person or persons interested in this proposal, principal or principals is/are named therein and that no person other than therein mentioned has any interest in this proposal or in the contract to be entered into and;
- (5) No person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee excepting bona fide employees or established commercial agencies maintained by the Proposer for the purpose of doing business.

17. Subcontracted Services

Consultant's proposal should indicate which, if any, of the services to be provided would be subcontracted by the consultant to independent contractors.

18. Interviews

As soon as possible after the Proposal Due Date, MJMEUC will develop a short list of proposers and notify those on the short list. Proposers should recognize a possible interview requirement of the short listed proposers. Depending on the specifics of the proposals received, MJMEUC reserves the right to cancel the interviews and award the RFP without the benefit of interviews.

PROPOSER INFORMATION FORM

_____ We DO NOT take exception to the Proposal Specifications.

_____ We TAKE exception to the Proposal Specifications as follows:

Company Name: _____

By: _____

(Authorized Person's Signature)

(Print or type name and title of signer)

Company Address _____

Telephone Number: _____

Toll Free Number: _____

Email: _____

Fax Number: _____

Date: _____