

Organization of PJM States, Inc.
Request for Proposal:

FERC Order 1920 Transmission Planning Elements

Issue Date: August 29, 2024

Submission Deadline: September 20, 2024

Points of Contact:

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Introduction

The Organization of PJM States, Inc. (OPSI), is a not-for-profit inter-governmental organization of 14 utility regulatory agencies with separate jurisdictions either wholly or partly in the service area of PJM Interconnection, L.L.C. (PJM), a regional transmission operator (RTO) with over 65 million customers. PJM operates the high-voltage electric transmission grid and wholesale electricity market within its service area. OPSI's activities include, but are not limited to, coordinating data, issue analyses and policy formulation related to PJM, its operations, its Independent Market Monitor (IMM), and other matters affecting OPSI members

Project Objectives

FERC Order No. 1920 sets forth various opportunities for states to provide input into long term transmission planning. Order No. 1920 describes a state engagement period for states and Transmission Owners to discuss cost allocation issues. Other long term transmission planning processes on which PJM will consult OPSI states are scenario development, the use of benefit metrics, and the relevant selection criteria. PJM's announced schedule for these activities is attached.

The purpose of the work being solicited through this RFP is to advise OPSI on PJM long term transmission planning and cost allocation matters. In particular, the consultant will facilitate conversations that could lead to effective OPSI engagement in PJM's long-term planning process. This includes providing OPSI members with education and information regarding Order No. 1920 scenario planning, cost allocation, and benefits assessment inputs including analysis, review, training and education. Services will not include direct advocacy or representation on behalf of members of OPSI at PJM stakeholder meetings or at FERC. OPSI may request consultants attend Order No. 1920 stakeholder processes and gather information that could lead to effective OPSI engagement.

The objective of this Request for Proposal is to locate a professional expert source that will provide the best overall value to OPSI.

Applicants may propose to provide services in response to one or all of the following engagement areas. However, OPSI may prioritize proposals that address Engagement Areas 2 – 4 comprehensively, instead of addressing those areas individually.

Project Scope and Specifications

Engagement Area 1: Cost Allocation

- (1) Education on cost allocation methodologies and various conceptual frameworks for agreements between states on cost allocation used and or considered in other RTOS; and
- (2) Examination of pros and cons of the various cost allocation methodologies

- (3) Assist OPSI in preparing to engage the transmission owners during the state engagement period leading up to compliance with Order No. 1920
- (4) Provide a review of transmission owners cost allocation proposals

Engagement Area 2: Scenario development

- (1) Identify major variables affecting long term transmission demand
- (2) Evaluate each variables impact on long term transmission demand
- (3) Education on scenarios developed for long term transmission planning in other RTOs/ISO
- (4) Evaluate scenarios proposed by other stakeholders

Engagement Area 3: Benefit Metrics

- (1) Review benefit metrics required by FERC
- (2) Report on other benefits metrics used around the country
- (3) Review other benefit metrics proposed in PJM meetings
- (4) Discuss pros and cons of proposed benefit metrics

Engagement Area 4: Selection Criteria

1. Report on selection criteria used in other RTOs/ISOs
2. Discuss pros and cons of selection criteria identified
3. Evaluate selection criteria proposed by PJM and other stakeholders

Project Deliverables

Project deliverables may include written reports, summaries, memoranda, or recommendations from Consultant to OPSI, presentations delivered by Consultant to and for OPSI, or meetings between Consultant and OPSI inclusive of teleconference or webinar meetings. Consultant and OPSI will work cooperatively to request a project schedule that will enable Consultant to meet any set deadlines.

Proposal Bidding Requirements

Project Proposal Expectations

Vendors may bid on any or all of the tasks set forth in the RFP. The OPSI Board of Directors shall award the contract(s) to the proposal(s) that best accommodates the various project requirements. OPSI reserves the right to award any contract prior to the proposal deadline stated below or prior to the receipt of all proposals, award the contract to more than one candidate, and refuse any proposal or contract, in whole or in part, without obligation to either OPSI or to any candidate offering or submitting a proposal.

Deadline to Submit Proposal

All proposals must be received by OPSI no later than 5:00 p.m. ET, close of business on September 20, 2024, for consideration in the project proposal selection process. All questions about this RFP must be submitted no later than September 6, 2024.

Proposal Selection Criteria

Only those proposals received by the stated deadline will be considered. All proposals submitted by the deadline, will be reviewed and evaluated based upon information provided in the submitted proposal. In addition, consideration will be given to cost and performance projections. The following criteria will be given considerable weight in the proposal selection process:

- The experience of the candidate;
- The degree to which the candidate possesses a detailed understanding of RTO transmission planning processes, with particular emphasis on long-term regional transmission planning;
- An existing body of work demonstrating high competency and an ability to timely deliver proposed services;
- The candidate’s ability to provide and deliver qualified personnel having the knowledge and skills required to execute the proposed services in the scope of work identified above effectively and efficiently;
- Ability to provide references who can assert the candidate’s general competency to deliver and the ability to foster a good working relationship with the prospective consulting candidate; and
- The expected level of compensation

Submission Guidelines and Requirements

The following submission guidelines and requirements apply to this RFP:

- Candidate must include the following background information:
 - Name(s)
 - Address
 - Contact information (and preferred method of communication)
 - Legal form (e.g. sole proprietor, partnership, corporation)
 - Date company formed
 - Description of company in terms of size, range and types of services offered and clientele
 - Organization chart showing key personnel that would provide services to OPSI
 - Evidence of established track record for providing services and/or deliverables that are comparable with the subject of this proposal
- Candidate must identify any current affiliation or business interest it has with any PJM stakeholder including but not limited to PJM Members and any other potential conflicts of interest;
- A fixed-fee price proposal must indicate an overall price for the project as well as an estimated number of hours for project completion. Anticipated terms and scheduling for Consultant payment include:
 - OPSI’s obligation to pay Consultant for the performance of services related to the project will not exceed an agreed upon fixed fee amount.

- Unless provided otherwise by written agreement of both parties, Consultant shall pay for all expenses it incurs in performing services related to the project, including but not limited to travel and out of pocket expenses.
- Consultant shall submit monthly invoices to OPSI in sufficient detail to support the services provided during the previous month. OPSI will agree to pay those invoices within 30 days of receipt, the total of which shall not exceed an agreed-upon fixed fee amount for the project.
- Proposals must be signed by a representative authorized to commit the candidate's company;
- If candidate has a standard contract or set of terms and conditions, please submit them with the proposal
 - All terms and conditions will be subject to negotiation; and
- Proposals must remain valid for a minimum period of 30 days.

OPSI will evaluate submittals and, if necessary, request follow-up information and interviews. OPSI expects to make a final selection or decision by October 23, 2024.

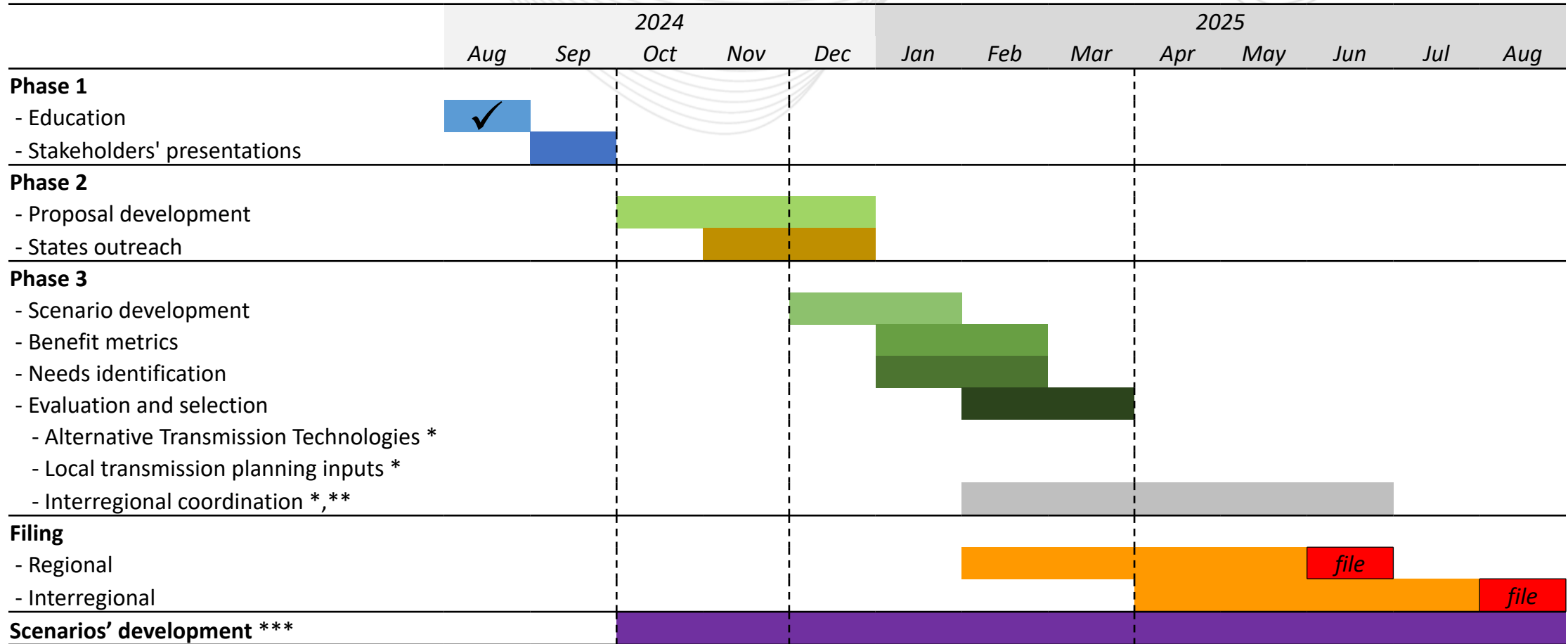
Project Terms

The following terms will apply to any agreement entered into pursuant to this RFP:

- The Consultant agrees to work as an independent contractor and not an employee of OPSI;
- The Consultant will maintain adequate liability insurance for all work done for OPSI and will pay all taxes incident to the performance of the Consultant work;
- The Consultant will conduct work with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices;
- The Consultant will observe sound management practices and employ appropriate technology to ensure the secure and safe retention and storage of information created or generated through work for OPSI. All information and other documents created or obtained during the course of the Consulting work shall be the sole and exclusive property of OPSI. Further, upon written request of OPSI all information will be turned over to OPSI and Consultant will certify it has not retained any copies of OPSI documents and information;
- To the extent permissible by law, the Consultant shall preserve in strict confidence any information, reports, or documents obtained, assembled, or prepared in connection with the performance of services related to the project;
- The Consultant will not use any subcontractors to provide consulting services to OPSI without prior written approval of OPSI;
- The Consultant confirms there are no prior or existing clients with conflicts of interest to OPSI or its members and agrees to hold OPSI interest paramount and strictly avoid any conflicts of interest when handling or considering any work outside of the OPSI consulting work;
- The Consultant will abide by all state and federal laws, regulations and rules when providing services to OPSI including but not limited to anti-discrimination, employment and harassment laws; and

OPSI RFP – PJM ELCC Consultation

- The Consultant agrees any disputes or issues regarding Consultant services and the related contract and agreements shall be governed by the laws of Delaware and Consultant should be prohibited from initiating any action against OPSI outside the venue of the state of Delaware.



* Discussed under Needs/Evaluation/Selection

** Requires work with neighboring regions

*** Use same special TEAC meetings for Order No. 1920 compliance and scenario development activities