

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2383

In the Matter of

PACIFICORP, dba PACIFIC POWER,

Application for Partial Waiver of
OAR Chapter 860-089, Request to Engage
Independent Evaluator, and Approval of
2025 Draft RFP.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

This order memorializes our decision, made and effective at our May 27, 2025 Regular Public Meeting, to adopt Staff's recommendation in this matter. In declining to waive the competitive bidding rules contained in OAR 860-089-0250(1), we note that we expect the bidder and stakeholder workshops and independent evaluator consultation under OAR 860-089-0250(1) to occur in the process outlined in the Staff memo based on the draft RFP filed. We clarify that in declining to waive this rule, we do not require the company to develop a draft RFP anew. The Staff Report with the recommendation is attached as Appendix A.

Made, entered, and effective May 28 2025.



Letha Tawney
Commissioner



Les Perkins
Commissioner



ITEM NO. RA2

**PUBLIC UTILITY COMMISSION OF OREGON
REDACTED STAFF REPORT
PUBLIC MEETING DATE: May 27, 2025**

REGULAR X CONSENT EFFECTIVE DATE N/A

DATE: May 20, 2025

TO: Public Utility Commission

FROM: Alondra Regalado

THROUGH: Caroline Moore, JP Batmale, and Kim Herb **SIGNED**

SUBJECT: PACIFICORP:
(Docket No. UM 2383)
Request for Partial Waiver of Competitive Bidding Rules to Engage
Independent Evaluator and to Approve 2025 Draft RFP

STAFF RECOMMENDATION:

Staff recommends the Public Utility Commission of Oregon (OPUC or Commission) take the following actions:

1. Issue a partial waiver of competitive bidding rules contained in OAR 860-089-0200(1) and OAR 860-089-0250(2)(a); and
2. Decline to support the partial waiver of competitive bidding rules contained in OAR 860-089-0250(1).
3. Approve PA Consulting as the Independent Evaluator (IE) of PacifiCorp's Draft 2025 Request for Proposals (Draft 2025 RFP).
4. Decline to support the Company's proposed expedited review and approval of the 2025 RFP.

DISCUSSION:

Issues

Whether the Commission should waive the following requirements of the competitive bidding rules:

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- OAR 860-089-0250(1) an electric company must consult with an IE in preparing an RFP and must conduct bidder and stakeholder workshops prior to filing a draft RFP for Commission approval;
- OAR 860-089-0200(1) an electric company must notify and solicit input from specific parties regarding its need for an IE; and
- OAR 860-089-0250(2)(a) requires Commission approval of PacifiCorp's proposed scoring methodology, and associated modeling (SMM) prior to preparing a draft RFP.

Whether the Commission should approve PA Consulting as the IE for the 2025 RFP

Whether the Commission should expedite the approval of the Draft 2025 RFP.

Applicable Rule or Law

In Order No. 25-098, the Commission ordered PacifiCorp to show cause, should it fail to issue an RFP by June 1, 2025, or later decide to cancel the RFP.

The Commission's Competitive Bidding Rules (CBR) in OAR Chapter 860, Division 89 specifically apply when an electric utility may acquire a resource or a contract for more than an aggregate of 80 megawatts and five years duration but may also apply in other circumstances.¹ The Commission may waive any of the Division 089 rules for good cause shown. A request for waiver must be made in writing to the Commission prior to or concurrent with the initiation of a resource acquisition.²

OAR 860-089-0200(1) states that an electric company must engage the services of an IE and, provide notice of its need for an IE and solicit input from interested persons regarding IE candidates.

OAR 860-089-0200(2) provides the electric company must file a request for Commission approval to engage an IE. The rule further provides that Commission Staff will review the utility's request and recommend an IE to the Commission considering: input from the utility and non-bidding parties, the IE's independence, reasonableness of the IE's cost, the experience and competence of the IE, and the public interest.

OAR 860-089-0250(1) requires electric companies to prepare a draft RFP for review and approval with the Commission and provide copies to parties of the IE docket. Electric companies are also tasked with conducting bidder and stakeholder workshops prior to filing the draft RFP.

¹ OAR 860-089-0100(1).

² OAR 860-089-0010(2).

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OAR 860-089-0250(2)(a) specifies that the draft RFP must reflect RFP elements, scoring methodology, and associated modeling described in the Commission-acknowledged Integrated Resource Plan (IRP). If the RFP elements were not included as part of a Commission-acknowledged IRP, the electric company must, prior to preparing a draft RFP, develop and file for approval in the electric company's IE selection docket, a proposal for scoring and any associated modeling.

OAR 860-089-0250(6) states that the Commission will generally approve or disapprove the draft RFP within 80 days after the draft RFP is filed. An electric company may request an alternative review period when it files the draft RFP for approval including a request for expedited review upon a showing of good cause. Any person may request an extension of the review period of up to 30 days upon a showing of good cause.

In Order No. 11-346 the Commission stated, "that a person seeking waiver of any rule under any generic waiver provision adopted here must establish a sufficient reason for the waiver, and that the Commission will only grant the request if waiver of the rule is in the public interest."³

Analysis

Background

Docket No. UM 2345 arose from PacifiCorp's 2023 IRP (LC 82), where the Commission found that PacifiCorp's Clean Energy Plan (CEP) did not show continual progress towards meeting House Bill (HB) 2021's emissions reduction goals.⁴ Subsequently, in Order No. 25-098, the Commission ordered PacifiCorp to show cause that the Company will not be out of compliance with HB 2021's continual progress requirements and that the Commission should not direct the Company to remedy non-compliance, should it fail to issue an RFP by June 1, 2025, or later decide to cancel the RFP.⁵

In response to Order No. 25-098, on April 16th, 2025, PacifiCorp filed an expedited application for: 1) a partial waiver of select CBRs, 2) approval to engage PA Consulting

³ *In re Rulemaking to Update Waiver Provisions in the Commission's Administrative Rules*, Docket No. AR 554, Order No. 11-346 at 4 (Sept. 8, 2011).

⁴ *In re PacifiCorp 2023 IRP*, Docket No. LC 82, Order No. 24-297 (Aug. 28, 2024) ("[W]e direct Staff via our Administrative Hearings Division to open a new docket intended to result in an order that PacifiCorp will issue a Request for Proposal (RFP) by a date certain* * *").

⁵ *In re PacifiCorp Continual Progress Towards House Bill 2021*, Docket No. UM 2345, Order No. 25-098 (Mar. 12, 2025) ("PacifiCorp will make its show cause through an opening round of testimony and exhibits, due on June 16, 2025, should it fail to issue the RFP as indicated,* * *. If made, that filing will initiate an expedited evidentiary phase in this contested case docket, and will include, under a schedule to be adopted by the Administrative Hearings Division, the opportunity for other parties to rebut PacifiCorp's evidence. As part of its filing, PacifiCorp may, as discussed below, present additional evidence and raise factual, legal, and policy concerns to afford due process.").

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as the IE for its 2025 RFP, and 3) expedited approval of its 2025 Draft RFP.⁶ Staff reviews each of these in turn below.

1 - Application for Partial Waiver of CBRs

Overview

PacifiCorp is requesting the waiver of competitive bidding rules contained in OAR 860-089-0200(1), OAR 860-089-0250(1), and OAR 860-089-250(2)(a) to issue an RFP in compliance with the directive in Order No. 25-098.

The Company argued in its application that a partial waiver of these three CBRs would be crucial to issuing an RFP by June 1, 2025, which would avoid the need to show cause that the Company has a procurement strategy that makes continual progress.

The table below describes the rule sections and PAC's rationale.

Table 1: CBRs for which PacifiCorp is seeking Waivers.

Rule	Description	PacifiCorp's Waiver Rationale
OAR 860-089-0200(1)	Prior to issuing an RFP, PacifiCorp must engage the services of an IE to oversee the competitive bidding process. PacifiCorp must also notify parties to the Company's most recent general rate case, RFP, and IRP dockets of its need for an IE, and solicit input on potential IE candidates.	The timelines needed to approve the IE and conduct stakeholder workshops are extensive.
OAR 860-089-0250(1)	Requires PacifiCorp to prepare a draft RFP for review and approval with the Commission and provide copies to parties of the Independent Evaluator docket. The Company must conduct bidder and stakeholder workshops prior to filing the draft RFP.	
OAR 860-089-250(2)(a)	Prior to filing the draft RFP, the Company must file for approval, in the IE selection docket, the RFP design, scoring, and modeling process.	The Commission approved a similar waiver for the 2022 All-Source RFP. ⁷

⁶Docket No. UM 2383, PacifiCorp's Expedited Application for Partial Waiver of OAR Chapter 860-089, Request to Engage Independent Evaluator, and Expedited Approval of 2025 Draft RFP (April 16, 2025).

⁷ *In re PacifiCorp Application for Approval of 2022 All-Source RFP Scoring and Modeling Methodology*, Docket No. UM 2193, Order No. 21-469 (Dec. 20, 2021) (Approved PacifiCorp's request for a partial rule waiver for OAR 860-089-0250(2)(a) and waived the requirement for approval of a proposal for scoring and associated modeling methodology prior to preparing a draft RFP.).

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The Company further argues that expedited review and issuance of the RFP is currently allowed under existing rules and is also supported by concepts presented in the IRP/RFP Modernization dockets.⁸ These concepts include a streamlined IE selection process and a process by which RFPs without utility ownership options might proceed with less scrutiny.⁹

Staff Response

Compliance with Docket No. UM 2345, Order No. 25-098

Staff appreciates the Company's efforts to comply with Order No. 25-098 and align with the June 1, 2025 date. With that said, Order No. 25-098 does not direct PacifiCorp to issue an RFP by June 1, 2025 at all costs and contemplates the typical application of the CBRs to issue an RFP capable of identifying bids that reflect least cost, least risk resources.¹⁰ The order also states "[w]e believe that an all-source system-wide RFP is more likely than an Oregon-only, HB 2021-focused RFP to result in a portfolio of resources that meets the reliability and policy needs of PacifiCorp's various states on a least cost, least risk basis."¹¹

With this context, Staff believes Order No. 25-098 language supports a substantive review of the draft RFP as part of the RFP issuance.¹² In fact, a substantive review is even more important considering PacifiCorp's proposal is not the system-wide RFP that the Commission stated it preferred.

Party Notification and Input on IE Selection - OAR 860-089-0200(1)

To facilitate progress in the 2025 Draft RFP, Staff supports waiving the second sentence of OAR 860-089-0200(1) which coordination with parties regarding potential IE candidates. Staff does not support waiving the first sentence of this section, regarding the requirement to engage the services of an IE. Staff finds that PacifiCorp has good cause to waive the second half of OAR 860-089-0200(1) given the circumstances.

Beyond that, such a move is also in alignment with the UM 2348 IRP and RFP modernization process. Pointedly, Staff has proposed that utilities "may use the IE selected for their last RFP unless otherwise directed."¹³ Staff has also proposed that any concerns about an IE would be raised at the end of the RFP approval process. At

⁸ See UM 2348 and the subsequent rulemaking AR 669.

⁹ *In re Investigation into Integrated Resource Plan (IRP) and Request for Proposal (RFP) Modernization*, Docket No. UM 2348, Order No. 25-111, App. A at 58 (March 24, 2025).

¹⁰ Docket No. UM 2345, Order No 25-098 at 17 ("Our competitive bidding rules would still apply * * *").

¹¹ Docket No. UM 2345, Order No 25-098 at 11.

¹² Docket No. UM 2345, Order No 25-098 at 17.

¹³ Docket No. UM 2348, Order No. 25-111, App. A at 34.

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that time, Staff would also have the opportunity to revisit the minimum scope of work of the IE to inform the next RFP. While there was no opportunity in UM 2193, PAC's 2022 All Source RFP, to contemplate any concerns with the IE, or to identify minimum scope of work, Staff is comfortable with PAC retaining the IE from the past RFP, as discussed in section 2 below.

Waiver to Allow Concurrent Review of SMM and Draft RFP - OAR 860-089-0250(2)(a)

Staff supports waiving OAR 860-089-250(2)(a). The RFP scoring and modeling methodology will be reviewed alongside the approval of the 2025 Draft RFP. Staff's position here is the same as in Order No. 23-146, where PGE requested waiving OAR 860-089-0250(2)(a) to allow for a concurrent review of the SMM and the Draft RFP.¹⁴ In the next section, Staff proposes a procedural schedule that allows for a thorough analysis of SMM and the Draft RFP by Staff and stakeholders. Staff will separately circulate and seek party alignment on this schedule.

Draft RFP Review and IE Consultation - OAR 860-089-0250(1)

Staff does not support a waiver for OAR 860-089-0250(1). While bidder and stakeholder workshops were not conducted *prior* to filing the Draft RFP, Staff believes that feedback can be submitted through the RFP approval process. Staff recommends the Company consult with the IE and conduct at least one stakeholder workshop in developing the Final RFP to ensure PAC's Oregon-situs approach identifies least-cost, least-risk resources. Staff proposes the following schedule to accommodate discovery and one round of comments:

Table 2: Staff Proposed RFP Review Schedule

Event	Dates
IE Approved	Tuesday, May 27, 2025
Stakeholder Workshop: PAC Q&A on SMM and Draft RFP	TBD
Staff/Public Comments on SMM and Draft RFP due – Round 1	Monday, July 14, 2025
PAC Response to Comments – Round 1	Monday, July 28, 2025
IE Report	Monday, August 4, 2025
Staff Memo	Tuesday, September 30, 2025

At a minimum, Staff expects to see at least the following deliverables from the IE:

¹⁴ *In re Portland General Elec. Co. 2023 All-Source Request for Proposals, Request for Partial Waiver of the Competitive Bidding Rules*, Docket No. UM 2274, Order No. 23-146 (April 21, 2023).

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- IE Report on Scoring and Modeling Methodology and Draft RFP, reflecting stakeholder and utility comments
- IE Solicitation Assessment Report
- IE Closing Report (including final short-list of bids)
- IE Report on Contract Negotiations

Akin to the deliverables expected in PGE's 2025 RFP, Staff expects PacifiCorp to develop an Initial Shortlist Report with associated workpapers and proposed portfolios for modeling prior to conducting modeling to generate the FSL.¹⁵

IRP/RFP Modernization Streamlining

As referenced by the Company, Staff is currently working on streamlining the RFP process. In Order No. 25-111, the Commission memorialized its decision to open a rulemaking docket (now docketed as AR 669¹⁶) to consider updates for IRP requirements and the CBRs.¹⁷ Staff does envision a future time when the exclusion of utility ownership options may shorten the review of an RFP. As AR 669 is an active rulemaking docket, Staff anticipates considering important stakeholder feedback about risks and benefits to this streamlined approach before employing it.

2 - Request to Engage Independent Evaluator

Overview

The Company requests that the Commission approve PA Consulting as the IE for the 2025 RFP in accordance with OAR 860-089-0200. The Company explains that PA Consulting was the IE for the 2022 All-Source RFP and is available to be the IE for the 2025 RFP. The Company provided the scope of work in Confidential Exhibit B.

Staff Response

Staff supports the Company's proposal and recommends the approval of PA Consulting as the IE for the Draft 2025 RFP. Staff finds PA Consulting to have been independent of the electric company and potential bidders, of reasonable cost, experienced and competent as an IE, and generally in the public interest.

Regarding the criteria of input from non-bidding parties, Staff notes that on May 7, 2025, Staff posted an update in the docket stating it intended to bring a Public Meeting Memo

¹⁵ See Docket No. UM 2371, Staff's Events Schedule for Draft 2025 All Source Request for Proposals (RFP), filed by Sandra Namukaya at 2 (April 18, 2025).

¹⁶ Docket No. AR 669: Updates to IRP Requirements and Competitive Bidding Rules.

¹⁷ Order No. 25-112 at 1 (March 24, 2025).

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to this May 27, 2025 meeting recommending approval of PA Consulting as the IE, and since posting that update Staff has not heard of any opposition from stakeholders.

With regard to IE independence and competence, Staff's recent review of PA Consulting in UM 2371 finds that there is no conflict of interests that would prevent PA Consulting from acting as IE for this procurement. In UM 2371, PA Consulting proved to be the top ranked bidder (out of seven) for their experience and competency to undertake an IE assignment.¹⁸ Staff believes that PA Consulting, while not ranked amongst other firms here, remains a competitive and competent firm.

In terms of reasonable costs, upon request, PA Consulting provided a memo of IE pricing for the Company's Draft RFP so that Staff could compare it to the PAC 2022 AS-RFP and PGE's 2025 RFP. Staff has attached PA Consulting's pricing memorandum as Attachment 1. Staff found that PA Consulting pricing (on a dollar per hour basis) **[BEGIN CONFIDENTIAL]** **[END CONFIDENTIAL]**.

Staff finds this rate is **[BEGIN CONFIDENTIAL]** **[END CONFIDENTIAL]** than the rate quoted by PA Consulting for PGE's 2025 RFP, where Staff analyzed pricing from four IEs, recommended approval of PA Consulting, and the Commission adopted Staff's recommendation.¹⁹

PA Consulting included in their memo additional scope of work items (Draft RFP assessment and Draft RFP report) that may be requested by Staff, and their indicative pricing set to an hourly rate of **[BEGIN CONFIDENTIAL]** **[END CONFIDENTIAL]**.

Staff finds that PA Consulting's contract for IE services for PacifiCorp's 2025 RFP is reasonable.

Finally, Staff finds that approval of PA Consulting as the IE is consistent with the public interest because PA Consulting has the recent knowledge and understanding of PacifiCorp's resource needs and modeling. This continuity can reduce the time and cost needed to effectively oversee the RFP. Staff made this argument in UM 2345 when it suggested the Commission could direct PacifiCorp to comply with the CBRs as

¹⁸ Order No. 25-098 at 9.

¹⁹ *In re Portland General Electric Co. 2025 All-source Request for Proposals*, Docket No. UM 2371, Order No. 25-089, App. A at 9 (Mar. 5, 2025).

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appropriate, and Staff continues to recommend waiver of OAR 860-089-0200 to allow for a timely process that also mitigates risks for customers.²⁰

3 - Expedited Approval of Draft RFP

Overview

The Company cites the process option available in OAR 860-089-0250(6) and requests an expedited approval of the Draft 2025 RFP to allow issuance to market no later than June 1, 2025. The CBRs note that generally the Commission will review an RFP within 80 days. The Company's request is to shorten this review period to 27 calendar, or 18 business days, if calculated based on the day it completed its filing of associated appendices to the RFP (May 2), to when it notes issuance (May 29).

The Company's filing 1) describes its need as based on the 2025 IRP, filed on March 31, 2025, 2) describes some of the changes to the RFP, 3) claims that the Draft RFP has all the required elements per the CBRs, 4) states that it helps the Company demonstrate continual progress toward HB 2021 through an Oregon situs approach, and 5) states that an expedited review and approval of the RFP is needed to meet a June 1 deadline from Order 25-098.

Staff Response

2025 IRP Stated Need

Regarding the Company's stated need, the 2025 Draft RFP seeks to procure resources for its Oregon customers that aligns with the 2025 IRP preferred portfolio and that can achieve commercial operations by the end of December 2029. The volume and nature of the Company's need, as determined by the Company's 2025 IRP, is reflective of the Company's new Oregon Jurisdictional Portfolio modeling and newly stated needs about transmission delivery requirements. Neither of these elements have been fully vetted in the 2025 IRP, and both appear to drive high volumes of west side resources, and limit, if not eliminate, access to historically high value east side resources.

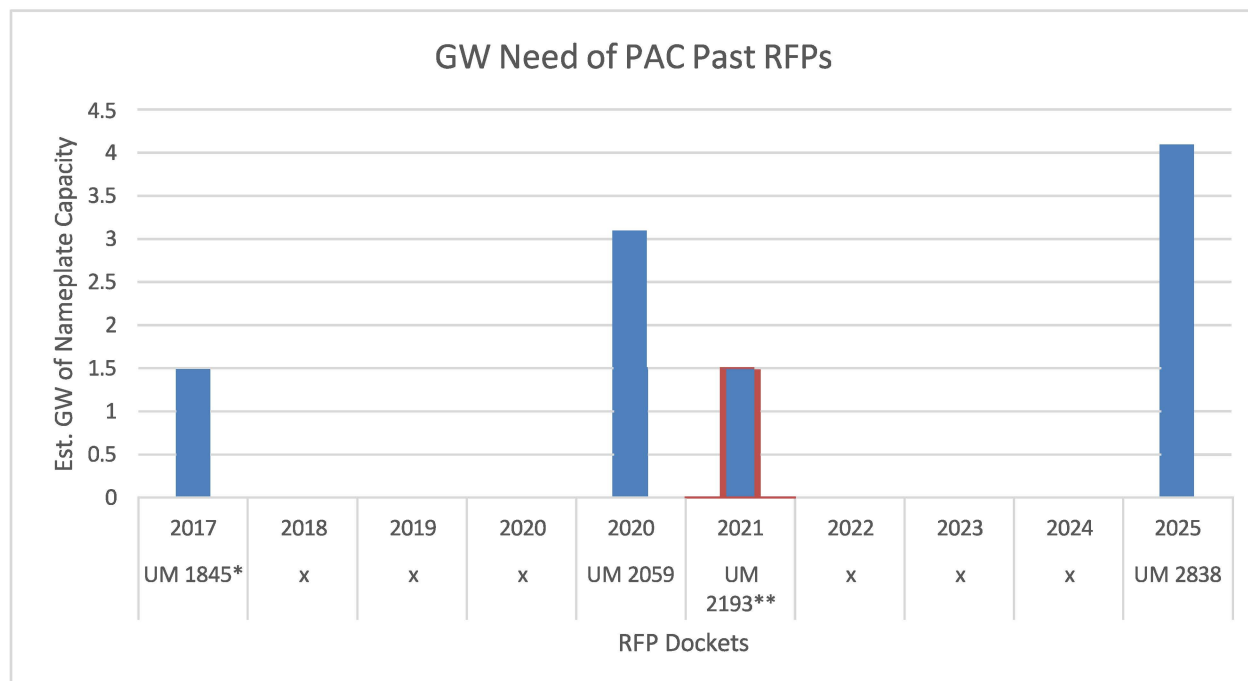
²⁰ Docket No. UM 2345, Staff Opening Brief at 5, 10 ("the RFP issued in UM 2193 was overseen by an IE [PA Consulting] and if PacifiCorp retain[s] the services of the same IE, it can further minimize the time and costs needed to issue and conduct an RFP.*** [the] Commission would be [able] to waive certain rules as appropriate to allow for a timely process [such as] OAR 860-089-0200 ***, given the IE's knowledge and understanding of PacifiCorp's resources needs and modeling.").

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PAC's 2025 IRP identifies just over about 4.1GW of system resources needed by the end of 2029;²¹

- 1,570 MW of utility scale solar resources
- 1,400 MW of utility-scale wind resources
- 320 MW of small-scale solar resources
- 509 MW of lithium-ion batteries with four-hour duration
- 272 MW of iron-air storage with 100-hour

Figure 1: PacifiCorp's History of Resource Need



* FSL not acknowledged

** RFP Canceled prior to FSL selection

PacifiCorp's trajectory of systemwide needs in past RFPs, combined with a canceled RFP in 2021, no RFPs for the past three years, and an increasing need for non-emitting resources for HB 2021 compliance, all suggest that high volumes of non-emitting resources through the 2025 RFP may be warranted. What is less clear is whether it is reasonable to assume the full volume of present need is driven exclusively by Oregon's

²¹ Docket No. UM 2383, PacifiCorp's Expedited Application for Partial Waiver of OAR Chapter 860-089, Request to Engage Independent Evaluator, and Approval of 2025 Draft RFP at 8.

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needs. Staff sees value in gaining deeper understanding of the IRP modeling that would be used to determine these volumes before signaling comfort with the Company's SMM.

The Company explains that the Draft 2025 RFP includes the following non-exhaustive components, which reflect some of the differences from the Company's prior RFP (indicated in bold):

- Seeking resources that support compliance with Oregon House Bill (HB) 2021.
- Seeking resources with guaranteed Commercial Operation Date of December 31, 2029.
- **Seeking resources with a demonstrable ability to interconnect to a transmission or distribution system by providing evidence of either a completed interconnection study or an interconnection agreement.**
- **Seeking resources with PPAs or ESAs for term lengths between five and 20 years.**
- **To determine deliverability, transmission consulting agreement studies for each bid to evaluate and identify any system constraints and network upgrade requirements relevant to accommodating a specific resource as a new network resource deliverable to PacifiCorp's Oregon load by December 31, 2029.**
- Bids will be evaluated based on bid prices and calculation of **delivered costs** and benefits.
- **Non-price scoring will encompass an evaluation based on provided responses to a non-price scoring questionnaire.**
- Bids will be evaluated based on evidence of the availability of, and securing of, firm transmission service from the resource to PacifiCorp's Oregon load.
- **RFP to include both bid fees and bid deposits as a requirement for each submitted bid.**

There are meaningful changes to the Draft RFP and SMM that should be reviewed before the Commission signals approval. Staff expects these IRP changes, coupled with the Company's new modeling will have an impact on resource selection. These are novel and complex concepts that will require stakeholder input and Staff analysis that cannot be completed prior to June 1, 2025. Staff proposes a review process that moves quickly enough to support continual progress but ensures the RFP is likely to result in procurement of the best resources to make progress toward meeting Oregon's needs.

Compliance with Oregon CBRs

Aside from the select CBRs for which a waiver is being requested, Staff seeks to review the Company's good faith efforts to comply with the remaining CBRs in the RFP approval process.

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HB 2021 Continual Progress

Staff appreciates that the RFP is structured to align with the objectives of HB 2021. The inclusion of a 2029 COD demonstrates a proactive approach, positioning the Company to contribute toward the 2030-emissions reduction milestone.

Given the outstanding questions about the SMM, the changes to the RFP, and the value of engaging stakeholders on these changes, Staff does not support approval of the 2025 Draft RFP and proposes an alternative RFP review schedule.

Staff clarifies that the Company does not need to refile the Draft RFP, nor complete any of the pre-filing steps outlined in Section V of the partial waiver. Upon Commission approval, the Company should engage with PA Consulting as soon as possible and adjust the RFP schedule to accommodate a review of the 2025 Draft RFP and SMM.

Conclusion

Staff appreciates the Company's efforts to bring forward an RFP to comply with Order No. 25-098. Staff supports a partial waiver of the competitive bidding rules so that the Company can engage with an IE as soon as possible. Staff does not support expedited review and approval of the 2025 RFP and anticipates providing its recommendations regarding approval of the Draft RFP after a stakeholder process with a target completion date of early October 2025.

PROPOSED COMMISSION MOTION:

Staff recommends the Public Utility Commission of Oregon (OPUC or Commission) take the following actions:

1. Issue a partial waiver of competitive bidding rules contained in OAR 860-089-0200(1) and OAR 860-089-250(2)(a); and
2. Decline to support the partial waiver of competitive bidding rules contained in OAR 860-089-0250(1).
3. Approve PA Consulting as the Independent Evaluator of the 2025 Request for Proposals (RFP)
4. Decline to support the Company's proposed expedited review and approval of the 2025 RFP.

Attachment 1



Memo

Subject	Independent Evaluator Memo Regarding Independent Evaluator Services for PacifiCorp's 2025 All-Source RFP
To	Oregon Public Utility Commission Staff
From	PA Consulting Group, Inc.
Date	May 13, 2025

The purpose of this memo is to provide a summary of the indicative Scope of Work and associated pricing which PA Consulting provided PacifiCorp (PAC) related to providing Independent Evaluator (IE) services for PAC's 2025 All-Source RFP (RFP), and additional IE services which may need to be included in the final IE scope for the RFP.

Summary of indicative Scope of Work pricing provided to PAC

Discussions with PAC staff indicated PAC's desire to engage PA for IE services which would produce two deliverables:

- **A Solicitation Assessment Report**, which would contain a summary of the IE's evaluation of the fulsome solicitation process, from the RFP market launch through PAC's filing of its request for acknowledgement of the RFP final shortlist. The Solicitation Assessment Report would include analyses of whether or the extent to which:
 - Communications between bidders and PacifiCorp before and after proposals were conducted impartially;
 - Minimum bidder eligibility requirements were applied consistently and comparably to all bids;
 - Monitor the cost valuation process, including communications, as appropriate, between bidders and PacifiCorp before and after proposals are due;
 - Potential bidders were provided instruction to access information (such as RFP website, bid submission forms, bidder conferences, RFP announcements and informational links) and other data necessary to submit a bid; and
 - The IE was provided with or given access to all data, studies, information and models relevant to the screening and valuation process to permit full and timely assessment and validation of the screening and valuation process and results.
- **An IE Closing Report**, which would provide the IE's detailed assessment of PAC's selection of the final short-list of bids, the including reasons and basis for PAC's evaluation and selection process, including a) ranking bids, b) selecting and scoring bids, and c) rejecting bids. The IE Closing Report would also include an analysis of whether or the extent to which:
 - the resources selected for PacifiCorp's Oregon compliance obligations were determined in a least cost manner,
 - the solicitation process was fair,
 - eligibility screening and bid evaluations were applied consistently and comparably to all bids,
 - credit and security requirements, liquidated damages provisions, resource performance and operational characteristics, warranties and other similar requirements were appropriately applied to bid evaluation and appropriately affected the outcome of the solicitation process,



- all reasonably available data and information necessary for a potential bidder to submit a bid was provided,
- the IE was provided with or given access to all data, information and models relevant to the solicitation process to permit full and timely scoring, testing and verification of assumptions, models, inputs, outputs, and results, and
- the evaluation was performed consistent with Commission-approved competitive bidding rules and/or granted waivers.

In addition to the two primary deliverables, PAC also indicated that the IE would be required to:

- Confer with Commission Staff as needed on the IE's duties. These discussions are anticipated to be performed by phone and by e-mail.
- In consultation with Commission Staff, participate in additional meetings with parties, hosted by Staff, related to final short-list selection or any request for acknowledgment of the final short-list.
- Participate in the pre-bid RFP conference (if applicable) and be available to discuss the IE role in the 2025 OR Situs RFP process.
- Review and comment on PacifiCorp's screening process for bidder eligibility.
- Participate in any Commission public meeting (if applicable) related to the Commission's consideration of RFP approval, based on the IE's assessment of the 2025 OR Situs RFP design.
- Monitor all aspects of the solicitation process from the RFP issuance through the final shortlist of bids, including the following:
 - Receiving and opening of bids including bid fees,
 - Bidder eligibility screening,
 - Communications between bidders and PacifiCorp before and after proposals are due,
 - Any requested bidder updates,
 - Any RFP amendments issued by PacifiCorp,
 - Evaluation and ranking of responses,
 - Selection of the initial shortlist bids,
 - Selection of the final shortlist of bids, and
 - Monitoring the solicitation process, discussions with bidders, and contract negotiations through the acknowledgement of the final shortlist.
- Audit the evaluation process and validate the evaluation criteria, methods, models, and other solicitation processes have been applied as approved by the Commission (if applicable) and consistently and appropriately applied to all bids. Verify assumptions, inputs, outputs and results are appropriate and reasonable.
- Verify the basis for selection of the final shortlist of bids.
 - Verify that the price score is calculated as appropriate for the product and technologies submitted in the bids, using real-levelized methods.
 - Verify that the non-price criteria is objective and can be reasonably self-calculated by bidders.
 - Verify the results of the PacifiCorp Transmission Services Consultancy Study were consistently applied to determine the shortlists.
- Advise PacifiCorp and Commission Staff of any issue that might reasonably be construed to affect the integrity of the solicitation process and provide PacifiCorp an opportunity to remedy the defect identified. Advise Commission Staff of significant changes or unresolved issues as they arise.



- Independently score all of the Benchmark Bids and a reasonable sample of the third-party bids to determine whether the selections for the final shortlist are reasonable.
- Compare the IE's and PacifiCorp's scoring and evaluation of the competing bids and attempt to reconcile and resolve any scoring differences.
- Participate in Commission proceedings on acknowledgment of the final short-list of bids if PacifiCorp requests such acknowledgment. Participation would include oral comments at a Commission public meeting or hearing.
- Participate in any additional meetings with parties on request, including individual Commissioner briefing sessions.
- To the extent not already mentioned, all Independent Evaluator duties listed in OAR Chapter 860-089, and specifically OAR 860-089-0450.

In addition, PAC noted that the IE may be requested by Commission Staff to perform additional monitoring for the period between any acknowledgement process and contract finalization. Such a request will be made by the Commission Staff to PacifiCorp directing PacifiCorp to issue a revised scope of work and request an incremental cost estimate from the IE, which, if acceptable to the Commission Staff, will result in an amended contract with the IE.

Summary of indicative IE pricing provided to PAC

Though PA and PAC did not engage in negotiations related to a final Scope of Work, PA provided PAC with indicative pricing related to the above Scope of Work. Assuming 50 eligible bids, PA's indicative pricing provided to PAC totaled \$425,960.

PAC requested that PA provide three components of pricing:

- A firm fixed fee for the solicitation assessment activities, which include the broad and general assessment of PAC's solicitation, including solicitation communications monitoring, bid validation and eligibility determinations, verification of non-price scoring, contract negotiations monitoring through the acknowledgement request, etc.
 - PA's indicative pricing provided to PAC for this component was [REDACTED]
- A firm fixed fee for the two deliverable reports, the Solicitation Assessment Report and the IE Closing Report.
 - PA's indicative pricing provided to PAC for this component was [REDACTED]
- A variable fee, to vary with the agreed upon number of eligible bids, which would include the IE's evaluation of PAC's bid scoring and analysis, including independent IE scoring of all Benchmark Bids and a sample of third-party bids
 - PA's indicative pricing provided to PAC for this component was [REDACTED] for each eligible bid for the first 50 eligible bids, and [REDACTED] for each eligible bid in excess of 50 eligible bids.
 - **NOTE:** PA indicated to PAC that it would require an additional [REDACTED] (representing [REDACTED]) for each bid that was submitted into the RFP but was deemed by PAC to be ineligible for compliance and completeness reasons. The additional fee will be due to the need for the IE to review and confirm PAC's ineligibility determinations for such bids.

In total, assuming 50 eligible bids, PA anticipates the IE effort, up to and including the IE Closing Report, will require a level of effort of [REDACTED], equating [REDACTED]. PA notes this compares to the [REDACTED] for its 2025 Portland General Electric IE contract, which was deemed reasonable by the Oregon Public Utilities Commission.



Additional Scope of Work items that may be required for the PAC 2025 RFP

PA notes the following items which may be required by the OR Commission for the PAC RFP IE assignment:

- **Draft RFP assessment and Draft RFP Report.** PA notes that the OAR typically require such efforts. PAC indicated that it was going to seek a waiver of the Draft RFP assessment and report requirements, and thus did not include those items in its initial Scope of Work. However, PAC did request IE pricing for such an effort. PA provided indicative pricing of [REDACTED] for this additional scope, and assumed [REDACTED] for the effort, equating to a [REDACTED]
- **Bid Ineligibility Determination Reviews.** PA anticipates that it will need to spend [REDACTED] for each of PAC's bidder ineligibility determinations and would request [REDACTED] per ineligible bid to perform the determination reviews.
- **Contract Monitoring through Contract Execution.** PA recognizes that having the IE monitor and report on contract negotiations through contract execution would provide value to the OR Commission and Staff, particularly at a later date when those contracts are brought for cost recovery in a General Rate Case. PA understands that it is infeasible to estimate the number of negotiation calls which will be required for an unknown number of contracts; we would anticipate conducting the negotiations monitoring and reporting on a time and materials basis, using [REDACTED]
[REDACTED]