

JASON M. STANEK
CHAIRMAN

MICHAEL T. RICHARD
ANTHONY J. O'DONNELL
ODOGWU OBI LINTON
MINDY L. HERMAN

STATE OF MARYLAND



PUBLIC SERVICE COMMISSION

December 27, 2021

PSC#12.09.21 - FERC Transmission Rate Proceedings Consultation Services

RE: Addendum: Questions and Responses

To Whom It May Concern:

This addendum is being issued to answer questions received. These will be the last questions that can be answered prior to the due date of the RFI proposals: **January 3, 2022 @ 04:00PM Local Time.**

1. Is it conceivable that this RFI could result in the selection of a consultant or it is absolutely necessary for Md PSC to conduct a subsequent RFP for purposes of selecting a consultant?

Answer: It will be necessary for PSC to conduct an RFP to select a consultant as this RFI does not constitute an Invitation for Bid, Request for Proposal, or Informal Request for Bid or Proposal and is not to be construed as a commitment by the Commission.

2. Please provide additional guidance on how Suggested Cost Estimates, as found in item D. of Section 2.2 Responses Instructions/Format are required to be submitted by prospective bidders.

2.2 Response Instructions/ Format

Respondents are asked to provide a response in the following format:

- A. Title Page
- B. Introduction
- C. Technical Response
- D. **Suggested Cost Estimate**
- E. Any additional relevant information

Answer: The request for a "suggested" cost estimate gives respondents the option to format their cost estimates in any way they wish, using formats responsive to other requests for information or requests for proposals. The purpose of this RFI is to gather information regarding the experience various consulting firms have in inspecting and evaluating different types of FERC transmission related filings, and whether consulting firms utilize flat fee, hourly or other methods for pricing their services.

- Specifically, Section 2.1 Information Requesting, number 2., of the RFI states: “Estimated price/cost for each phase (1-4)”. However, the Scope and Deliverables section of the RFI, does not indicate the number of filings that the consulting firm will be required to inspect.

Answer: The number of filings that will need to be inspected, reviewed or evaluated will vary, depending on the type of filing the Transmission Owners (TOs) or Transmission service companies (Transcos) initiate. For instance, there are four large TOs with transmission facilities in Maryland. Each of these generally make annual formula rate filings, while some may also file depreciation adjustment cases, rate of return adjustment cases, and other FPA section 205 cases. There are also at least three Transcos that operate in Maryland, which make annual and other—less frequent—filings with the FERC. The RFI anticipates that firms that provide consulting services in FERC transmission rate-related proceedings have a fair understanding of the number of filings that TOs and Transcos are either required to – or voluntarily – file each year. This would be an estimate based on the firm’s experience, which is why the response would be in the form of an estimate rather than a fixed price or cost.

- Also, the information at the top of page 4 of the RFI seems to indicate that the proposal can be submitted in either 2 or 4 phases. As such, can you please provide additional guidance on how suggested cost estimates should be submitted by prospective bidders?

Answer: Respondents may provide estimates for: Phase 1 only; Phases 1 and 2; Phases 1-3; or Phases 1-4. Phase 1 would involve inspection only, and the estimate associated with work solely on Phase 1 should be only for reviewing the TOs’ annual formula rate filings, providing the PSC and OPC with the consultant’s assessment of filing and whether formal challenges or protests are warranted.

A Phase 1-2 estimate should include costs for work performed under Phase 1, and also estimated costs for recommending discovery (i.e., proposed data/information requests) in anticipation of a substantive protest raising material issues of fact that require the initiation of an evidentiary hearing or settlement judge procedures.

A Phase 1-3 estimate should include costs for work performed under Phases 1-2, and also estimated costs for drafting testimony based on responses to discovery, drafting responses to other parties’ discovery, and consulting with PSC and OPC during settlement judge proceedings.

A Phase 1-4 estimate should include costs for work performed under Phases 1-3, and also serving as the PSC and OPC witness(es) at trial, and assisting with reviewing briefs and reply briefs submitted in the matter following trial.

- Should consultants’ suggested costs estimates include only hourly rates and fees, or should the suggested cost estimates be submitted in the form of budgets?

Answer: The RFI does not dictate the format for respondents’ costs estimates, and respondents are free to use any format that they are accustomed to using in responding to RFIs and RFPs.

6. To the extent that suggested cost estimates should be submitted in the form of budgets, are the budgets to be submitted estimates of cost to complete a single transmission filings, annual formula rate updates, or FPA section 205 filings inspection, or all such inspections?

Answer: See response to Question 4 above.

7. To the extent that the estimates of costs required to be submitted are for all such inspections, can you please provide guidance on, or an estimate of, the number of TO and Transco transmission filings, annual formula rate updates, and FPA section 205 filings that the consulting firm will be required to inspect?

Answer: See response to Question 3 above.

8. As a more general matter, is there any additional information, documentation, or forms that the State of Maryland and/or Maryland Public Service Commission requires be submitted with prospective bidders' responses to RFIs beyond what is indicated in Section 2.2 Response Instructions/Format of RFI Number: PSC#12.09.21?

Answer: No. As an RFI, this is a request for information to better inform the PSC and OPC on how consulting firms, with experience in inspecting TO and Transco filings evaluate and price their consulting services. All responses, regardless of the format used by the respondents will be considered.

9. If so, can you please provide guidance on where such required information can be located?

Answer: See response to Question 8 above.

Thanks,

Devan B. Perry,
Procurement Officer
410-767-8009
devan.perry1@maryland.gov