
The RFP Process

The RFP process is used to insure that the ratepayers receive the supply resources needed at minimum cost.

GPSC Rule 515-3-4-.04(3)

(3) Request for Proposals Procedure for Long-Term New Supply-Side Options

- (a) For each block of required new supply-side resource identified in the utility's Integrated Resource Plan, the utility shall issue a formal written Request for Proposals that shall be submitted to potential utility, cogenerator, power marketer, power broker and independent power producer/suppliers with sufficient lead time to allow for bid evaluation, certification and construction prior to the expected need date;
- (e) The utility shall submit fifteen copies of a draft of its proposed RFP to the Commission for review at least 60 days prior to its formal distribution date. The draft RFP shall be a public document. On the date of its formal distribution, the utility shall file a copy of its final RFP with the Commission;

An Independent Evaluator (consultant) is selected by the Commission and is paid by the Soliciting Entities from bid evaluation fees paid by the bidders.

The Independent Evaluator's role is to insure that the bidding and bid evaluation process is conducted in a non-discriminatory manner. All communications between the Soliciting Entities and potential bidders is conducted through the I.E., with no direct communication between the SE's and potential bidders.

From the rules: "The Evaluation Team will have no direct or indirect contact or communications with any bidder other than through the IE as described further herein, until such time as a winning bid is selected by the soliciting entity and negotiations for a final PPA have begun."

The Independent Evaluator, with Staff participation, monitors the preparation of the RFPs and pro forma Purchased Power Agreements. The Independent Evaluator independently evaluates the bids received, and reports to the Commission their agreement or disagreement with the Soliciting Entities selection of bids. The Independent Evaluator certifies to the Commission that the bidding process was conducted in an open and non-discriminatory manner.

The RFPs and PPAs are approved by the Commission prior to their publication to potential bidders.

Resources selected by the RFP process are approved by the Commission in Certification hearings.

The 2009 RFP is the first conducted with an Independent Evaluator. The Independent Evaluator thoroughly scrutinized the preparation of the RFPs and PPAs and the bid evaluation process. Numerous meetings were held between the IE and the Soliciting Entities, with Staff participation. Meetings between the Soliciting Entities and bidders to discuss bid details, with Independent Evaluator and Staff participation, are scheduled. Evaluation of bids by the Soliciting Entities and the Independent Evaluator will follow.

The Independent Evaluator has provided a monthly activity report to the Commission.