Independent Evaluator RFP

**Scope of Work**

The function of the Independent Evaluator (IE) is to consult with SDG&E and Energy Division (ED) (if required) on the design, administration, and evaluation of SDG&E’s Requests for Offers (RFOs) for capacity, energy, or electricity-related products. The IE provides guidance to SDG&E, the Procurement Review Group (PRG), and ED on whether the overall scope and solicitation process is open, transparent and free from anti-competitive behavior. If an affiliate of SDG&E submits a proposal, the IE shall review SDG&E’s processes to ensure that the selection process is fair and free from influence by the affiliate relationship. Additionally, IE oversight may also be requested for bilateral negotiations for capacity, energy, or electricity-related products.

The IE will participate in meetings with, and report findings to, SDG&E’s PRG, the ED and the CPUC. If called upon to testify, the IE may serve as expert witness in proceedings.

The IE does not make binding decisions on behalf of SDG&E. The IE makes recommendations to SDG&E during the procurement process but does not have the authority to require SDG&E to follow its recommended course of action. The IE will not negotiate with any bidder on SDG&E's behalf.

The IE will be given reasonable access to information, negotiations, meetings, and communication related to offers submitted by all bidders.

The IE function requires multiple competencies. The IE must: (i) possess technical expertise germane to evaluating capacity, energy and other electricity-related products; (ii) be familiar with relevant industry practices, various standard contracts and California- specific regulatory framework; and (iii) be able to quickly examine and evaluate offers for power purchase agreements, buyout options and turn-keys on a side-by-side basis. All personnel providing material support must be at a senior level in terms of qualifications and experience.

The IE will immediately report to ED, the PRG, and SDG&E management any perceived attempt by any party involved in the solicitation process to improperly influence any findings determined by the IE or to challenge or interfere with their independent role in the solicitation process.

## Responsibilities and Tasks

In support of the functions discussed above, IE responsibilities and tasks will include (but are not limited to) the following:

* 1. Advise on the consistency of RFO activities with the Commission's procurement-related rules and procedures and SDG&E’s Commission-approved Bundled Procurement Plan (BPP), Renewable Portfolio Standard Procurement Plan (RPS Plan), Integrated Resource Plan (IRP), Integrated Distributed Energy Resources (IDER) Planning, and System Reliability Procurement.
  2. Assist in the development, design and review of RFOs.
  3. Promptly submit any recommendations consistent with the objective of ensuring a fair, competitive, open and transparent process, and ensure that the overall scope of the RFO process is not unnecessarily broad or too narrow.
  4. Attend (in person or over the phone) all negotiations with affiliate counterparties and monitor negotiations with non-affiliate counterparties.
  5. Attend (in person or over the phone) all PRG meetings where contracted RFO is being discussed.
  6. Provide recommendations and reports, if required, concerning the definitions of products sought and price and non-price evaluation criteria, so that all aspects of the products are clearly understood allowing all bidders to effectively respond to the solicitations, as applicable.
  7. Review the comprehensive quantitative and qualitative bid evaluation criteria and methodologies and assess whether these criteria are applied to all bids in a fair and non-discriminatory manner. The IE will be provided reasonable access to SDG&E’s personnel, modeling tools, and meeting documentation in order to evaluate the bid valuation and selection processes.
  8. Report on the outcome of RFOs using the appropriate CPUC Independent Evaluator Report Template, as may be amended from time to time.
  9. Monitor the RFO bilateral negotiation or contract amendment process and promptly submit recommendations to SDG&E’s management to ensure that no bidder has an advantage and that all bidders or counterparties (if applicable), receive access to relevant communications in a non-discriminatory manner. This task may include monitoring contract negotiations and/or keeping apprised of negotiation status and major issues.
  10. Provide periodic presentations as requested to SDG&E’s management, the PRG, and ED (if requested) concerning the IE’s findings. Communicate periodically with the ED as a check on the RFO process.
  11. Provide a final written assessment as to whether or not SDG&E’s final contract selection was unfairly influenced by its affiliate relationship in cases of affiliate offers / negotiations / contracting.
  12. Provide a final written assessment as to whether or not the solicitation, bilateral negotiation and contract amendment processes were open, transparent and fair and whether any bidder received material information that gave them a competitive advantage or disadvantage relative to other bidders.
  13. Provide a final written assessment as to whether or not the solicitation, bilateral negotiation and contract amendment processes were fair and whether any affiliate counterparty received material information that gave such counterparty a competitive advantage or disadvantage relative to other counterparties.
  14. Provide a final written assessment as to whether or not SDG&E’s evaluation criteria and methodologies were reasonable and appropriate and were applied in a fair and non-discriminatory manner to all offers received.
  15. Prepare or assist in the preparation of direct and/or rebuttal testimony and participate as a witness and/or in an advisory capacity during administrative hearings, as required, before the CPUC and / or FERC in any associated proceedings.
  16. Attend annual IE roundtable meetings with ED and other IEs.