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**STATEMENT OF WORK**

**PSE OUTLINE AGREEMENT**

**No.**

This Statement of Work (“Statement of Work” or “SOW”), effective as of the date of the last signature below, is made pursuant to and shall be governed by the Terms and Conditions of the [governing agreement name and Number] dated as of [date],(the “Agreement”), by and between **[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(**“Consultant”/”Contractor”), and **Puget Sound Energy, Inc.** (“PSE”). This SOW shall be subject to all the Terms and Conditions set forth in the Agreement, except as may be specifically modified hereby with reference to the section of the Agreement modified. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

# **OVERVIEW – Project Summary**

This SOW details the scope of services to be provided by Consultant (the “Services”) and deliverables to be created (the “Deliverables”) for the Independent Evaluator Services for PSE’s 2021 All-Source and Demand Response RFPs (the Services and Deliverables constituting the “Project”).

## Location

Services will take place remotely or as otherwise agreed between the parties.

## Project Timeline

* Estimated Project Start: **February 15, 2021**
* Estimated Project Completion: **[Date]**
* Estimated Project Duration: **[Months]**

# **DESCRIPTION OF WORK**

## Scope of Work

Under this Statement of Work Consultant will perform the following Services:

### Role and Expectations

The function of the IE is to consult with PSE, as needed, on the procurement activities in the 2021 RFPs as described below. The IE will:

1. ensure that PSE’s 2021 RFP process is conducted fairly, transparently, and properly;
2. participate in the design of the 2021 RFPs;
3. evaluate the unique risks, burdens, and benefits of each bid;
4. provide to PSE the IE’s minutes of meetings and the full text of written communications between the IE and PSE and any third-party related to the IE’s execution of its duties;
5. verify that PSE’s inputs and assumptions, including capacity factors and capital costs, are reasonable;
6. assess whether PSE’s process of scoring the bids and selection of the initial and final shortlists is reasonable;
7. prepare a final report to the WUTC after reconciling rankings with PSE the utility in accordance with WAC 480-107-035(3) that must:
   1. include an evaluation of the competitive bidding process in selecting the lowest reasonable cost acquisition or action to satisfy the identified resource need, including the adequacy of communication with stakeholders and bidders; and
   2. explain ranking differences and why the IE and PSE were or were not able to reconcile the differences.

The IE will participate in meetings with the WUTC and PSE, on an as-needed basis, to discuss its findings. If called upon to testify, the IE may serve as an expert witness in proceedings.

The IE will be given reasonable access to information, meetings and communications related to offers submitted by all respondents. The IE will immediately report to PSE and the WUTC any perceived attempt by any individual or party to improperly influence any findings determined by the IE, or to challenge or interfere with their independent role in the solicitation process.

The IE does not make resource decisions on behalf of PSE. The IE makes an assessment of the fairness and reasonableness of PSE’s process and decisions, and may make recommendations to improve the evaluation and decision-making process, but does not have the authority to require PSE to follow any recommended course of action. The IE will not negotiate with any respondent on PSE’s behalf.

### Responsibilities and Tasks

In support of the functions discussed above, the IE responsibilities and tasks will include the following:

* Review and provide feedback and recommendations on PSE’s draft 2021 RFPs, including stakeholder comments. Assess the 2021 RFPs’ design, including review of the adequacy, accuracy and completeness of solicitation materials to ensure compliance with the WUTC’s Purchase of Electricity Rules and consistency with accepted industry standards and practices. The IE will participate in the design of the RFP and provide feedback to PSE on the draft 2021 RFPs prior to their release.
* Advise on the consistency of solicitation activities with the WUTC’s rules and procedures and PSE’s WUTC-approved 2021 RFPs.
* Advise on the evaluation process, including recommending data requests, as needed, to supplement the information requested from bidders in the 2021 RFPs to allow for a full and fair evaluation of proposals.
* Assess whether the quantitative and qualitative bid evaluation criteria and methodologies are applied to all bids in a fair and non-discriminatory manner and whether PSE’s process of scoring the bids and selection of the initial and final shortlists is reasonable. The IE will be provided reasonable access to the evaluation meetings and documentation of PSE’s Business Initiatives and cross-functional teams, in order to credibly assess the bid evaluation and selection processes.
* Verify that PSE’s inputs and assumptions, including capacity factors and capital costs, are reasonable. The IE will be provided with a description of how the evaluation models function, including the inputs and outputs of all models used during the evaluation process.
* Assess whether PSE’s process of scoring the bids and selection of the initial and final shortlists is reasonable The IE will score and rank qualifying bids based on PSE’s modeling output and an independent qualitative assessment using the RFP’s ranking criteria and methodology and consult with PSE to reconcile any ranking differences. If a bidder makes material changes to its bid after shortlist selection, PSE and the IE will rerank bids according to the revised bid.
* Monitor the evaluation processes and promptly submit recommendations to PSE’s resource acquisition manager to ensure that no bidder has an information advantage and that all respondents or counterparties, if applicable, receive access to relevant communications in a non-discriminatory manner.

### All assigned Consultant resources shall be retained throughout the term of the Project. The Consultant shall provide prompt notice of any risk or issue that has the potential to jeopardize the Project’s success, and shall participate as appropriate in actions to mitigate.

# **DELIVERABLES**

### In addition to the Services specified in Section 2.1, Consultant shall provide the following Deliverables:

* Prepare a final written report as to whether or not the utility’s competitive bidding process, evaluation process and decisions were reasonable and appropriate and were applied in a transparent, fair and non-discriminatory manner for all offers received. The report will explain why the IE and PSE were (or were not) able to reconcile any ranking differences. The IE will protect confidential bidder information subject to the terms of the confidentiality agreement included in the IE RFP and consistent with the terms of the confidentiality agreement included in the 2021 RFPs.
* Provide to PSE the IE’s minutes of meetings and the full text of written communications between the IE and the utility and any third-party related to the IE’s execution of its duties;
* Participate as an independent witness or in an advisory capacity during administrative hearings, as required, before the WUTC in any associated proceedings.

# **PRICING**

## Project Pricing Table

**[CHOOSE ONE:]**

Time & Materials Table

|  |  |  |  |
| --- | --- | --- | --- |
| **Resource Type** | **Duration (Weeks/ Hr.)** | **Resource Cost/Hr.** | **Extended** |
|  |  |  |  |
|  |  |  |  |
|  | Total | |  |
|  | Estimated Expenses | |  |
|  | Grand Total (Not to Exceed) | |  |

Time & Materials fees to be invoiced monthly at the conclusion of each month.

## Fixed Fee Table

|  |  |
| --- | --- |
| **Deliverable** | **Fixed Fee** |
|  |  |
|  |  |
| Total |  |
| Estimated Expenses |  |
| Grant Total (Fixed Fee) |  |

## Fixed fees to be invoiced upon PSE’s written acceptance of the applicable Deliverable.

## Payment Terms

Payment terms shall be as specified in the Agreement. PSE reserves the right to reject any invoice submitted greater than 90 days after the completion of the applicable Services or acceptance of the applicable Deliverable.

## Expenses

Reasonable pre-approved travel expenses in support of the Project may be invoiced monthly, with no-markup and submitted with receipt documentation.

# **PROJECT CHANGE MANAGEMENT**

In the event a change is identified that affects the scope, timeline, or cost of the Project, Consultant shall determine any schedule and cost adjustments and submit a change request to the PSE Project Contact for review. Approved changes will be executed by both parties as a change order to this Statement of Work.

# **CONTACT INFORMATION**

|  |  |
| --- | --- |
| **PSE Project Contact**:  Name:  Role:  Office:  Mobile Phone:  Email: | **Consultant Project Contact**:  Name:  Role:  Office:  Mobile Phone:  Email: |

# **AUTHORIZATION**

Intending to be legally bound, PSE and Consultant have caused their duly authorized representatives to execute this Statement of Work in the space provided below.

**PSE/Accepted and Agreed**: **Consultant/Accepted and Agreed**:

**Puget Sound Energy, Inc. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

By: By:

Printed Name: Printed Name:

Title: Title:

Date: Date: