

**REQUEST FOR PROPOSALS
FOR
SAN DIEGO COMMUNITY POWER
FOR**

Professional Services for Energy Trading Risk Management

Date of Issuance: January 17, 2024

SUBMITTALS DUE:

5 P.M. (PST)

March 8 ~~February 23~~, 2024

SDCP No. 24-001

I. INTRODUCTION AND BACKGROUND

San Diego Community Power (SDCP) is seeking responses to this Request for Proposals (RFP) from qualified vendors to provide Professional Services for Energy Trading Risk Management. SDCP will ultimately contract with selected Proposer(s) from this solicitation.

SDCP is exploring licensing and deploying an Energy Trading Risk Management (ETRM) system to help SDCP manage its power portfolio and financial & budget processes. SDCP expects the ETRM system to be a software-as-a-service (SAAS) offering. The range of ETRM functions may include deal capture / trade entry, position tracking and management, valuation, reporting, risk analysis including counterparty risk management, settlements including AP/AR integration, and budget integration. The ETRM should be able to handle the full range of power products including, but not limited to, Power Purchase Agreements, Energy Storage Service Agreements, Resource Adequacy Agreements, Renewable Portfolio Standard Attribute Agreements, and hedging contracts under an Edison Electric Institute or WSPP master agreement including Inter-SC Trades.

In addition, SDCP is exploring systems for load forecasting and battery asset optimization and dispatch which may or may not be included in a Proposer's ETRM system. To the extent a Proposer has a system that does not encompass the full scope of this RFP, then SDCP would still be interested in viewing responses for systems that are scoped to meet only a portion of the scope outlined in Attachment A.

About SDCP

SDCP is the default electricity provider for the Cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, National City, and San Diego and the County of San Diego which serves the unincorporated area (collectively, "member agencies"). SDCP's Joint Powers Agreement (JPA) is the first in California to explicitly state that it will reach 100 percent renewable energy availability and usage by no later than 2035 and beyond, in advance of current State targets. Five original member cities formed SDCP to achieve this and other goals collaboratively and with greater regional impact. SDCP began service in 2021 and completed enrolling customers from the five original cities in the middle of 2022 and will enroll unincorporated San Diego County and National City in 2023. Total enrollment will reach approximately 960,000 customer accounts. For more information, please visit SDCP's website at www.sdcommunitypower.org.¹ Firms shall review SDCP's Procurement Policy² and Inclusive and Sustainable Workforce Policy³ to ensure compliance when drafting proposals.

II. PROPOSAL SCHEDULE

The schedule for this RFP is as follows:

¹ <http://www.sdcommunitypower.org/>

² https://sdcommunitypower.org/wp-content/uploads/2022/08/SDCP-Procurement-Policy_Adopted_2022.07.28.pdf

³ <https://sdcommunitypower.org/wp-content/uploads/2022/02/SDCP-ISWF-Policy.pdf>

Description	Date
Release of RFP	January 17, 2024
Deadline for Written Questions	March January 31 , 2024 at 5:00 p.m. PT
Responses to Questions Provided	March 5 February 9 , 2024
Proposals Due	March 8 February 23 , 2024 at 5:00 p.m. PT
Shortlisting Notification	March 22 15 , 2024
Pilot Proof-of-Concept Period	April 1, 2024 to June 28, 2024
Final Vendor Selection	July 1, 2024
Execution of Contract	July 25, 2024
Implementation Period	August 1, 2024 to December 31, 2024
Full Implementation	January 1, 2025

The above scheduled dates are tentative and SDCP retains the sole discretion to adjust the above schedule. Nothing set forth herein shall be deemed to bind SDCP to award a contract for the above-described Services, and SDCP retains the sole discretion to cancel or modify any part of or all of this RFP at any time.

III. QUESTIONS AND RESPONSES

Prospective Proposers may submit questions regarding this RFP via the question submission form available on SDCP’s website specific to this Professional Services for Energy Trading Risk Management RFP. All must be received by 5:00 a.m. (Pacific Time) on ~~March~~ ~~January 31~~, 2024. When submitting questions, please specify which section of the RFP you are referencing and quote the language that prompted the question. The form for submitting questions to this RFP can also be accessed by using the following hyperlink: <https://forms.monday.com/forms/0b80430ec1eba4c74fa11ef191214c29?r=use1>.

SDCP will post responses to questions by ~~March 5~~ ~~February 9~~, 2024. SDCP reserves the right to group similar questions when providing answers.

IV. PROPOSAL SUBMISSION DEADLINE

The Proposer’s proposal should be submitted electronically via the submission form by ~~March 8~~ ~~February 23~~, 2024 at 5:00 p.m. PT.

Note: only electronic submittals will be accepted; such submittals must be received by SDCP no later than 5:00 P.M. PST on ~~March 8~~ ~~February 23~~, 2024. All responses should be submitted via an online form available on SDCP’s website specific to this Professional Services for Energy Trading Risk Management RFP. The form for submitting a proposal to this RFP can be accessed by using the following hyperlink: <https://forms.monday.com/forms/49135b62c4c5138c972ddd4b3684f4fc?r=use1>.

It is the sole responsibility of the submitting Proposer to ensure that its proposal is received before the submission deadline. Submitting Proposers shall bear all risks associated with delays in delivery. Any proposals received after the scheduled closing date and time for receipt of proposals may not be accepted.

V. REQUEST FOR PROPOSALS

A. Contemplated Scope of Services

The Services sought under this RFP are set forth in more detail in **Attachment A**, attached hereto and incorporated herein by reference. Notwithstanding the inclusion of such Services in **Attachment A**, the final scope of Services negotiated between SDCP and the successful Proposer shall be set forth in a Professional Service Agreement executed by and between SDCP and the successful Proposer. SDCP is seeking a vendor, or vendors, to implement systems in 2024 such that full implementation of the systems would be ready beginning January 1, 2025. SDCP expects the minimum term of the services would be three years, with the option for longer engagements and/or extensions.

B. Content and Format of Proposal

Submittals should be concise, well-organized and demonstrate the qualifications, experience and approach necessary to provide the required scope of services. A Proposal Checklist (Attachment D) has been included in this RFP package to assist Proposers with preparing and submitting a complete proposal. Ideally, proposals should use Calibri 12-point font. Proposals should be submitted in Adobe PDF format. Proposers should submit their PDF as a single PDF and include the following items in the order listed as a PDF:

- 1. General qualifications & key personnel** – Submit a general description of your team’s qualifications to complete the Scope of Services in Attachment A, along with the qualifications and specific roles of any key personnel or anticipated subcontractors that will work with SDCP. Summary of qualifications should speak to relevant experience with the California CCA or energy regulatory landscape or utility experience. Include the names and qualifications of the key individuals who will be responsible for delivering these services, their respective roles, specific relevant experience and the organizational structure of the team. Technical support staff should be included if they will perform a significant role in the preparation of the work products. If the team has multiple offices, the office of record for each team member shall be listed, as well as the primary office location where the work is to be performed.
- 2. Experience** – Provide summaries of up to two engagements that are similar in scope to the type of services required by SDCP as well as references for each.
- 3. Proposed Approach** – Describe your proposed approach to the Scope of Service in Attachment A and your collaborative approach with SDCP. Identify the methods to be

used in the completion of and/or carrying out the Scope of Services. This section should also explain common implementation challenges and how the Proposer will work with SDCP to resolve. Proposers can include other services deemed relevant to the successful accomplishment of the Scope of Services.

4. Pilot Proof-of-Concept Plan - Plan and schedule for the Pilot Proof-of-Concept period if shortlisted. SDCP expects the services and access provided during the Pilot Proof-of-Concept period to be complementary. SDCP expects the submission to include the proposed terms and conditions per Attachment D. SDCP would expect the Pilot Proof-of-Concept period to include:

- Project valuation
- Battery resource optimization demonstration
- Resource Adequacy Slice of Day analysis
- Settlement demonstrations
- Deal entry and generation of standard portfolio and risk reports
- Portfolio (or sample portfolio) risk modeling
- Risk modeling including mark-to-market reporting

5. Proposed Tasks & Deliverables - Explanation of the tasks and deliverables that would need required to meet the Scope of Services in Attachment A (which will be attached as the scope of work to the final Professional Services Agreement as Exhibit A & B). This section must include:

- A list of the Proposer's planned project team, who will be assigned to work on behalf of SDCP, and an explanation for each project team member's role and responsibility.
- A list of subcontractors, if any, and their respective roles and responsibilities separated by task.
- If a teaming arrangement is being proposed, teaming partner or subcontractor costs should be broken out separately.
- Outline of the proposed data reporting plan including, but not limited to:
 - Output of data to Power BI or other dashboards
 - Standard weekly and monthly reporting
 - API integrations and data flow
 - Any cloud-based share points where ETRM reporting would be shared
- A schedule of services outlining:
 - Plan and schedule for implementation activities for August 2024 through December 2024 (if selected), including, but not limited to, the following information:
 - eTRM Phase
 - Start Date
 - End Date
 - Description of eTRM Activities
 - Responsible Team Member or Group

- Plan and schedule for full implementation in 2025 and beyond (if selected), including, but not limited to, the following information:
 - eTRM Phase
 - Start Date
 - End Date
 - Description of eTRM Activities
 - Responsible Team Member or Group
- 6. **Proposed Budget** – Include a proposed budget that includes a fee schedule for all personnel likely to be engaged in completing the tasks described in the Scope of Services. Ensure that any additional hourly support costs are clearly broken out from a core licensing cost. Proposer should describe any fixed fees or hourly billing rates, fees, or other compensation that Proposer may seek from SDCP for services, inclusive of staff time, equipment, materials, travel, administrative/clerical, overhead and other out-of-pocket expenses, if applicable to this Professional Services Agreement. The budget should include both implementation cost (if selected) from Aug 1, 2024 to December 31, 2024 as well as expected on-going costs from 2025 forward including a break down of all on-going technology costs (operational, licensing, etc.).
- 7. **Technology Support & Cybersecurity** – Attachment B (Technical and Cybersecurity Requirements). Please respond with appropriate detail to each section in Attachment B. Please be as concise as possible and provide architectural diagrams to support your proposed solution.
- 8. **Proposed Revisions to Professional Services Agreement** – Any proposed revisions to SDCP’s Sample Professional Services Agreement (see Attachment C – Sample Professional Services Agreement) in redlined form. All proposed revisions for Section 5.3 should be submitted in the redline to the Sample Professional Services Agreement submitted with the Proposal.

C. Submittal Requirements

1. **General**: It is strongly recommended that the Proposer submit proposals in the format identified in Section V(B) to allow SDCP to fully evaluate and compare the proposals. All requirements and questions in the RFP should be addressed and all requested information should be supplied. SDCP reserves the right to request additional information which, in SDCP’s opinion, is necessary to assure that the Proposer’s competence, qualifications, number of qualified employees, business organization and financial resources are adequate to perform the Services.
2. **Authorization**: The proposal shall be signed by an individual, partner, officer or officers authorized to execute legal documents on behalf of the Proposer.

D. Miscellaneous

1. Exceptions Certification to this RFP: In submitting a proposal in response to this RFP, Proposer is certifying that it takes no exceptions to this RFP. If any exceptions are taken, such exceptions must be clearly noted in the proposal and may be reason for rejection of the proposal.

2. Price Validity: Prices provided by Proposers in response to this RFP are valid until Final Vendor Selection which is scheduled for July 2024. SDCP intends to award the contract within this time but may request an extension from the Proposers to hold pricing, until negotiations are completed and the contract is awarded.

3. Right to Negotiate and/or Reject Proposals: SDCP reserves the right to negotiate any price or provision, task order or service, accept any part or all of any proposals, waive any irregularities, and to reject any and all, or parts of any and all proposals, whenever, in the sole opinion of SDCP, such action shall serve its best interests and those of SDCP's ratepayers. The Proposers are encouraged to submit their best prices in their proposals, and SDCP intends to negotiate only with the Proposer(s) whose proposal most closely meets SDCP's requirements at the lowest estimated cost. The contract award, if any is awarded, will go to the Proposer whose proposal best meets SDCP's requirements.

4. Prevailing Wages: Proposers shall take cognizance of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public work" and "maintenance" projects. To the extent applicable, the Proposer must agree to fully comply with and to require its subcontractors/subconsultants to fully comply with such Prevailing Wage Laws.

E. Proposal Evaluations & Criteria

Proposals will be reviewed and ranked by a selection committee composed of staff of SDCP. During the evaluation process, SDCP reserves the right to request additional information or clarification from responses to this RFP. All submittals deemed responsive will be evaluated using the following criteria (listed in no particular order of importance or value of rating):

- Best value
- Relevant experience and qualifications of the Proposer (including experience working with CCAs and CAISO portfolios)
- How much of the Scope of Services in Attachment A is included in the proposal
- Proposed approach, plan, and reporting methodology
- Reasonableness of budget and deliverable schedule
- Reasonableness of any redlines to the Professional Services Agreement
- Responsiveness to Exhibit C Technology Support & Cybersecurity
- Overall response to the RFP

Following the initial evaluation, SDCP may select one particular Proposer, or select a number of Proposers (with or without interviews); or conduct interviews with a “short list” of Proposers, consisting of those Proposers reasonably likely, in the opinion of SDCP, to be awarded the contract. Any interview may include discussions about services offered, conflicts of interests with other clients, or fees/compensation amount or structure. Interviews may take place through written correspondence, telephone or video conference, and/or face-to-face interviews, at SDCP’s sole discretion. SDCP reserves the right to not convene interviews or discussions, and to make an award on the basis of initial proposals received. References may be contacted at any point in the evaluation process.

Any Proposer(s) notified of short listing is expected to complete a Pilot Proof-of-Concept period from April 1, 2024 to June 28, 2024. The scope of that Pilot Proof-of-Concept period is included in Section V(B) above. Following the Pilot Proof-of-Concept period, SDCP may select a Proposer(s) to move forward to final contract negotiation.

The final contract(s) will be presented to SDCP’s Board of Directors for final contract award. If a satisfactory contract cannot be negotiated, SDCP may, at their sole discretion, begin contract negotiations with the next qualified Proposer who submitted a proposal, as determined by SDCP. Proposers are further notified that SDCP may disqualify any Proposer with whom SDCP cannot satisfactorily negotiate a contract.

This RFP does not commit SDCP to award a contract for any costs incurred in the preparation of the submittal. SDCP reserves the right to accept or reject any or all submittals, or any part of a submittal received as a result of this request, to waive minor defects or technicalities, to award multiple contracts, or to solicit new submittals for the same scope of work or a modified scope of work, or to extend, expand, or cancel in part, or its entirety, this RFP if it is in the best interest of SDCP to do so. SDCP will not reimburse any of the proposers for their costs to prepare and submit a proposal.

VI. RESERVATION OF RIGHTS

This RFP is a solicitation for proposals only and is not intended as an offer to enter into a contract or as a promise to engage in any formal competitive bidding or negotiations. SDCP may, at its sole discretion, accept or reject any or all proposals submitted in response to this RFP. In addition, SDCP may, at its sole discretion, only elect to proceed with contract negotiations for some of the services included in the proposal. SDCP further reserves the right to cancel this RFP at any time prior to contract award without obligation in any manner for proposal preparation, interview, fee negotiation or other marketing costs associated with this RFP. SDCP also reserves the right to waive minor errors and omissions or inconsequential disparities in proposals, request additional information or revisions to offers, and to negotiate with any or all Proposers. SDCP also reserves the rights to review non-conforming proposals.

SDCP shall not be liable for any costs incurred by the Proposer in connection with the preparation and submission of any proposal. SDCP has the right to amend the RFP, in whole or in

part, by written addendum, at any time. SDCP is responsible only for that which is expressly stated in the solicitation document. SDCP is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf prior to an award of contract by SDCP. SDCP has the right to reissue the RFP at a future date.

VII. CONFIDENTIALITY AND PUBLIC RECORDS

Proposals submitted in response to this RFP shall become the property of SDCP. SDCP is subject to the California Public Records Act (“CPRA”). The proposal will become a matter of public record when contract negotiations are complete and when an agreement is executed by SDCP. Exceptions to disclosure may be available to those parts or portions of proposals that are justifiably and reasonably exempted under the CPRA, such as trade secrets. If a Proposer desires to exclude a portion of its proposal from disclosure under the California Public Records Act, the Proposer must prominently mark it “confidential” and state the specific provision in the California Public Records Act that provides the exemption as well as the factual basis for claiming the exemption. A blanket statement of confidentiality or the marking of each page of the proposal as confidential shall not be deemed sufficient notice of a CPRA exemption. A Proposer who indiscriminately and without justification identifies most or all of its proposal as exempt from disclosure or submits a redacted copy may be deemed non-responsive.

Although the CPRA recognizes that certain confidential information or other exempt records may be protected from disclosure, SDCP is not in a position to establish that the information that a Proposer submits is exempt. If a request is made for information marked “Confidential,” SDCP will provide Proposers who submitted the information with reasonable notice to seek protection from disclosure by a court of competent jurisdiction. SDCP shall not, in any way, be liable or responsible for any resulting disclosure of any such record or any parts thereof pursuant to the CPRA or otherwise by law.

VIII. CONFLICTS OF INTEREST

The CCAs are governed by the Political Reform Act, Government Code Section 1090, Government Code Section 84308, and other requirements governing conflicts of interest, campaign contributions, and gifts. Proposers are required to review all applicable conflict of interest laws. In addition, SDCP has adopted policies governing procurement. Proposers are advised to review all policies, including the Procurement Policy, available at: <https://sdcommunitypower.org/resources/key-documents/>.

The Proposer may not contact or receive information outside of this RFP process. If it is discovered that the Proposer contacted and received information from anyone other than mediums used to share information about this solicitation specified above and under the process specified herein regarding this solicitation, SDCP may, in their sole discretion, disqualify the proposal from further consideration.

IX. REPORTING OF SUPPLIER DIVERSITY INFORMATION

Public Utilities Code Section 366.2(m) requires CCAs to annually submit to the CPUC: (1) a detailed and verifiable plan for increasing procurement from small, local, and diverse business enterprises; and (2) a report regarding its procurement from women business enterprises (WBEs), minority business enterprises (MBEs), disabled veteran business enterprises (DVBES), and lesbian gay bisexual transgender business enterprises (LGBTBES).

General Order (GO) 156, adopted by the CPUC, requires certain California public utilities to engage in outreach activities and meet specific procurement goals from women, minority, disabled veteran, persons with disabilities, and LGBT business enterprises. Qualified businesses become GO 156 certified through the CPUC and are then added to the GO 156 Supplier Clearinghouse database (www.thesupplierclearinghouse.com).

To assist SDCP with their reporting obligations under Public Utilities Code Section 366.2(m) and with evaluating its supplier outreach and other activities, Proposers that are awarded the contract will be asked to voluntarily disclose their certification status with the CPUC Clearinghouse, as well as their efforts to work with diverse business enterprises, including WBEs, MBEs, DVBES, and LGBTBES.

Except as otherwise expressly provided under this Policy and/or required by applicable state or federal law or funding requirements (including, without limitation, any grant or loan conditions), SDCP shall not use any demographic information received from potential vendors in any way as part of its decision-making or selection process. Rather, SDCP will use such information solely for compliance with reporting obligations to the CPUC and evaluation of outreach and other activities consistent with applicable law. Pursuant to Article I, Section 31 of the California Constitution, SDCP shall not discriminate against or give preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin except as otherwise allowed therein.

X. NON-DISCRIMINATION

SDCP will not discriminate and will require its contractors to not discriminate on the basis of race, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring, or treatment of contractors, subcontractors, vendors, or suppliers. The successful firm shall provide equal opportunity for subcontractors to participate in subcontracting opportunities.

XI. ATTACHMENTS

Attachment A – Contemplated Scope of Services

Attachment B – Technical and Cybersecurity Requirements

Attachment C – SDCP Professional Services Agreement

Attachment D – Proposer Submission Checklist

ATTACHMENT A
CONTEMPLATED SCOPE OF SERVICES

The scope of services will be to provide the following systems to SDCP:

I. Main Scope

- a. Energy Trading Risk Management System (ETRM)
 - I. Deal capture / trade entry along with deal locking functionality
 - II. Portfolio management, reporting, and risk analysis
 - III. Asset management, tracking, and optimization
 - IV. Position tracking, management, and reporting
 - V. Project Valuation and impacts on portfolio
 - VI. Risk analysis including counterparty risk management
 - VII. Market pricing data and integration with third party data vendors
 - VIII. Settlements including AP/AR integration
 - IX. Pro-Forma Budget integration

II. Optional Secondary Scope if Proposer has responsive software offerings

- a. Load forecasting
- b. Battery optimization and dispatch
- c. Contract management
- d. Project valuation at the nodal level

ATTACHMENT B – Technical and Cybersecurity Requirements

Please respond with appropriate detail to each section below. Please be as concise as possible and provide architectural diagrams to support your proposed solution.

1. **Data access and security:** What measures does the proposer have in place to ensure that the software has robust security to protect sensitive data from unauthorized access, theft, or loss?
2. **Compliance:** Does the proposed eTRM system have any relevant industry regulations and/or standards (HIPAA, GDPR, or PCI DSS)?
3. **Integration:** Does the software have any integration capabilities with existing (or future planned) systems and infrastructure?
4. **Operational Model:** include suggested proposed operational model that would require to run the tool.
5. **Cybersecurity:** Provide details on the cybersecurity features, including but not limited to, encryption, multi-factor authentication, and intrusion detection and prevention systems.
6. **Support and maintenance:** Provide standard support and maintenance policies, including response times, escalation procedures, and sample service level agreements.
7. **Training and documentation:** Can we see the vendor's documentation and training process? I would want to ensure that they provide adequate training and documentation to help your team learn and use the software effectively.
8. **Scalability:** Discuss Proposers experience with scaling user/licenses. Additionally, provide information on any standard modules, outside of any included in the proposal, that clients typically look to add as their needs scale.
9. **Cloud capabilities:** Provide details on current or future cloud capabilities and integration that your product offers.

ATTACHMENT C – SDCP Professional Services Agreement

SDCP's standard form Professional Service Agreement will be posted on SDCP's solicitations website (<https://sdcommunitypower.org/resources/solicitations/>) under the announcement for this RFP in PDF form.

ATTACHMENT D – PROPOSER’S SUBMISSION CHECKLIST

The following checklist outlines all items to be provided in response to this RFP. This is meant to be used as a tool to support you in the process. This checklist does not need to be submitted.

Online Application Form Hyperlink:

<https://forms.monday.com/forms/49135b62c4c5138c972ddd4b3684f4fc?r=use1>.

- General Qualifications & Key Personnel Submittal
- Experience – Provide summaries of up to two engagements that are similar in scope to the type of services required by SDCP as well as references for each engagement.
- Proposed Approach
- Pilot Proof-of-Concept Plan:
- Proposed Tasks & Deliverables
- Proposed Budget
- Technology Support & Cybersecurity Responses – (Please see Attachment B for more information regarding how to prepare this required document)
- Proposed Revisions to Professional Services Agreement (see Attachment C – Sample Professional Services Agreement)
- Proposed Terms and Conditions for the Pilot Period if selected for short-listing