

**DETERMINATION AND FINDINGS
FOR
SOLE SOURCE PROCUREMENT**

1. **Authorization**ⁱ

- D.C. Code § 34-801
- D.C. Code § 34-804
- 15 D.C.M.R. § 3700

2. **Minimum Need**

The Office of the People's Counsel requests the services of Wilson Energy Economics.

3. **Estimated Fair and Reasonable Price**

\$15,000

4. **Facts That Justify a Sole Source Procurement**

A. The Office of the People's Counsel ("OPC" or "Office") is an independent agency of the District of Columbia government. By law, it is the advocate for consumers of natural gas, electric and telephone services in the District. District of Columbia law designates the Office as a party to all utility-related proceedings before the Public Service Commission. The Office also represents the interests of District ratepayers before federal regulatory agencies. The Office is authorized to investigate the operation and valuation of utility companies independently of any pending proceedings.

Wilson Energy Economics provides consulting services to PJM Interconnection, LLC – based consumer-advocate offices by participating in stakeholder meetings on their behalf and advising consumer advocates on policy positions beneficial to retail electric ratepayers at PJM and the FERC. The technical tasks covered in this procurement will include:

- Participation in PJM stakeholder processes; develop, present positions and proposals
- Monitoring specific PJM committees or issues
- Preparing white papers on emerging issues
- Submitting affidavits in FERC proceedings
- Providing quick turnaround consulting on issues that arise
- Estimating impacts of proposed changes in PJM rules or procedures
- Evaluating and reporting on results of major PJM events such as RPM auctions
- Reviewing and commenting on key reports of PJM or its independent market monitor
- Reviewing and commenting on draft regulatory filings

- Evaluating issues and recommend positions for upcoming PJM votes
- Providing regular updates on key issues of concern
- Working with other stakeholders and experts to coordinate development of positions and strategies and
- Recommending issues for investigation by PJM's market monitor

Specific topic areas that Wilson Energy Economics will cover on behalf of OPC will include:

- *RPM capacity market, resource adequacy:*
 - Changes to PJM's RPM capacity construct: VRR curve, CONE, LDA definitions, 2.5% holdback, multi-year commitments, capacity imports, zones, mitigation, APIR, E&AS offset, incremental auctions, MOPR, PRD, capacity portability, etc.
 - PJM's load forecast, installed reserve margin, zonal capacity requirements, CETL, reliability criteria ("1-in-25")
 - *Demand response related issues:*
 - Shortage pricing rules and RPM offset
 - Treatment of demand response and energy efficiency in the PJM markets; DR "saturation" limits
 - Smart grid, smart meters, price-responsive demand
 - Wholesale/retail coordination issues; markets, pricing, programs
 - *Transmission issues:*
 - Transmission planning, cost allocation
 - Issues related to RTO realignments (into or out of PJM) or zone definitions
 - *Other PJM markets and issues:*
 - Generation compensation and "overlaps"
 - Policies for encouraging long-term contracting, base load capacity
 - State initiatives to bring forth new capacity; portfolio procurement
 - PJM governance processes; RTO metrics
- B. Given Wilson Energy Economics' familiarity with PJM and FERC electric matters, they are uniquely qualified to assist the Office of the People's Counsel to identify and analyze wholesale market and transmission planning issues and present strategies to help achieve just and reasonable electric rates for retail electric customers in the District of Columbia.
- C. It is for the reasons outlined herein that it is recommend that a sole source contract be awarded to Wilson Energy Economics.

5. **Certification by the Contracting Officer**

I hereby certify that the above facts are accurate and complete.

Frank G. Scott, Jr.
Contracting Officer

Date

DETERMINATION

Based on the above findings and in accordance with the District of Columbia procurement regulations: *DC Law: 34-804; DC Law: 34-801; and 15 DCMR §3700*, I hereby determine that the award of a sole source contract for the services described herein is in the best interest of the Office of the People's Counsel.

Sandra Mattavous-Frye
People's Counsel

Date

DETERMINATION

Based on the above findings and in accordance with the District of Columbia procurement regulations: *DC Law: 34-804; DC Law: 34-801; and 15 DCMR §3700*, I hereby determine that the award of a sole source contract for the services described herein is in the best interest of the Office of the People's Counsel.

ⁱ Procurement authority is vested in the Commission pursuant to § 13(c) (2) of the Residential Real Property Seller Disclosure, Funeral Services Date Charge, and Public Service Commission Independent Procurement Authority Act of 1998 (D.C. Law 12-263). The Commission is statutorily exempt from the D.C. procurement rules as set forth in D.C. Official Code § 1-1181 et seq.

D.C. Code § 34-804, hereby established within the Public Service Commission of the District of Columbia, as established by D.C. Code § 34-801, as Office to be known as the "Office of the People's Counsel." The Office shall be a party, as of right, in any investigation, valuation, revaluation, or proceeding of any nature by the Public Service Commission of or concerning a public utility operating in the District of Columbia.

15 D.C.M.R. § 3700: Public Utilities and Cable Television – Public Service Commission Rules of Practice and Procedure.