

**REQUEST FOR PROPOSAL  
TO DEVELOP AND ADMINISTER GENERATION INFORMATION SYSTEM  
DATABASE AND CERTIFICATE SYSTEM FOR NEPOOL**

**PART 1 – BACKGROUND**

**1.1 STATEMENT OF CONFIDENTIALITY**

All information disclosed in this document is confidential and proprietary and may be used by the recipient hereof (the “Recipient”) only for the purpose of evaluating whether the Recipient desires to submit a response (a “Proposal”) to this Request for Proposal (this “RFP”) issued by the New England Power Pool (“NEPOOL”) Generation Information System (“GIS”) Advisory Committee (the “Committee”). Therefore, no information contained in this RFP may be disclosed, reproduced, copied, duplicated or disseminated, as a whole or in part, for any purpose other than preparing a Proposal, without the prior written consent of the Chair of the Committee. Likewise, the bid submitted by the Recipient shall remain confidential, and the Committee shall not disclose such bid to anyone who is not a member of the Committee or counsel or another advisor to the Committee unless the Recipient’s proposal is successful.

**1.2 GENERAL BACKGROUND**

NEPOOL is a voluntary association of more than 180 participants (the “Participants”) in the New England bulk power system. Pursuant to an Interim Independent System Operator Agreement with NEPOOL, ISO New England Inc. (the “ISO”) operates and administers the New England transmission system and wholesale power markets. NEPOOL, in conjunction with the ISO and in consultation with the energy and environmental regulators in the six New England states, is seeking an efficient and economical method to verify compliance with recently adopted statutes and regulations promulgated as part of the electricity industry restructuring in the various New England states.

To date, four New England states (Connecticut, Maine, Massachusetts, and Rhode Island) representing nearly 90 percent of New England’s electrical load are in the process of implementing comprehensive electric industry restructuring legislation. Vermont has considered similar legislation and New Hampshire is moving to retail competition. The GIS database and certificate system to which this RFP relates will be designed to permit verification of fuel source, emissions and, in the case of load serving entities (“LSEs”)<sup>1</sup> and certain other entities doing business in Massachusetts, labor characteristics. The purpose of the GIS is to provide an

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<sup>1</sup> The reference to the term “retail LSE” throughout this RFP is intended to include any and all retail load serving entities obligated under the statutes of the states in which its retail load resides and is not restricted by the use of the term “LSE” in any NEPOOL Market Rules and Procedures.

efficient accounting and verification mechanism for retail LSEs to show compliance with three broad categories of requirements applied to their retail loads included in the applicable state's restructuring legislation: (i) requirements relating to specific disclosures regarding emissions, fuel sources and labor characteristics on customer bills by retail LSEs; (ii) renewable portfolio standard obligations that require retail LSEs to demonstrate that the "fuel source" for a stated portion of the energy they sell at retail is "renewable" (defined somewhat differently in each applicable statute); and (iii) limits on emissions from the plants generating the power that is sold by the LSEs. If additional state policies or regulations are developed, any related verification and accounting will be accommodated by the GIS to the extent it is feasible to do so.<sup>2</sup>

A working group, which included representatives of NEPOOL Participants, the ISO and various New England state energy and environmental regulatory agencies, has formulated a conceptual design for the GIS database and certificate system (which is described herein) that would facilitate compliance with the state regulations and policies discussed above. This RFP seeks an entity to develop and administer the GIS according to the specifications and timeline that follow.

## **PART 2 – DESCRIPTION OF THE REQUESTED SERVICES**

### **2.1 OBJECTIVES OF THE REQUESTED SERVICES**

NEPOOL, through the Committee, is seeking to retain a third-party vendor to develop and administer the GIS database and associated activities which are needed to provide an administratively simple, cost-effective accounting and verification system by which retail LSEs can demonstrate compliance with the disclosure, renewable portfolio standard and emission requirements described above to the extent those requirements apply to such entities and to facilitate trading of GIS "certificates" (described below) among any of the entities requesting accounts in the GIS database. Through the development of hourly generation certificates, participating entities would be able to acquire the specific generation attributes needed for the purposes described in Section 1.2. A certificates-based GIS program will also facilitate the sale by generators and others of generation attributes to the extent the wholesale market, and ultimately consumers, value them. The sales and trading of "certificates" and the generation attributes they represent would take place in a secondary market, separate and apart from the GIS.

### **2.2 SCOPE OF THE REQUESTED SERVICES**

The entity providing the services described herein (the "Administrator") would be expected to develop and administer the GIS database and certificate system described in Section 2.3 (the "Work"). It is presently contemplated that the Work would include, but not be limited to, the following:

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<sup>2</sup> It is expected that each of the relevant state agencies will promulgate regulations permitting jurisdictional entities to demonstrate statutory and regulatory compliance through the GIS.

- (a) develop, implement and maintain the GIS database with a flexible architecture capable of handling additional data fields that might be added later due to evolving statutory or regulatory standards and/or market requirements;
- (b) catalog the initial assignment of each electronic “certificate” based on information provided by the ISO and participating generators;
- (c) document generation and associated attributes of each participating generator or importing system, produce electronic certificates based on that information and provide for database access to necessary information;
- (d) monitor and document all electronic certificate exchanges from and between all participating entities based on information provided by those entities to the Administrator;
- (e) prepare monthly reports, with quarterly digests of those reports, for each entity participating in the GIS for each account in the database,<sup>3</sup> which reports will form the basis for retail LSEs to demonstrate their compliance with state statutes and regulations and support any additional marketing claims in filings with the state agency or agencies that administer the relevant state statutes and regulations;
- (f) provide participating entities with the real-time status of their GIS accounts upon request;
- (g) monitor for potential undue or improper exercises of market power, identify any related problems to NEPOOL, the ISO and state regulators and propose mitigating actions;
- (h) cooperate with state agencies in the verification of retail LSE filings with those state regulators subject to the NEPOOL Information Policy;
- (i) work with NEPOOL and the ISO to formulate operating rules and procedures for the GIS; and
- (j) implement the appropriate policy with respect to confidential information.

## **2.3 DESCRIPTION OF GENERATION INFORMATION SYSTEM DATABASE AND CERTIFICATE SYSTEM**

### **2.3.1 Overview**

The GIS, using information provided by the ISO and participating generators, will create a one-for-one match between energy produced and energy consumed in New England, as well as accommodate imports and exports. The ISO currently administers a wholesale electricity market that is settled each hour as to supply and load obligations. The GIS will contain hourly

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<sup>3</sup> It is anticipated that a single entity could have more than one account, as described in Section 2.3.9 below.

generation information for each individual New England generation unit that is subject to NEPOOL central dispatch or otherwise participates in the GIS, and it will create generator-specific and importing system-specific electronic “certificates” that identify the relevant generation attributes necessary for retail LSEs to demonstrate satisfaction of state generation information requirements.<sup>4</sup> Retail LSEs will be required to obtain certificates equal to the load they serve. The certificates will contain the information needed to allow retail LSEs to demonstrate their compliance with state requirements and to allow state agencies to verify that compliance.

### 2.3.2 Sources of Generation Information for GIS

The ISO currently provides monthly settlement statements to all NEPOOL Participants that take part in the wholesale electricity markets administered by the ISO, through the ISO’s market settlement system (“MSS”). Those monthly statements are based on hourly load and supply assignments for all market participants as produced by the ISO’s markets software. The initial generation credits produced by the real-time dispatch of generation based on telemetered data are modified by revenue quality meter readings that are submitted within 48 hours of the close of each day’s market. The MSS also produces hourly scheduled energy flows of imports and exports over the external ties to and from the NEPOOL control area. Those tie-lines connect to New Brunswick (1), Quebec (2), and New York (8). Small wholesale generators that are not telemetered as part of the real-time wholesale market but that request inclusion in the MSS database are included in the overall MSS database based on revenue-quality meter readings. Those readings are submitted within 48 hours of the close of each day’s market.

The basic MSS database maintained for financial settlement purposes will provide the initial set of inputs for hourly generation credits by resource for the GIS database. The MSS will need to be modified to include some additional information on individual generation units, and the cost of that upgrade should be included in the capital costs of the GIS that are described below. In addition, labor characteristics and possibly some other characteristics that are not kept in the MSS may be provided directly to the Administrator by the generators participating in the GIS.

### 2.3.3 Sources of Retail Load, Export and Wholesale Station Service Withdrawal Information for GIS

ISO monthly settlement statements also include information on energy withdrawals in the form of exports of energy to neighboring control areas and supply of wholesale station service power to some generating facilities when they are not generating. ISO monthly settlement information for energy responsibility, however, is not necessarily reflective of the associated participant’s retail LSE responsibility. For example, a monthly settlement statement may reflect the wholesale bilateral supply of wholesale energy by a wholesale supplier with no Adjusted Net Interchange reflected in the statement of the retail LSE. The ISO does have information as to the owner of each load asset, which is not necessarily the retail LSE for that load asset. It will be

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<sup>4</sup> Certificates associated with imports will either be “generator specific” or “system average” depending on the controlling regulatory standards in effect from time to time.

necessary for the Administrator to ascertain hourly retail load responsibility by retail LSE, based on the combination of ISO information available and information provided by that LSE.<sup>5</sup>

#### 2.3.4 GIS Database

While it may be technically feasible to expand the ISO-administered MSS and other databases to include the additional fields necessary for a GIS database, at this time this RFP seeks responses to develop and administer a separate, stand-alone GIS database. On a practical level, both databases could utilize the same platform if the legal and operational issues related to a shared platform can be resolved. However, having separate databases will provide advantages in terms of access, data manipulation, maintenance, and, most importantly, modifications. It is highly likely that the GIS database will need frequent modifications in the first few years to accommodate the introduction of new or revised state requirements and changes in the underlying GIS rules.

In addition to the hourly data, which will be listed on the certificates, provided from the MSS database, the GIS database will need to include fields for other data, on a product-by-product basis. At this time, some of those fields are known, but the GIS database should include the ability to be expanded to include many additional fields. The current list includes, but is not limited to, the following:

- Fuel Source
- Hydro size
  - Less than 100MW
  - Greater than 100MW
- Hydro type
- Solid waste
- Biomass
  - sustainable
  - low emission, advanced
  - other
- Qualifying cogeneration (ME)
- Vintage (year commercially operational or as otherwise required by state regulations)
- Union labor (MA)
- Emissions factors for SO<sub>x</sub>, NO<sub>x</sub>, and CO<sub>2</sub> which may vary over time or by fuel
- Eligibility for state RPS (MA, ME, CT)<sup>6</sup>

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<sup>5</sup> Where either a retail load has switched to a different retail LSE or a retail LSE has contracted with a third party for the management of its generation disclosure obligations, such transfer or contract must be confirmed by the transferee or third party.

<sup>6</sup> Eligibility will be determined by the applicable regulatory agency.

Identification of specific unit  
Location  
Time and date of generation

The Administrator will develop and maintain the database, as well as catalog the initial assignment of certificates and any trading of certificates, and provide reports on net retail LSEs' attribute accounting to facilitate verification by the appropriate state agency. Entry and updating of generator-specific attributes may be performed by the generator owner or its designated agent, subject to confirmation by the Administrator.

### 2.3.5 Production of Certificates

The Administrator will produce electronic certificates based on the hourly generation information from the settlements database and/or from information provided by generators. The certificates will be numbered and may or may not include additional information from the other fields in the GIS database. Each certificate will provide sufficient information (or access to information in the GIS database) so that a retail LSE will be able to determine, in combination with other certificates, its ability to comply with individual state statutes and regulations.<sup>7</sup>

The owner for each generator whose output is settled through the NEPOOL wholesale energy market will receive from the Administrator a monthly statement of the certificates created by its monthly generation. As with financial settlements, certificate settlements for each month will be provided by the Administrator prior to the 15<sup>th</sup> of the following month, with an opportunity for the generation owner to review and request modifications, if appropriate, for a time thereafter consistent with after-the-fact adjustments in the MSS.

In addition, the GIS will need to reflect end-of-the-month adjustments to meter reads and load asset values effected by the ISO.

### 2.3.6 Transfer of Certificates

Certificates may be transferred through a variety of mechanisms, and the Administrator should encourage flexible approaches for the exchange of certificates. Entities should be able to self-supply, arrange bilateral exchanges in advance of actual generation, purchase certificates through a central bulletin board or auction, and exchange certificates through private arrangements over a later period of time. In addition, the GIS database must be flexible enough to permit new types of transfers as they arise. Regardless of the exchange process used, any entity transferring certificates will be required to notify the Administrator of the transfer prior to the close of the trading period.

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<sup>7</sup> It is not intended that the GIS will impact the allocation of generation attributes under bilateral agreements.

### 2.3.7 Retirement of Certificates

Issuances and trading of certificates between and among entities participating in the GIS will occur over a three-month period. After each calendar quarter and at the end of a short additional period (the “Lag Period”) to be defined, the retail LSE accounts maintained by the Administrator will be closed and a report sent to each account holder. Compliance with state requirements will be determined by regulatory authorities on an annual basis based on the four quarterly reports produced in each year.

In order to ensure a one-to-one match of generation and load for accounting purposes, at the end of each quarterly period but prior to the end of the Lag Period, the Administrator will make a preliminary determination of those certificates explicitly associated with a retail LSE load, Direct Tags Transaction (as defined below) or export transaction. All remaining certificates will be deemed “Unsettled Certificates.” The Administrator will issue a preliminary report of the aggregate characteristics of those Unsettled Certificates, as well as a detailed listing of those Unsettled Certificates authorized for release by their current title-holders, to all entities participating in the GIS at the end of each calendar quarter to facilitate further trading of those Unsettled Certificates during the Lag Period if needed or desired. At the end of the Lag Period, all trading of certificates for that quarter will cease and the Administrator will issue a final report to regulators and entities participating in the GIS of the aggregate characteristics of remaining Unsettled Certificates for that quarter (the “Residual Mix”).<sup>8</sup>

It is anticipated that certain renewable (or other) generators may continue a current practice of selling the rights to attributes represented by certificates, or the certificates themselves, directly to retail end-users independent of transactions between those retail end-users and their retail LSEs (“Direct Tags Transactions”). To avoid the possibility of double counting certificates, the Administrator will provide a mechanism for generators to inform the Administrator of certificates transacted under verifiable Direct Tags Transactions. At the end of each quarter, the Administrator will exclude any such certificates from determination of any retail LSE’s account balance, and from the determination of Unsettled Certificates and the Residual Mix.

The Administrator must monitor for potential exercises of undue market power by generators, LSEs and other entities participating in the GIS, notify<sup>9</sup> NEPOOL, the ISO and state regulators of potential problems and propose mechanisms for preventing and mitigating such exercises, to the extent such problems arise.

### 2.3.8 Retail LSE Obligations

Each retail LSE will have a certificates account with the Administrator. Each account will have a certificates obligation equal to all of its retail energy sales in each calendar quarter, including

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<sup>8</sup> For purposes of compliance with certain regulations, it is anticipated that some regulators may reference the aggregate characteristics of the Residual Mix with respect to Retail LSEs whose total certificates as designated in the final report fall short of their total retail load.

<sup>9</sup> Access to information will be as authorized under the NEPOOL Information Policy.

retail line losses consistent with local distribution company allocation of line losses (“Certificates Obligation”). The Certificates Obligation may be disaggregated into accounts for each product offered by the retail LSE, at the retail LSE’s discretion. To the extent required to demonstrate compliance with state or other statutes or regulations, retail LSEs must obtain, through bilateral transactions or otherwise, certificates equal to all or part of its Certificates Obligation in each quarter. If sales or trades of certificates are made, the Administrator must be notified and will register such transfer. NEPOOL Participants that do not have retail load obligations would not be required to obtain certificates. The final balance of certificates in each of a retail LSE’s accounts, as well as any shortfall in certificates relative to its Certificates Obligation, will be reported to each retail LSE and to regulators if applicable.

### 2.3.9 Verification of Retail LSE Claims

The GIS will maintain one or more accounts based on the request of each participating entity that serves retail load. For retail LSEs selling multiple products, there will be an account for each product. The Administrator will need the capability to follow and document all certificate exchanges from and between all relevant accounts. Each account will also specify the corresponding megawatt hours assigned to each wholesale, retail and product account.

On a quarterly basis, the Administrator will provide a report to each participating entity for each account in the database. Those quarterly reports will form the basis for the retail LSEs to make filings with the state agency or agencies that administer the relevant state statutes and regulations. Auditing of claims will be the responsibility of the state regulators.

### 2.3.10 Exports and Imports

Exports of power from the NEPOOL control area will be treated like other energy withdrawals within the NEPOOL control area. The exporting entity may export certificates equivalent to the MWhs of power exported or may export power without associated certificates. Moreover, certificates may be exported without associated power to the extent consistent with applicable regulatory policies.

Imports of power from outside the NEPOOL control area may produce certificates. Ultimately, the total imported MWhs will need to be accounted for. Ideally, a method would be developed for recognizing the specific attributes of some, if not all, imports to the extent allowed or required by the applicable statutes and regulations. There will need to be coordination among regional control areas in order to ensure that attributes are not counted twice (once in each control area). Some preliminary discussions among Northeast regulators suggest that coordination efforts are reasonable and worth pursuing, and those regulators are continuing those discussions. The GIS will need to be flexible enough to permit the Administrator to address whatever regulatory treatments are adopted with respect to imports.

### 2.3.11 Potential Database Adjustments Related to State Policies

An initial design assumption has been that the GIS database would include only the NEPOOL generation volumes reflected in the ISO’s MSS database. Thus, it has been assumed that (i)

generating units that do not provide separately metered data to the NEPOOL wholesale market system, including generation located behind retail customer meters, would not be included in the GIS database, (ii) certain generating units that are not connected to NEPOOL pool transmission facilities would have their outputs reduced in the GIS to the same extent that they are reduced in the MSS for line losses, and (iii) the output of each generating unit would be measured at its interconnection meter and would thus be reduced for station service to the same extent that they are reduced in the MSS. Individual states could, however, implement their own procedures to allow and recognize for regulatory purposes the incremental generation amounts and attributes associated with such limitations, and such qualifying generation amounts could, when reliably metered, then be included in the GIS database and certificate program. The GIS would need to be flexible enough to reflect such additional data sources. A Recipient may (but is not required to) include in its Proposal a separate estimate of the additional charges, if any, that would be assessed for including within the GIS database the added generation that could result from different treatment in each of these three circumstances.

### 2.3.12 Development of Emission Factors

Emissions data necessary to issue certificates will be supplied to the Administrator by individual generators. Details with respect to sources of emissions data, mechanisms for transferring data to the Administrator, and the timing of data submittals are to be discussed by the Committee and will be resolved in consultation with the Administrator.

The GIS must accommodate co-firing multi-fuel units. The Administrator will need to develop a mechanism to allow new generation units (with no history) and retrofitted generation units (with anticipated reduced emissions) to adopt prospective emissions factors.

### 2.3.13 Pumped Storage

Pumped storage and generation presents a complex issue for the GIS. The pumps that put the water into storage consume energy generated in some hours of the real-time wholesale energy market for use in generating energy in subsequent hours. The real-time generation that runs the pumps will have certificates issued at the end of the month equal to the megawatt hours of energy that the pumps use. When the stored water is released, additional generation (about 30 percent less than the energy that initially pumped the water) occurs that is sold into the wholesale market and ultimately to retail consumers.

The retail LSE that purchases the electricity produced by the pumped storage facility has the obligation to acquire certificates for the megawatt hours of electricity sold to its retail customers. In order to balance the total amount of monthly certificates assigned to retail loads with the total monthly megawatt hours of generation, the losses associated with pumped storage (approximately 30 percent) need to be allocated.

The proposed solution is to require all retail LSEs to assume a pro-rata share of pumped storage losses. That means that each LSE will need to purchase additional certificates to account for its retail load pro-rata share of certificates needed to cover these losses, estimated at less than one-half of one percent of its retail sales. While initially the emission reduction benefits of peak

clipping from pumped storage facilities and other load management programs will not be explicitly recognized in the certificate program, the Administrator will propose alternatives to reflect the benefits they provide to the region after initial implementation.

## **2.4 TIMELINE**

The Work will begin upon the execution of a contract between NEPOOL and the Administrator, which contract will require the approval of the NEPOOL Participants Committee. It is intended that the GIS shall be implemented, and the operating rules and procedures shall be adopted, by no later than January 1, 2002. However, all persons submitting proposals should recognize that it is likely that a GIS may not be implemented until as late as mid-year 2002.

## **2.5 COMPENSATION**

The Committee's strong preference is to pay for the development, implementation and ongoing operation and maintenance of the GIS through fees assessed, either per transaction, for a given time period or a combination thereof, on some or all of the participating entities. In order to achieve this, the Administrator may be required to finance the capital costs of developing and implementing the GIS (including the costs to be incurred by the ISO in modifying its systems to make them compatible with the GIS), which amounts would be reimbursed through those fees paid by some or all of the participating entities.

## **2.6 CONTRACT**

The Administrator will enter into a Service Agreement with the Participants that is satisfactory in all respects to the Committee and the NEPOOL Participants Committee. The Service Agreement shall be for a term sufficient to permit repayment of the Administrator's capital investment in the GIS and renewable upon mutual agreement of the NEPOOL Participants Committee and the Administrator.

The Service Agreement will provide that it is terminable with cause at any time by NEPOOL (acting through the NEPOOL Participants Committee or its designee) and without cause by either party with reasonable notice upon the expiration of the original term and any extension thereof. Upon any such termination, the Administrator will be expected to transfer to NEPOOL or its designee all of the assets (including computer software, hardware and licenses) used to operate and administer the GIS. NEPOOL or its designee will pay the Administrator its unreimbursed costs in acquiring and developing such assets.

Finally, the Service Agreement will prohibit the Administrator from participating in the NEPOOL markets and from having a significant relationship (other than in its role as Administrator or offering competing power exchange services) with a participant in the NEPOOL markets.

## **PART 3 – SELECTION OF THE ADMINISTRATOR**

### **3.1 CRITERIA FOR SELECTION OF ADMINISTRATOR**

Only Proposals received prior to the deadline stated in Section 3.2 will be accepted and evaluated for the Work. Proposals will first be reviewed and evaluated for any significant conflicts of interest that would disqualify the Proposal. If there are no such conflicts, the Proposal will be evaluated by the Committee according to the following criteria:

- (a) professional experience and expertise with the issues described in Part 1 above and energy matters in general;
- (b) thoroughness and specificity in the proposed work plan developed for the Work;
- (c) the Recipient's ability to develop and implement the GIS by the date set forth in Section 2.4 while ensuring stability of assigned staff;
- (d) the Recipient's creditworthiness; and
- (e) responsiveness of the Proposal to this RFP.

### **3.2 SCHEDULE FOR SELECTION OF THE ADMINISTRATOR**

The following is a possible schedule for the selection of the Administrator, although the actual schedule is likely to vary:

March 21, 2001	Issuance of RFP
May 21, 2001	Deadline for submission of responses to RFP
May 28, 2001	Distribution of RFP responses to Committee
June 7, 2001	Committee teleconference to review RFP responses and select Recipients to interview
June 14, 2001	Committee interviews
June 21, 2001	Committee selection of Administrator; first draft of Service Agreement provided by NEPOOL counsel
July 13, 2001	Deadline for completion of contract negotiation between Committee and Administrator
August 3, 2001	NEPOOL Participants Committee approval of Contract; commencement of Work

## **PART 4 - INFORMATION REQUIRED IN PROPOSALS**

Each Proposal should be brief and clear, and with sufficient detail to permit accurate evaluation of the Proposal. Material that is not germane to this RFP is not desired. Each Proposal shall be in a format similar to that presented below and shall include the following information:

### **4.1 RECIPIENT'S BUSINESS INFORMATION**

The following information shall be included regarding the Recipient's business:

- (a) The Recipient's full name, address, and, if applicable, the branch office(s) that would perform or assist in performing the Work;
- (b) The person(s) authorized to act on behalf of the bidder during contract negotiations and to execute the Service Agreement;
- (c) The earliest date the Recipient could start the Work;
- (d) The feasibility of completing the development and implementation phase of the Work by the date set forth in Section 2.4;
- (e) The names of the key personnel of the Recipient who would be included in the Work, together with resumes or biographies for each person;
- (f) Prior completed projects with similar scope and schedule. Please indicate contact at each named organization;
- (g) The Recipient's annual report and financial statements for the last three years; and
- (h) Copies of any current code of conduct of the Recipient.

### **4.2 WORK PLAN**

Please submit a detailed work plan for the Work, including the following:

- (a) A proposed schedule (with milestones) for developing and implementing a GIS conforming to the description in Section 2.3 above, including a proposed commencement date for operation of the GIS;
- (b) The Recipient's management procedures for administering the GIS in a manner consistent with performing the tasks and achieving the objectives described in Sections 2.2 and 2.3;
- (c) The Recipient's management procedures for planning, scheduling and budgeting, as well as procedures to be used in controlling time used, dollars spent and quality to be achieved in performing the Work;

- (d) Proposed methods of integrating the GIS with systems in New York and established systems in other regional (including Canadian) control areas; and
- (e) Proposed minimum term of the Service Agreement and extension options.

#### **4.3 ESTIMATED CHARGES**

Please provide the following information regarding compensation for the Work, segregating the charges associated with each broad category of tasks:

- (a) Total estimated capital costs for designing and implementing the GIS;
- (b) Total estimated annual charges for administering the GIS;
- (c) Estimated additional charges, if any, for adding data fields to the GIS database, as contemplated by Section 2.3.4; and
- (d) Estimated additional charges, if any, for inclusion of additional generation amounts as contemplated by Section 2.3.11 (optional).

#### **4.4 ADMINISTRATOR EXPERIENCE AND STAFFING PROPOSAL**

Please provide the following information regarding the specific personnel who are proposed to perform the Work:

- (a) Qualifications and specific examples of relevant experience of all individuals who would perform the Work;
- (b) The Recipient's experience and expertise in monitoring for market power; and
- (c) Names of lead personnel (no substitution of lead personnel will be permitted without the prior written approval of the Chair of the Committee).

#### **4.5 ADMINISTRATOR CREDITWORTHINESS**

Please provide information regarding creditworthiness. The methods by which the Recipient may demonstrate creditworthiness include evidence of an investment grade rating by one or more of Standard & Poors, Moody's, Duff & Phelps or Fitch, a commitment of an unconditional letter of credit from a federally insured financial institution with a minimum corporate debt rating of "A-" by Standard & Poor's, Duff & Phelps or Fitch or "A3" by Moody's for a minimum of two million dollars or a similar alternative acceptable to the Committee in its sole discretion.

#### **4.6 CONFLICTS OF INTEREST**

Please provide the following information regarding potential conflicts of interest:

- (a) Current relationships with NEPOOL Participants or the ISO;
- (b) Prior relationships with NEPOOL Participants or the ISO;
- (c) An explanation of why any of the disclosed relationships would not pose a conflict of interest; and
- (d) The names and addresses of all directors, officers, partners and holders of any equity interest of 5% or more.

#### **4.7 OTHER INFORMATION**

The Recipient may submit any supplemental information essential to convey clearly the intent of its Proposal. This information may include suggested simplifications of, improvements to, or potential problems with the proposed design described in Part 2, the resolution of which would more efficiently and effectively meet the objectives of the requested service. Clarity and brevity should be observed.

### **PART 5 – MISCELLANEOUS**

#### **5.1 QUESTIONS**

All questions regarding this RFP, or any ambiguity, omission or error discovered in this RFP, should be noted and submitted in writing via email to the Committee no later than April 25, 2001. All questions will be answered in writing and the answers will be distributed to all Recipients via email. Correspondence to the Committee should be addressed to:

Mr. Dennis J. Duffy  
Chair, NEPOOL GIS Advisory Committee  
c/o Energy Management, Inc.  
One Energy Road  
N. Dartmouth, Massachusetts 02747  
dduffy@emienergy.com

and to:

Paul N. Belval  
Day, Berry & Howard LLP  
CityPlace I  
Hartford, Connecticut 06103-3499  
pnbelval@dbh.com

Recipients planning to submit Proposals should include email addresses for responses to questions promptly after their receipt of this RFP.

## **5.2 ADDENDA**

Prior to the date for submission of Proposals, the Committee may modify this RFP by issuance of one or more addenda to all Recipients. Addenda will be numbered consecutively, the first of which will be Addendum No. 1. Any such addenda will be provided to Recipients via email, provided that the Recipients provide the Committee with email addresses.

## **5.3 COMPLETENESS OF PROPOSALS**

Proposals shall be complete in all respects as outlined in Part 4. A Proposal may be rejected if it is conditional, incomplete or contains any alteration of form or any irregularities of any kind that could materially change the terms of such Proposal.

## **5.4 SIGNATURE ON PROPOSAL**

It is mandatory that each Proposal contain the signature of an officer or agent of the Recipient submitting the Proposal duly empowered to execute such a document. Proposals without a signature will not be considered.

## **5.5 NEWS RELEASES**

By its acceptance of this RFP, each Recipient agrees not to release advertising or publicity matter pertaining to this RFP and/or any Proposals resulting therefrom or pertaining to the performance of the Work without the prior written approval of the Chair of the Committee.

## **5.6 PROPRIETARY DATA IN PROPOSALS**

A Proposal may include proprietary data that the Recipient does not want disclosed to the public or used by the Committee for any purpose other than evaluation of the Proposal. Unless proprietary data are identified as such, however, the Committee and NEPOOL cannot assume responsibility for the use of such data. Therefore, proprietary data should be specifically identified as such on every page where the same may be contained, in which case it will be used by the Committee or its designated representatives solely for the purpose of evaluating the Proposal. In such cases, reasonable care will be exercised so that the data so identified will not be disclosed or used without the Recipient's permission except to the extent provided in any resulting contract or to the extent required by law (including without limitation to the extent required by the order of a court of competent jurisdiction or a regulatory agency or other governmental authority). This restriction does not limit the Committee's right to use or disclose any data contained in the Proposal if they are obtainable from another source or were obtained from the Recipient on a previous occasion without restriction.

## **5.7 WITHDRAWAL OF RFP/REJECTION OF PROPOSAL**

It is the Committee's policy not to solicit Proposals unless there is a *bona fide* intention to award a contract. The Committee reserves the right to withdraw this RFP at any time, however, and to accept or reject any or all Proposals received as a result of this RFP.

## **5.8 LIMITATIONS**

This RFP does not commit the Committee or NEPOOL to award a contract to or be responsible or liable in any manner for any risks, costs or expenses incurred by any Recipient in the preparation of a Proposal or any revision of such a Proposal. The Committee or NEPOOL may undertake or award other contracts for additional or related work, and the Administrator shall fully cooperate with other contractors and employees and carefully fit its Work to such additional work as may be required. The Recipient agrees, by submitting a Proposal, that it shall not commit or permit any act which will interfere with the performance of work by any other contractor or employee of the representatives or members of the Committee or any Participant.

## **5.9 NON-DISCRIMINATION**

The Administrator shall comply with all relevant state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of the Administrator's non-compliance with this provision, its engagement may be terminated or suspended, as a whole or in part, and the Administrator may be declared temporarily ineligible for further NEPOOL work, and other sanctions may be imposed and remedies invoked.

## **5.10 INSURANCE REQUIREMENTS**

By submission of a Response, the Recipient warrants that it carries worker's compensation and fidelity bond insurance for all its employees who will be engaged in the performance of the Work and agrees to furnish to the Committee satisfactory evidence thereof at any time the Committee may request the same.

By submission of a Response, Recipient warrants that it carries general liability, professional errors and omissions liability, business auto and property damage insurance sufficient to protect the ISO, NEPOOL, the Committee and the Administrator from claims for damages for personal injury (including bodily injury), sickness or disease, accidental death and damage to property, including loss of use resulting from any property damage, which may arise from its operations, whether such operations be by the Recipient or by anyone directly or indirectly employed by the Recipient. The limits of such insurance shall be in an amount not less than \$1,000,000 each person and \$5,000,000 each occurrence, personal injury and property damage combined. Such policies should be occurrence rather than claims-made policies and should name NEPOOL and the ISO as additional insureds.