

Request for Proposals (RFP) for Cost of Service and Rate Design Services

RFP-25-401



Redwood Coast Energy Authority

www.RedwoodEnergy.org

Date Issued: April 11, 2025

Proposals due by 5:00pm PPT on

June 6, 2025 via email to

procurement@redwoodenergy.org

TABLE OF CONTENTS

SECTION I –INTRODUCTION AND OVERVIEW	3
Schedule.....	3
Proposal Submission	3
Evaluation And Selection Process.....	4
SECTION II – PROPOSAL CONTENT REQUIREMENTS.....	5
A. Company Information	5
B. Statement of Qualifications	5
C. Costs and Fees.....	6
D. Contract Execution.....	6
E. RFP Procedures and Requirements	6
SECTION III – SCOPE OF WORK.....	8
EXHIBIT A – LIST OF SUBCONTRACTORS.....	A-1
EXHIBIT B – FIRM’S BUSINESS INFORMATION	B-1
EXHIBIT C - STANDARD AGREEMENT.....	C-1

SECTION I –INTRODUCTION AND OVERVIEW

The Redwood Coast Energy Authority (RCEA) is soliciting proposals from well qualified firms to provide technical consulting services to inform RCEA Cost of Service and Rate Design.

RCEA is a local government Joint Powers Authority founded in 2003 whose members are the Blue Lake Rancheria, the Yurok Tribe, the County of Humboldt, the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad, and the Humboldt Bay Municipal Water District. RCEA develops and implements sustainable energy initiatives that reduce energy demand, increase energy efficiency, and advance the use of clean, efficient, and renewable resources. RCEA has been providing electric power generation service to its member jurisdictions as a community choice aggregator (CCA) since 2017, and as such is subject to the legislative, regulatory and market requirements imposed on California load serving entities (LSEs).

As RCEA's CCA business develops, the agency wishes to enhance its retail rate design and cost of service modeling and analysis functions. RCEA is seeking a firm that has experience working with California energy markets and CCA business models that can assist, advise, and train RCEA during its periodic rate design and setting process. RCEA is seeking firms that (1) are well versed in implementing and analyzing cost of service-based electric retail rates, with a particular focus on public power entities; (2) can help RCEA remain knowledgeable about industry standards, best practices, and innovative rate setting ideas; and (3) will be able to build and advise about maintaining comprehensive cost of service and rate design models as well as other data sources and tools that are integrated into that model. In doing this work, the selected firm will be expected to integrate its analysis with existing support and tools provided to RCEA by 1) The Energy Authority (TEA), RCEA's power portfolio manager that provides financial modeling support for RCEA's CCA program; and 2) the California Community Choice Association (CalCCA), the industry association that provides support and analysis for RCEA and other California CCAs on policy matters impacting retail electric rates, including the power charge indifference adjustment.

Schedule

Key dates for this RFP are as follows:

Distribution of RFP	April 11, 2025
Deadline to submit questions	5:00pm, PPT May 2, 2025
Responses to questions issued (anticipated)	May 16, 2025
Proposals due	5:00pm, PPT June 6, 2025
Firm interviews, as needed (anticipated)	June 12-13, 2025
Contract Award at RCEA Board of Directors' Regular Meeting	June 26, 2025

Proposal Submission

Please submit proposals by **5:00pm PPT, June 6, 2025**, electronically to procurement@redwoodenergy.org. Late submissions may not be accepted; make sure to submit early to ensure successful electronic delivery.

Evaluation And Selection Process

An RFP committee will review each proposal to determine if it meets the RFP requirements. Failure to meet the requirements set forth in this RFP may be cause for eliminating the proposal from further consideration. The committee will then evaluate and rank each proposal and may interview any or all firms as part of their evaluation.

The RCEA governing Board of Directors will award the contract based on the final rankings and recommendations of the RFP committee.

The evaluation criteria and weighting are as follows:

Evaluation Criteria	Weight of Score
Knowledge of electric utility rate-setting practices, the California energy market, the CCA business model, and California laws and regulations affecting utility rate-setting	30%
Company Experience providing similar services to other clients, particularly CCAs operating in California	30%
Key staff's qualifications and availability	10%
Plan for providing training and support to client staff	10%
Additions, Deletions and/or Exceptions taken to the Standard Agreement	5%
Cost and fees	15%

SECTION II – PROPOSAL CONTENT REQUIREMENTS

At a minimum, the proposal shall include the information described below.

Executive Summary

- General introduction to the firm , and proposed team.
- Understanding of the requested services and overall approach to accomplishing the work in a timely and acceptable manner.
- A detailed description of the services to be provided based on the firm’s understanding of the RFP Scope of Work.
- A detailed schedule for completing the RFP Scope of Work.
- Submittal letter or signature line signed by a company officer with authority to bind firm to contracts of the anticipated magnitude for the proposed services.

The Executive Summary shall be no more than 5 pages.

A. Company Information

- List of Subcontractors (see Exhibit A). Include a full description of the subcontractor’s experience and personnel in the Statement of Qualifications.
- Firm’s Business Information (see Exhibit B).
- An organization and staffing chart.

B. Statement of Qualifications

Qualifications and Experience (Firm and Personnel)

- A description of the firm’s expertise related to electric utility rate-setting practices, the California energy market, the CCA business model, and California laws and regulations affecting utility rate-setting including Proposition 26.
- A full discussion of the company’s recent experience directly related to the services requested in the Scope of Work included in this RFP.
- Resumes of key team members (limited to 2 pages each) who will perform this work that describe experience and qualifications, educational background, and skills.
- A summary of the qualifications and licenses held by key staff assigned to the project and an affirmative statement that the firm and all assigned key professional staff are properly licensed to practice in California.

Availability

- A brief description of the firm’s ability to meet RCEA’s needs in a consistent and timely manner.

References

- Three (3) former clients (local government or public power entity preferred) for whom comparable services have been performed within the last five (5) years, with a description of the project(s), completion date(s), and approximate cost. Include the name, mailing address, telephone number, and email address of each referenced client’s principal representative.

C. Costs and Fees

The method of compensation shall be on a time and expense basis subject to a not-to-exceed amount for each of the tasks detailed in the Scope of Work.

Provide a not-to-exceed cost for each individual Task listed in the Scope of Work, broken down into the following:

- a personnel-hour estimate by classification and total labor cost
- subcontractor and materials costs

Include a fee schedule of hourly billable rates and any markup of reimbursable expenses that will be effective for the term of the contract.

D. Contract Execution

The successful Proposer will be expected to execute RCEA's Standard Agreement (attached as Exhibit C). The Proposer may note any additions, deletions, and/or exceptions to the Standard Agreement by listing on a separate page 1) the specific Standard Agreement provision proposed for revision, 2) the proposed revision, and 3) the reason for the proposed revision. Please note that proposing revisions to the Standard Agreement is strongly discouraged. If there are no proposed revisions, please note in the form: "There are none."

E. RFP Procedures and Requirements

Proposal Term. RCEA reserves the right to withhold the award of contract for a period of ninety (90) days following RFP opening. All proposals received are considered firm for that 90-day period.

Standard Agreement. Any additional terms and conditions requested or comments by Proposer must be submitted with the proposal (Section II.E. Additions, Deletions, and/or Exceptions) and will be considered as part of the selection/negotiation process.

Requests for Information/Clarification. Any questions as to the meaning of the Scope of Work and/or other pre-proposal documents must be submitted electronically to procurement@redwoodenergy.org with "RFP-25-401" in the subject line. Any and all such interpretations and any supplemental instructions will be detailed in an addendum and made publicly available no later than that date set forth in Table 1. Project Specific Dates. All addenda so issued shall become part of the contract documents. Under no circumstances may the Proposer contact any other department or individual for clarification or interpretation of any requirements herein.

Rights Reserved. RCEA reserves the right to reject any or all proposals, either separately or as a whole, and to waive any informality, inconsistency, or discrepancy from the RFP requirements in a proposal, which RCEA deems is minor and immaterial. Further, RCEA reserves the right to accept any proposal presented which it deems best suited to the interest of RCEA and is not bound to accept the lowest price.

Costs and Ownership. The cost for developing the proposal is the sole responsibility of the Proposer. All proposals submitted shall become the property of RCEA.

Confidentiality. All proposals will be held in confidence until a contract with the successful proposer is executed or this RFP solicitation process is terminated by RCEA, whichever comes first. Thereafter, public disclosure of proposals is subject to the California Public Records Act ("PRA," Government

Code §§ 7920.000). If a proposer believes any portion of their proposal is proprietary, they shall clearly mark each such page as confidential. RCEA will evaluate each claim that marked material is confidential under the PRA and make a determination in its sole discretion whether the material may be publicly disclosed.

Reporting Of Supplier Diversity Information.

Public Utilities Code Section 366.2(m) requires certain community choice aggregators, including RCEA, 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, minority, disabled veteran, persons with disabilities, and LGBT business enterprises.

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.

To assist RCEA with its reporting obligations under Public Utilities Code Section 366.2(m) and with evaluating its supplier outreach and other activities, the successful Proposers that is 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 women business enterprises (WBEs), minority business enterprises (MBEs), disabled veteran business enterprises (DVBES), and lesbian gay bisexual transgender business enterprises (LGBTBES).

Except as otherwise expressly provided under RCEA's Procurement Policy and/or required by applicable state or federal law or funding requirements (including, without limitation, any grant or loan conditions), RCEA shall not use any demographic information received from potential vendors in any way as part of its decision-making or selection process. Rather, RCEA will use such information solely for compliance with its reporting obligations to the CPUC and evaluation of RCEA's outreach and other activities consistent with applicable law.

Discrepancies and Misunderstandings. Firms must satisfy themselves by reasonable examination of the specifications, and other contract documents and by any other means as they may believe necessary, as to the actual physical conditions, requirements, and difficulties under which the work must be performed. No firm will at any time after submission of a proposal make any claim or assertion that there was any misunderstanding or lack of information regarding the nature or amount of work necessary for the satisfactory completion of the job. Any errors, omissions, or discrepancies called to the attention of RCEA will be clarified by RCEA in writing prior to the submission of proposals.

Proposer Licensing Requirements. All Proposers and proposed subcontractors must be properly licensed in accordance with California Business and Professions Code and local law.

Non-Collusion. In submitting a response to this RFP, the Proposer declares that the only persons or parties interested in its proposal as principals are those named therein; that no officer, agent, or employee of RCEA is personally interested, directly or indirectly, in its proposal; and that its proposal is in all respects fair and without collusion or fraud.

Ethics Standards. All Proposers and proposed subcontractors are required to follow the supplier ethics standards set forth in Section 2.4 of RCEA's Procurement Policy (<https://redwoodenergy.org/wp-content/uploads/2024/10/RCEA-Purchasing-and-Procurement-Policy-1.pdf>).

SECTION III – SCOPE OF WORK

To determine the total cost of providing electric power generation services to RCEA's retail customers and provide recommendations for any future rate adjustments and improvements, the expected scope of work for the selected firm is as follows:

PHASE 1 – Cost of Service Analysis, Design and Impact

TASK 1: Cost of Service Analysis

- 1.1 Gather Background Data and Defining Project Goals and Objectives. Objective is to produce a work plan and schedule for implementing this Scope of Work, review upcoming Investor Owned Utility (IOU) rate changes, and RCEA's policy, goals and objectives. Information reviewed should include revenue requirements, power supply information and period of study (July 1, 2026, target implementation date plus forecast years).
- 1.2 Forecast Revenue Requirements. Objective is to identify the current and projected revenues and expenses for RCEA's customer base. Includes but is not limited to:
 - a. Appropriate basis (cash vs. accrual) for determining the annual revenue requirement for RCEA will be identified.
 - b. Identify a forecast period for the study. The forecast period will use projected expenses and/or historical data to serve as the foundation for calculating the cost to provide service.
 - c. Load and customer forecasts will be updated. Forecast will be at a customer class or rate class level.
 - d. RCEA's financial records analyzed to evaluate current and budgeted system revenues from current rates and resources available to finance the forecast revenue requirement for the forecast period.
 - e. Current and projected power supply costs will be based on RCEA's power contracts and agreements and knowledge of wholesale rate levels during the forecast period.
 - f. Appropriate reserve fund levels will be suggested based on utility industry standards. An analysis of the impact on rates of different reserve levels will be provided.
 - g. Cost of power supply, operation and maintenance expenses including customer service and data management, taxes, debt service expenses, margins, reserve fund requirements and all other necessary costs associated with the operation of RCEA will be analyzed to determine annual revenue requirement for each year of the forecast period.
 - h. Current and projected customer program costs should be included in forecasted revenue requirements.
- 1.3 Cost of Service Analysis. Objective is to determine an equitable allocation of the annual revenue requirement to the various customer classes using generally accepted cost allocation methods.
 - a. A review of the appropriate number of rate classes, based on the character of service provided, will be completed to ensure the proper rate classes are being considered. The review should simplify rate classes where feasible. Rate classes identified in this study should be compared to existing rate classes by the IOU.
 - b. A second rate class analysis should be conducted that preserves the IOU's allocation of rates across different rate classes for comparison purposes.

- c. Costs will be functionalized by itemizing any infrastructure investments and related expenses by the following functions: production, distribution, customer services, and general administration.
- d. Costs will be allocated to RCEA's rate classes by developing allocation factors based on customer information, historic load data and projected usage by rate class. Where data is not available, industry standard data will be applied.
- e. Average unit costs by functional category will be provided based on the allocated costs and billing determinants developed for each rate class. Unit costs will be presented for energy (\$/kWh) and demand (\$/kW). The average unit costs represent cost of service rates and can be used as an input in the rate setting process.
- f. Any subsidies that may exist between rate classes will be identified in this task and addressed before starting any rate design.

Deliverable(s):

- A draft report with recommendations for rate classes including the comparison IOU's allocation of rates across different rate classes for comparison.

TASK 2: Rate Design and Impact Analysis. Objective is to develop rate options using a variety of approaches, ranging from the current rate design to strict cost of Service Analysis based rates. While average unit costs provide the cost basis for setting rates, other criteria will also be considered in designing rate options. Information provided in Task 2 will be used by RCEA to seek community input and obtain RCEA Board of Directors' direction.

- 2.1 Different rate options based upon the goals and objectives identified by RCEA will be analyzed. Rate options can include both bundled and unbundled pricing to show the impacts of potential retail access.
- 2.2 Proposed rates for energy (\$/kWh) and demand (\$/kW) charges will be provided for each customer class.
- 2.3 Establish reasonable goals for rate design so that price signals can be developed within the rate structure for each class to reflect current contracts, expected costs in the future, and to meet specific policy goals of RCEA.
- 2.4 Alternative rate designs for Time of Use (TOU) periods will be analyzed and presented to RCEA staff. Specific RCEA load profiles by class will be used in developing the appropriate TOU periods and data used for assigning costs to the selected TOU periods.
- 2.5 Revenues for each of the rate options will be compared to the system-wide and individual customer class revenue requirements.
- 2.6 Consultant will account for Resource Adequacy (RA) costs across customer classes and will recommend an allocation method.
- 2.7 RA costs will be allocated to large and medium customers based on coincident peak demand characteristics and allocated to residential and small commercial classes as a fixed minimum charge.
- 2.8 Customer bill comparisons will be developed to determine the rate impacts on different customer classes for different rate alternatives. New rate proposals will also be compared to forecasted IOU rates to ensure the rate competitiveness of RCEA.

Deliverable(s):

- Prepare a report outlining all proposed rate options with associated impacts to customer classes along with recommendations for RCEA staff input and consideration.
- Present the final results of the rate design study along with the rate impact analysis with RCEA staff input to the RCEA Board of Directors.

- Prepare graphics and handouts detailing the proposed rate impact for each rate class for RCEA to use in community education material and public presentations.

PHASE 2 – Implementation (Phase 2 is dependent on the RCEA Board of Directors adopting the cost of service rate design model in Phase 1.)

TASK 3: Rate Implementation Plan. Objective is to develop a rate implementation plan to minimize bill impacts to customers.

- 3.1 Prepare rate implementation plan with deliverable and milestone dates with the goal of completing implementation by July 1, 2026.
- 3.2 If needed prepare a proposed rate implementation plan that gradually changes customer rates over time to avoid rate shock for the majority of customers.

Deliverable(s):

- After review by RCEA staff a final report including the Rate Implementation Plan.
- A Cost of Service Analysis model should be developed and RCEA should be provided the model and any supporting documentation for future use. Consultant shall also train RCEA staff on how to update the Cost of Service Analysis model.
- Develop information for customers to inform them of adopted rate design changes and expected impact to bills for RCEA to use in community education material and public presentations. This information should be developed and delivered prior to rate changes. The information should include graphics, direct mailers, information for the RCEA website and handouts detailing the rate impact for each rate class.
- Optional Deliverable (Cost to be provided separately) - Customer bill comparison tool to be either used internally or housed on RCEA's website for staff and customers to a) compare generation rates as a CCA or IOU customer and b) select the most cost-effective CCA rate option among those applicable to their customer class based on their usage data.

The term for these services will commence on the agreement effective date through July 1, 2026.

EXHIBIT A – LIST OF SUBCONTRACTORS

Subcontractor Name: _____

Services for which Subcontractor is being used: _____

Subcontractor qualifications: _____

Subcontractor's relevant experience (attach separate page(s), as needed): _____

Subcontractor Name: _____

Services for which Subcontractor is being used: _____

Subcontractor qualifications: _____

Subcontractor's relevant experience (attach separate page(s), as needed): _____

(ATTACH ADDITIONAL SHEETS IF MORE THAN TWO SUBCONTRACTORS ARE REQUIRED)

EXHIBIT B – FIRM’S BUSINESS INFORMATION

Length of time your firm has been in business:	
Length of time at current location:	
List types and business license number(s):	
Names and titles of all officers of the firm:	
Is your firm a sole proprietorship doing business under a different name? If yes, please indicate sole proprietorship name and the name you are doing business under:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please indicate your Federal Tax Number:	
Is your firm incorporated?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Name and remittance address that will appear on invoices:	
Physical Address:	

EXHIBIT C - STANDARD AGREEMENT

AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE REDWOOD COAST ENERGY AUTHORITY AND

This Agreement is made and entered into by and between the Redwood Coast Energy Authority (“RCEA”), a Joint Powers Authority, and _____, (“CONSULTANT”), a _____. RCEA and CONSULTANT are hereinafter also referred to collectively as the “Parties” and individually as a “Party.” This Agreement is effective _____, 2025.

RECITALS

WHEREAS, -----;

WHEREAS, through an open and competitive process, RCEA solicited professional services proposals to assist with cost of service and rate design services;

WHEREAS, CONSULTANT has the demonstrated qualifications, skills and training necessary to perform the services needed by RCEA, and RCEA desires to retain CONSULTANT to complete the said services based on the terms and conditions below.

NOW, THEREFORE, based on the conditions recited herein and made a material part hereof, the Parties agree as follows:

1. **Contract Documents.** Contract documents consist of the following documents, including all changes, addenda, and modifications thereto:
 - 1.1 Agreement and all attachments;
 - 1.2 RCEA’s Request for Proposals (RFP);
 - 1.3 CONSULTANT’s proposal submitted in response to RFP.

For avoidance of doubt, the order of priority for interpreting conflicting provisions among these documents is in the order stated above, with Section 1.1, this Agreement and all attachments, taking the highest order of priority.

2. **Services.**

- 2.1 **Services Defined.** CONSULTANT agrees to perform the services as set out in Exhibit A, “Scope of Work” attached hereto and incorporated by reference (“Services”). Services shall be provided in accordance with the terms and conditions of this Agreement. In the event of conflict between the provisions contained in Sections 1 - 28 of this Agreement and those within Exhibit A, the terms and conditions of Sections 1 -28 shall control over those in Exhibit A.
- 2.2 **Data Security Agreement.** CONSULTANT shall execute and deliver to RCEA a Data Security Agreement substantially identical to the form attached hereto as Exhibit C prior to receiving any RCEA confidential customer information. Any CONSULTANT contractor, subcontractor, licensee, user, or other party who needs to receive RCEA confidential customer information as part of

CONSULTANT'S performance of Services under this Agreement shall execute and deliver to RCEA a Data Security Agreement prior to receiving any such information.

2.3 Special Conditions. CONSULTANT shall comply with all additional terms and conditions set forth in Exhibit D "Special Conditions," if any are required [*check applicable box*]:

_____ Special Conditions _____ No Special Conditions

2.4 Materials and Equipment. CONSULTANT shall, at its sole cost and expense, furnish all materials and equipment which may be required for performing Services excepting those items specifically identified in Exhibit A.

3. Term. Services by CONSULTANT shall commence upon full execution of this Agreement by both parties. CONSULTANT shall complete all Services in accordance with the time schedule set forth in Exhibit A.
4. Compensation CONSULTANT shall be paid for Services on a time and materials basis, based on the rate and budget attached hereto and incorporated herein as Exhibit B, "Compensation" for a maximum amount not to exceed _____ Dollars (\$_____).
5. Payment. CONSULTANT shall submit invoices no more frequently than monthly and the final bill upon completion of Services. Invoices shall contain a time summary of work performed by each person for whom charges are billed. Invoices shall be sent to:

Redwood Coast Energy Authority
Attention: Accounts Payable
633 3rd Street, Eureka, CA 95501
Email: ap@redwoodenergy.org

If RCEA disputes an invoice, it may withhold that portion so contested and shall pay the undisputed amount. RCEA may withhold all or any portion of the funds provided for by this Agreement in the event that the CONSULTANT has materially violated, or threatens to materially violate, any term, provision, or condition of this Agreement; or the CONSULTANT fails to maintain reasonable progress toward completion of the Services or any component thereof. RCEA shall make payment to CONSULTANT within thirty (30) working days after approval of the invoice.'

6. Standard of Care. The standard of care for all professional Services performed or furnished by CONSULTANT under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. CONSULTANT shall be responsible for the professional and technical soundness, accuracy, and adequacy of all designs, drawings, specifications, and other work and materials furnished under this Agreement.

7. Conflicts of Interest. CONSULTANT hereby warrants and represents the following:

7.1 CONSULTANT does not and will not participate in the making of RCEA or decisions;

7.2 For purposes of this Agreement, CONSULTANT is not covered by and is not subject to the California Political Reform Act ("PRA," Government Code §§81000 - 91014); provided however, if this status changes, CONSULTANT shall immediately notify RCEA, disclose the conflict of interest, and disqualify itself from the making or participating in the making of the decision for which the

conflict has arisen;

7.3 CONSULTANT does not have any separately defined financial or other interests that could be characterized as conflicts of interest under the PRA;

7.4 In providing services to RCEA, CONSULTANT has not engaged in any unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration to any RCEA employees, Board members, agents, or contractors; and

7.5 CONSULTANT does not have a separate financial relationship with any RCEA employees that would qualify as a conflict of interest under the PRA.

7.6 CONSULTANT agrees to comply with RCEA's conflict of interest policy.

8. **Hold Harmless and Indemnification.** If this Agreement is for design professional services subject to California Civil Code § 2782.8(a) and CONSULTANT is a design professional as defined in California Civil Code § 2782.8(c)(2), to the fullest extent allowed by law, CONSULTANT shall hold harmless, defend and indemnify RCEA, its officers, agents, employees, and volunteers from and against all claims, damages, losses, and expenses including attorneys' fees arising out of, or pertaining to, or relating to the negligence, recklessness, or willful misconduct of CONSULTANT, not to exceed CONSULTANT'S proportionate percentage of fault.

If this Agreement is not for design professional services subject to California Civil Code § 2782.8(a) or CONSULTANT is not a design professional as defined in California Civil Code § 2782.8(c)(2), to the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless RCEA and its board, committees, officials, employees and agents (collectively "Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of CONSULTANT, its officers, agents, employees or sub-contractors or any entity or individual for which CONSULTANT shall bear legal liability in the performance of professional services under this Agreement.

CONSULTANT's responsibility for defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnification obligations of the Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement.

9. **Insurance.** CONSULTANT agrees to maintain, at a minimum, the insurance coverage as set out below at all times during the terms of this Agreement and all additional terms set forth in Exhibit D "Special Insurance Conditions," if any are so required [*check applicable box, below*]. Failure to maintain the required insurance shall be grounds for termination of this Agreement.

_____ Special Insurance Conditions

_____ No Special Insurance Conditions

- 9.1 All insurance carriers shall have an A.M. Best's rating of A- or better and a minimum financial size VII. Said coverage shall include an endorsement to add RCEA, its officers, agents and employees, as additional insureds with respect to liability arising out of or connected with the services to be provided under this Contract. Said coverage shall additionally be endorsed to specify that the CONSULTANT'S insurance is primary and that insurance or self-insurance maintained by RCEA shall not contribute with it. Upon request, CONSULTANT shall furnish RCEA with certificates of insurance and endorsements of all required insurance. Said documentation shall state that coverage

shall not be cancelled except after thirty (30) days prior written notice has been given to RCEA. In the event CONSULTANT subcontracts any part of the Services, each subcontractor shall be bound by the same terms and conditions concerning insurance as required by this Agreement will be made a part of any such subcontract agreement. RCEA reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving the CONSULTANT ninety (90) days advance written notice.

- 9.2 Workers' Compensation and Employers' Liability Insurance: CONSULTANT shall provide Workers' Compensation and Employers' Liability insurance for CONSULTANT's employees and agents to the extent required by law.
- 9.3 Commercial General Liability: CONSULTANT shall maintain \$1 million minimum commercial general liability insurance coverage on an occurrence basis, including products and completed operations, property damage, bodily injury and personal and advertising injury.
- 9.4 Business Auto: If applicable, CONSULTANT shall maintain \$1 million minimum business automobile insurance coverage.
- 9.5 Professional or Errors and Omissions Insurance. CONSULTANT shall maintain such Professional or Errors and Omissions Insurance as will provide protection from any claim arising out of any negligent act, error or omission in rendering or failing to render professional services either committed or alleged to have been committed by CONSULTANT or by anyone employed by CONSULTANT to perform or furnish any of the Services, or by anyone for whose acts any of them may be liable. Such coverage shall not be less than \$1,000,000 single limit, any one claim and \$2,000,000 annual aggregate.
- 9.6 Technology Professional Liability Errors and Omissions Insurance: CONSULTANT shall maintain Technology Professional Liability Errors and Omissions Insurance with limits not less than \$2,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by CONSULTANT in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, copyright, trademark, invasion of privacy violations, information theft, release of private information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
- (a) The policy shall include, or be endorsed to include, property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of RCEA in the care, custody, or control of CONSULTANT. If not covered under CONSULTANT's liability policy, such "property" coverage of RCEA may be endorsed onto CONSULTANT's Cyber Liability Policy as covered property as follows:
- (i) Cyber Liability coverage in an amount sufficient to cover the full replacement value of damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of RCEA that will be in the care, custody, or control of CONSULTANT.
- 9.7 Insurance Reductions, Waivers. RCEA may, in its sole discretion, reduce or waive any insurance coverage requirements provided herein based on an analysis of the availability of insurance coverage for the type of professional consultant retained by this agreement, the type of risk exposure for RCEA, and the financial capability of CONSULTANT to bear the risk of losses without insurance. Any specific insurance coverage reductions or waivers shall be itemized in Exhibit D.

- 10. Independent Consultant Status.** CONSULTANT shall perform all Services as an independent contractor. No person performing any of the Services shall be considered an officer, agent, servant or employee of RCEA, nor shall any such person be entitled to any benefits, including but not limited to Workers Compensation Benefits, available or granted to employees of RCEA. CONSULTANT shall be solely responsible for the acts or omissions of its officers, agents, employees, and subcontractors. Nothing herein shall be construed as creating a partnership or joint venture between RCEA and CONSULTANT.
- 11. Assignment.** Neither party shall assign its obligations under this Agreement without the prior written consent of the other, except that CONSULTANT may assign the proceeds due under this Agreement to any bank or person without such written consent. Any assignment by the CONSULTANT in violation of this provision shall be void and shall be cause for immediate termination of this Agreement. Subject to the provisions of this Section, this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties.
- 12. Subcontracting.** The CONSULTANT shall not subcontract any portion of the work required by this Agreement without prior written approval of the RCEA, except for any sub-contract work identified herein. If CONSULTANT shall cause any part of the project to be performed by a subcontractor, the provisions of this contract shall apply to such sub-contractor, and CONSULTANT shall be liable hereunder for all acts and negligence of the subcontractor.
- 13. Books of Record and Audit Provisions.** The CONSULTANT shall maintain on a current basis complete books and records relating to this Agreement. The books and records shall be original entry books with a general ledger itemizing all debits and credits for the work. In addition, the CONSULTANT shall maintain detailed payroll records. These documents and records shall be retained for at least five years from the completion of this Agreement. The CONSULTANT will permit RCEA to audit all books, accounts or records relating to this Agreement.
- 14. Document Submission and Title to Documents.** CONSULTANT agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work and intellectual property produced in the performance of this Agreement is considered work made for hire and shall be the property of RCEA upon delivery. RCEA may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement.
- 15. Confidentiality.** CONSULTANT acknowledges RCEA may provide it with confidential information and CONSULTANT shall sign a non-disclosure agreement before receiving such information.
- 16. Nondiscriminatory Employment.** During the performance of this contract, CONSULTANT and its subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. CONSULTANT and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. CONSULTANT and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, § 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Civil Rights Council implementing Government Code section 12990, set forth in Subchapter 5 of Division 4.1 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. CONSULTANT and its subcontractors shall give written notice of their obligations under this clause to labor organizations with

which they have a collective bargaining or other agreement.

17. Entirety of Contract. This Agreement shall constitute the entire agreement between the parties relating to the subject matter of this agreement, and shall supersede any previous agreements, promises, representation, understanding and negotiation, whether oral or written, concerning the same subject matter. Any and all act which may have already been consummated pursuant to the terms which are embodied in this Agreement are hereby ratified.

18. Amendment. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

19. Suspension, Termination

19.1 Suspension. At any time and for any reason, RCEA may temporarily suspend the Services upon five days' written notice to CONSULTANT. In such event, CONSULTANT shall perform no additional Services under this Agreement until RCEA has provided written notice to CONSULTANT to re-commence Services.

19.2 Termination.

(a) Suspension. At any time and for any reason, RCEA may temporarily suspend the Services upon five days' written notice to CONSULTANT. In such event, CONSULTANT shall perform no additional Services under this Agreement until RCEA has provided written notice to CONSULTANT to re-commence Services. RCEA shall continue to pay any software license fees during the period of suspension.

(b) Termination. This Agreement may be canceled at any time by RCEA at its discretion upon 30 days' written notification to CONSULTANT. CONSULTANT is entitled to receive payment for acceptable Services performed and costs incurred up to and including the date on which to cease work on the project. CONSULTANT shall be entitled to no further compensation for work performed after such date. Termination of any software license agreement shall be in accordance with its terms. Upon termination of this Agreement, CONSULTANT shall (i) return all documents and other materials received from the RCEA and all copies (if any) of such documents and tangible materials, and (ii) destroy all other documents or materials in CONSULTANT's possession that contain RCEA customer data, and (iii) deliver to RCEA a certificate, signed by an authorized representative of CONSULTANT, stating that CONSULTANT has returned or destroyed all such documents and materials; provided, however, that CONSULTANT may retain copies of information necessary for tax, billing or other financial purposes, to be used solely for such purposes. If this Agreement is terminated early, the Parties shall comply with the provisions of "Program Closeout" in the Scope of Services within 30 days after receipt of termination notification.

20. Designation of Representative. CONSULTANT and RCEA shall designate specific individuals to act as representatives ("Designated Representative"), who shall have authority to transmit instructions, receive information, and implement the Agreement on behalf of each respective party. Either Party may change its Designated Representative or the address of its Designated Representative by giving reasonable notice to the other Party.

21. Notices

All notices or other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been given when delivered if personally delivered, or three (3) business days after mailing if mailed by certified mail, postage prepaid, return receipt requested, and shall be addressed as follows:

Notices shall be given to RCEA at the following address:

Lori Biondini, Director of Business Planning and Finance
Redwood Coast Energy Authority
633 3rd Street
Eureka, CA 95501

Notices shall be given to CONSULTANT at the following address:

- 22. Compliance with Applicable Laws.** The CONSULTANT shall perform the services required by this Agreement in compliance with any and all applicable federal, state and local laws affecting the Services covered by this Agreement, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement.
- 23. Jurisdiction and Venue.** This Agreement shall be construed in accordance with the laws of the State of California, and the parties hereto agree that venue shall be in Humboldt County, California.
- 24. Headings.** The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions of this Agreement.
- 25. Severability.** If any paragraph, section, sentence, clause or phrase contained in this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining paragraphs, sections, sentences, clauses or phrases contained in this Agreement shall not be affected thereby.
- 26. Waiver.** The waiver of any breach of any provision hereunder by any party hereto shall not be deemed to be a waiver of any preceding or subsequent breach hereunder.
- 27. Authority.** Each of the undersigned hereby warrants that he/she has authority on behalf of his or her principal to execute this agreement.
- 28. Counterpart Signatures.** This Agreement may be signed in separate counterparts, and all counterparts, when signed, shall constitute an enforceable agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date and year first hereinabove written.

RCEA:

CONSULTANT:

Elizabeth Burks, Executive Director

Name, Title

Date: _____

Date: _____

DRAFT

EXHIBIT A: SCOPE OF WORK

DRAFT

EXHIBIT B: COMPENSATION

DRAFT

EXHIBIT C: DATA SECURITY AGREEMENT

(specimen only, not for execution)

RCEA CCA Data Security Agreement

This agreement is entered into by and between _____, a enter type of entity, for example, California corporation, partnership, etc. ("Recipient") and Redwood Coast Energy Authority ("RCEA"), a joint powers authority and community choice aggregator, regarding confidential information, ("Confidential Information,"") provided for the purposes specified below. This Agreement is effective on _____.

RECITALS

WHEREAS, RCEA is the regional Community Choice Aggregator in Humboldt County, California, and in that capacity collects electric usage information that can be reasonably identified with individual customers and which is therefore confidential and non-public;

WHEREAS, the California Public Utilities Commission ("CPUC") issued a decision extending privacy protection to customers of community choice aggregators such as RCEA, CPUC D12-08-045, August 23, 2012 ("Privacy Decision");

WHEREAS, the Privacy Decision allows RCEA to disclose Confidential Information to third parties without consent of the customer only for purposes specified in the Privacy Decision including for Primary Purposes, as defined therein, that is being carried out under contract with and on behalf of the Community Choice Aggregator;

WHEREAS, when authorized by the Privacy Decision, disclosure of Confidential Information is subject to the requirement that the recipient of Confidential Information agrees to manage the Confidential Information in such a manner that is no less protective than the policies and practices followed by RCEA;

WHEREAS, the parties desire to comply with the Privacy Decision by entering into the following agreement.

NOW THEREFORE, based on the terms, conditions and covenants recited above and made a material part hereof, the parties agree as follows:

- 1. CONFIDENTIAL INFORMATION.** "Confidential Information" as used in this Agreement means usage information obtained through the capabilities of Advanced Metering Infrastructure when associated with any information that can reasonably be used to identify as individual, family, household, residence, or non-residential customer, except that Confidential Information does not include usage information from which identifying information has been removed such that an individual, family, household or residence, or non-residential customer cannot reasonably be identified or re-identified.
- 2. PRIMARY PURPOSE.** RCEA has contracted with the Recipient for Primary Purposes under a separate contract titled *[insert name of contract with Recipient]*, dated *[insert contract date]*, briefly described as follows *[insert brief description of contract services showing Primary Purpose]*:

3. **CONDITIONS**. Recipient shall, at all times and in perpetuity, keep Confidential Information in the strictest confidence, and shall take all reasonable measures to prevent unauthorized or improper disclosure or use of the data. Recipient shall implement and maintain reasonable security procedures and practices appropriate to the nature of the data, to protect the personal information from unauthorized access, destruction, use, modification, or disclosure. Recipient shall not use data for any purpose other than explicitly instructed by RCEA. Security protection protocols shall be at least as protective as ISO-27000, NIST SP 800-53, or SOC Type.
4. **TYPES OF INFORMATION**. The Confidential Information disclosed to Recipient in connection herewith is described in Appendix A, and shall only be the minimum necessary for the purpose indicated in Appendix A.
5. **DATA TRANSFER**. Confidential Information shall be provided to Recipient via the transfer method described in Appendix A. In any case, data shall be transferred in a secure manner and Recipient shall be provided with digital credentials for access to encrypted files or the managed file transfer (MFT) protocol, or a physical medium such as a USB drive.
6. **STORAGE**. While in use, Recipient must store Confidential Information on an enterprise managed computer at an approved secure location and adhere to the following requirements:
 - a. Hardware, software, and network connection ("Computer") is overseen by the Recipient, who is responsible to keep the computer in proper working condition with all appropriate software and hardware along with monitoring and updates necessary to ensure digital security.
 - b. Enable and use a password-protected login on such Computer and set it to log out within ten minutes of inactivity.
 - c. Install and maintain anti-virus software on such Computer.
 - d. Use the most recent browser version and keep all patches up to date.
 - e. Never select the option to save your password for later use.
7. **DISPOSAL**. Immediately following completion of the data analysis specified in Section 2, all Confidential Information shall be deleted from all devices, including trash and recycling folders, backups and other forms of replication, and all printed Confidential Information shall be securely destroyed.
8. **NOTICE**. Recipient shall immediately notify RCEA in writing if s/he becomes aware of the possibility of any misuse or misappropriation of Confidential Information by Recipient organization or any of its employees or representatives.
9. **REMEDY**: Recipient acknowledges that disclosure or misappropriation of the Confidential Information outlined in Appendix A could cause irreparable harm to RCEA and/or RCEA customers, the amount of which may be difficult to assess. Accordingly, Recipient hereby confirms that RCEA shall be entitled to monitor, audit, and revoke any data use cases, and apply to a court of competent jurisdiction for an injunction, specific performance, or such other relief as may be appropriate in the event of improper disclosure or misuse of data by the Recipient.
10. **INDEMNIFICATION**: In addition to all other remedies, Recipient shall indemnify and hold harmless RCEA, its affiliates, officers, employees, or agents from and against claims, actions, suits, liabilities, damages, losses, expenses, and costs (including reasonable attorney's fees, costs and disbursements) attributable to actions or non-actions of Recipient and/or its employees and/or its representatives in connection with the use or disclosure of data.

WITNESS: The signing parties represent and warrant that the authorized representatives executing this Agreement are authorized to execute this Agreement on behalf of their respective organizations.

RECIPIENT:

Name
Title
Organization

Date: _____

RCEA:

Elizabeth Burks
Executive Director

Date: _____

DRAFT

APPENDIX A

Data Specifications

The Recipient agrees to use the requested Confidential Information only for the following purpose(s):

The Recipient authorizes the following individuals to have access to Confidential Information:

Name	Title

Data Source(s):

- ☐ PG&E Item 16 report
 - ☐ PG&E Item 17 report
 - ☐ PG&E 4013 report
 - ☐ Other (describe): _____
-

Transfer Method:

- ☐ Managed file transfer (MFT)
 - ☐ Other (describe): _____
-

Period of possession: Start _____ Destroy by _____

Dataset date range: Start _____ End _____

Customer classes included in dataset:

- ☐ All customers (PG&E, DA, & RCEA)
- ☐ All RCEA customers
- ☐ Residential
- ☐ Commercial
- ☐ Industrial
- ☐ Agricultural
- ☐ User-defined subset _____

Data Types:

- ☐ Account name
- ☐ Account number
- ☐ Service agreement ID (SA ID)
- ☐ Service address
- ☐ Mailing address
- ☐ Contact phone number
- ☐ Meter number
- ☐ NAICS code/description
- ☐ Rate schedule
- ☐ CARE/FERA status
- ☐ Medical baseline status
- ☐ Load serving entity

- ☐ Invoiced billing data
- ☐ Interval electricity usage
- ☐ Monthly electricity usage
- ☐ Monthly peak demand
- ☐ Monthly natural gas usage
- ☐ Date and/or time of usage
- ☐ Bill cycle dates
- ☐ NEM escrow amount
- ☐ Baseline zone
- ☐ Other: _____

EXHIBIT D: SPECIAL CONDITIONS

[attach if applicable]

EXHIBIT E: SPECIAL INSURANCE REQUIREMENTS, REDUCTIONS, WAIVERS

[attach if applicable]