

REQUEST FOR PROPOSAL (RFP)

Date Posted: May 30, 2019

Closing Date: June 21, 2019, 5:00 pm

Contacts: Thomas A. Day, Director
Office of Legislative Administrative Services
Tom.day@las.ks.gov
785.296.2391

Gordon L. Self, Revisor
Office of Revisor of Statutes
Gordon.self@rs.ks.gov
785.296.2321

Contracting Entity: Legislative Coordinating Council on Behalf of Kansas Legislature

Item: Consulting Services to Perform Study of the Retail Rates
of Kansas Electric Public Utilities

Bid Guarantee: No Monetary Bid Guarantee Required

Request for Proposal recently posted to the Kansas Legislature's website. The Request for Proposal can be downloaded by going to the following website: <http://kslegislature.org/li/>

It shall be the bidder's responsibility to monitor the website on a regular basis for any changes/amendments.

Questions requesting clarification of the bid must be submitted in writing to the contacts listed above
Before the close of business on Friday, June 14, 2019

Answers to the questions will be available on the Legislature's website <http://kslegislature.org/li/>

It shall be the responsibility of all participating bidders to acquire any and all additional information as it is posted to the website. Bidders not initially invited to participate in this Bid Event must notify the contacts listed above of their intent to bid at least 24 hours prior to the closing date/time.

SIGNATURE SHEET

Item: Consulting Services to Perform Study of the Retail Rates of Kansas Electric Public Utilities

Agency: Legislative Coordinating Council on Behalf of Kansas Legislature

Closing Date: June 21, 2019, 5:00pm

By submission of a bid and the signatures affixed thereto, the bidder certifies all products and services proposed in the bid meet or exceed all requirements of this specification as set forth in the request and that all exceptions are clearly identified.

Legal Name of Person, Firm or Corporation _____

Mailing Address _____ City & State _____ Zip _____

Office Phone Number _____ Local Number _____

Cell Phone Number _____ Fax Number _____

Tax Number _____

CAUTION: If your tax number is the same as your Social Security Number (SSN), you must leave this line blank. DO NOT enter your SSN on this signature sheet. If your SSN is required to process a contract award, including any tax clearance requirements, you will be contacted by the Office of Legislative Administrative Services.

E-Mail _____

Signature _____ Date _____

Typed Name _____ Title _____

In the event the contact for the bidding process is different from above, indicate contact information below.

Bidding Process Contact Name _____

Mailing Address _____ City & State _____ Zip _____

Office Phone Number _____ Local Number _____

Cell Phone Number _____ Fax Number _____

E-Mail _____

CERTIFICATION OF COMPANY

NOT CURRENTLY ENGAGED IN A BOYCOTT OF GOODS or SERVICES FROM ISRAEL

In accordance with HB 2482, 2018 Legislative Session, the State of Kansas shall not enter into a contract with a Company to acquire or dispose of goods or services with an aggregate price of more than \$100,000, unless such Company submits a written certification that such Company is not currently engaged in a boycott of goods or services from Israel that constitutes an integral part of business conducted or sought to be conducted with the State.

As a Contractor entering into a contract with the State of Kansas, it is hereby certified that the Company listed below is not currently engaged in a boycott of Israel as set forth in HB 2482, 2018 Legislature.

Signature, Title of Contractor

Date

Printed

Name of Company

TAX CLEARANCE INSTRUCTIONS

A “Tax Clearance” is a comprehensive tax account review to determine and ensure that the account is compliant with all primary Kansas Tax Laws administered by the Kansas Department of Revenue (KDOR) Director of Taxation. Information pertaining to a Tax Clearance is subject to change(s), which may arise as a result of a State Tax Audit, Federal Revenue Agent Report, or other lawful adjustment(s).

To obtain a Tax Clearance Certificate, you must:

- Go to <http://www.ksrevenue.org/taxclearance.html> to request a Tax Clearance Certificate
- Return to the website the following working day to see if KDOR will issue the certificate
- If issued an official certificate, print it and attach it to your bid proposal
- If denied a certificate, engage KDOR in a discussion about why a certificate wasn’t issued

Contractors must submit a current Tax Clearance Certificate.

Please Note: Individual and business applications are available. For applications entered prior to 5:00 PM Monday through Friday, results typically will be available the following business day. Tax clearance requests may be denied if the request includes incomplete or incorrect information.

Please Note: You will need to sign back into the KDOR website to view and print the official tax clearance certificate.

Information about Tax Registration can be found at the following website:

<http://www.ksrevenue.org/busregistration.html>

1. Bidding Instructions

1.1. Bid Event ID / Reference Number

The Request for Proposal name, indicated in the header of this page, has been assigned to this RFP and MUST be shown on all correspondence or other documents associated with this RFP and MUST be referred to in all verbal communications. All inquiries, written or verbal, shall be directed only to the contacts listed on Page 1 of this proposal.

1.2. Questions/Addenda

Questions requesting clarification of the bid event must be submitted in WRITING (Via email is requested) to the Contacts prior to the close of business on **June 14, 2019**.

Failure to notify the Contacts of any conflicts or ambiguities in this bid event may result in items being resolved in the best interest of the State. Any modification to this bid event shall be made in writing by addendum and mailed to all vendors who received the original request. Only Written communications are binding.

Answers to the questions will be available on the Legislature's website <http://kslegislature.org/li/>

It shall be the responsibility of all participating bidders to acquire any and all addenda and additional information as it is made available from the web site cited above. Bidders must check the website periodically for any additional information or instructions.

1.3. Pre-Bid Conference

No pre-bid conference is scheduled for this bid event.

1.4. Appearance Before Committee

Any, all or no bidders may be required to appear before the LCC to explain the bidder's understanding and approach to the project and/or respond to questions from the LCC concerning the proposal; or, the LCC may award without conducting negotiations, based on the initial proposal. The Legislative Coordinating Council reserves the right to request information from bidders as needed. If information is requested, the PNC is not required to request the information of all bidders.

Bidders selected to participate in negotiations may be given an opportunity to submit a revised technical and/or cost proposal/offer to the PNC, subject to a specified cut off time for submittal of revisions. Meetings before the PNC are not subject to the Open Meetings Act. Bidders are prohibited from electronically recording these meetings. All information received prior to the cut off time will be considered part of the bidder's revised offer.

No additional revisions shall be made after the specified cut off time unless requested by the PNC.

1.5. Notices

All notices, demands, requests, approvals, reports, instructions, consents or other communications (collectively "notices") that may be required or desired to be given by either party to the other shall be IN WRITING and addressed as follows:

Consulting Services to Perform Study of the Retail Rates of Kansas Electric Public Utilities

Legislative Coordinating Council
c/o Legislative Administrative Services
RFP Consulting Services Electric Rate Study
Statehouse, Room 551-S
300 SW Tenth Avenue
Topeka, Kansas 66612

1.6. Cost of Preparing Proposal

The cost of developing and submitting the proposal is entirely the responsibility of the bidder. This includes costs to determine the nature of the engagement, preparation of the proposal, submitting the proposal, negotiating for the contract and other costs associated with this RFP.

1.7. Preparation of Proposal

Prices are to be entered in spaces provided on the cost proposal form if provided herein. Computations and totals shall be indicated where required. In case of error in computations or totals, the unit price shall govern. The Legislative Coordinating Council (LCC) has the right to rely on any prices provided by bidders. The bidder shall be responsible for any mathematical errors. The LCC reserves the right to reject proposals which contain errors.

All copies of cost proposals shall be submitted in a separate sealed envelope or container separate from the technical proposal. The outside shall be identified clearly as "Cost Proposal" or "Technical Proposal" with the Bid Event title and closing date.

A proposal shall not be considered for award if the price in the proposal was not arrived at independently and without collusion, consultation, communication or agreement as to any matter related to price with any other bidder, competitor or public officer/employee.

Technical proposals shall contain a concise description of bidder's capabilities to satisfy the requirements of this RFP with emphasis on completeness and clarity of content. Repetition of terms and conditions of the RFP without additional clarification shall not be considered responsive.

1.8. Signature of Proposals

Each proposal shall give the complete legal name and mailing address of the bidder and be signed by an authorized representative by original signature with his or her name and legal title typed below the signature line. If the contract's contact will be a different entity, indicate that individual's contact information for communication purposes. Each proposal shall include the bidder's tax number.

1.9. Acknowledgment of Amendments

All bidders shall acknowledge receipt of any amendments to this bid event by returning a signed hard copy with the bid. Failure to acknowledge receipt of any amendments may render the proposal to be non-responsive. Changes to this bid event shall be issued only by the Legislative Coordinating Council in writing.

1.10. Modification of Proposals

A bidder may modify a proposal by letter or by FAX transmission at any time prior to the closing date and time for receipt of proposals.

1.11. Withdrawal of Proposals

A proposal may be withdrawn on written request from the bidder to the Legislative Coordinating Council Contacts prior to the closing date.

1.12. Competition

The purpose of this bid event is to seek competitive responses. The bidder shall advise the Legislative Coordinating Council Contacts if any specification, language or other requirement inadvertently restricts or limits bidding to a single source. Notification shall be in writing and must be received by the Legislative Coordinating Council no later than five (5) business days prior to the bid closing date. The Legislative Coordinating Council reserves the right to waive minor deviations in the specifications which do not hinder the intent of this bid event.

1.13. Evaluation of Proposals

Award shall be made in the best interest of the State as determined by the Legislative Coordinating Council. Although no weighted value is assigned, consideration may focus toward but is not limited to:

- **Cost. Bidders are not to inflate prices in the initial proposal as cost is a factor in determining who may receive an award or be invited to formal negotiations. The State reserves the right to award to the lowest responsive bid without conducting formal negotiations.**
- **Adequacy and completeness of proposal**
- **Bidder's understanding of the project**
- **Compliance with the terms and conditions of the RFP**
- **Experience in providing like services**
- **Qualified staff**
- **Methodology to accomplish tasks**
- **Response format as required by this RFP**

1.14. Acceptance or Rejection

The LCC reserves the right to accept or reject any or all proposals or part of a proposal; to waive any informalities or technicalities; clarify any ambiguities in proposals; modify any criteria in this RFP; and unless otherwise specified, to accept any item in a proposal.

1.15. Proposal Disclosures

At the time of closing, only the names of those who submitted proposals shall be made public information. No price information will be released. A List of Bidders may be obtained in the following manner:

1. **Attending the public meeting of the Legislative Coordinating Council OR**
2. **Requesting a List of Bidders via E-mail to legserv@las.ks.gov or in writing to the following address. Include the RFP name in all requests.**

Legislative Coordinating Council
c/o Legislative Administrative Services
RFP Consulting Services Electric Rate Study
Statehouse, Room 551-S
300 SW Tenth Avenue
Topeka, Kansas 66612

Requests for additional bid information are to be processed via Kansas Open Records Act Requests.

1.16. Disclosure of Proposal Content and Proprietary Information

All proposals become the property of the State of Kansas. The Open Records Act (K.S.A. 45-215 et seq) of the State of Kansas requires public information be placed in the public domain at the conclusion of the selection process and be available for examination by all interested parties. No proposals shall be disclosed until after a contract award has been issued. The State reserves the right to destroy all proposals if the RFP is withdrawn, a contract award is withdrawn, or in accordance with Kansas law. Late Technical and/or Cost proposals will be retained unopened in the file and not receive consideration or may be returned to the bidder.

Trade secrets or proprietary information legally recognized as such and protected by law may be requested to be withheld if clearly labeled "Proprietary" on each individual page and provided as separate from the main proposal. Pricing information is not considered proprietary and the bidder's entire proposal response package will not be considered proprietary.

All information requested to be handled as "Proprietary" shall be submitted separately from the main proposal and clearly labeled, in a separate envelope or clipped apart from all other documentation. The bidder shall provide detailed written documentation justifying why this material should be considered "Proprietary". The Legislative Coordinating Council reserves the right to accept, amend or deny such requests for maintaining information as proprietary in accordance with Kansas law.

The State of Kansas does not guarantee protection of any information which is not submitted as required.

1.17. Exceptions

By submission of a response, the bidder acknowledges and accepts all terms and conditions of the RFP unless clearly avowed and wholly documented in a separate section of the Technical Proposal to be entitled: "Exceptions".

1.18. Notice of Award

An award is made on execution of the written contract by all parties.

1.19. News Releases

Only the State is authorized to issue news releases relating to this bid event, its evaluation, award and/or performance of the resulting contract.

2. Proposal Response

2.1. Submission of Proposals

Bidder's proposal shall consist of:

- One (1) original and four (4) copies of the Technical Proposal, including the signed Event Details document, applicable literature and other supporting documents;
- One (1) original and four (4) copies of the Cost Proposal ([please do not duplicate and resubmit the Event Details and supporting documents with the Cost Proposal](#));
- Two (2) electronic / software version(s) of the technical and cost proposals are required. That is two each for a total of four. This shall be provided on CD or flash drive, in Microsoft® Word, Excel or searchable PDF®. Technical and cost responses shall be submitted on separate media.

All copies of cost proposals shall be submitted in a separate sealed envelope or container separate from the technical proposal. The outside shall be identified clearly as "Cost Proposal" or "Technical Proposal" with the RFP title and closing date.

Bidder's proposal, sealed securely in an envelope or other container, shall be received no later than 5:00 p.m., Central Time, on the closing date, addressed as follows:

Legislative Coordinating Council
c/o Legislative Administrative Services
RFP Consulting Services Electric Rate Study
Statehouse, Room 551-S
300 SW Tenth Avenue
Topeka, Kansas 66612

It is the bidder's responsibility to ensure bids are received by the closing date and time. Delays in mail delivery or any other means of transmittal, including couriers or agents of the issuing entity shall not excuse late bid submissions.

Faxed, e-mailed or telephoned proposals are not acceptable unless otherwise specified.

Proposals received prior to the closing date shall be kept secured until closing. The State shall not be responsible for a proposal that was not received prior to the closing date because it was not properly identified on the outside of the envelope or container. Late Technical and/or Cost proposals will be retained in the file and not receive consideration or may be returned to the bidder.

2.2. Proposal Format

Bidders are instructed to prepare their Technical Proposal following the same sequence as this RFP.

2.3. Transmittal Letter

All bidders shall respond to the following statements:

- (a) the bidder is the prime contractor and identifying all subcontractors;
- (b) the bidder is a corporation or other legal entity;
- (c) no attempt has been made or will be made to induce any other person or firm to submit or not to submit a proposal;

Consulting Services to Perform Study of the Retail Rates of Kansas Electric Public Utilities

- (d) the bidder does not discriminate in employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin or disability;
- (e) no cost or pricing information has been included in the transmittal letter or the Technical Proposal;
- (f) the bidder presently has no interest, direct or indirect, which would conflict with the performance of services under this contract and shall not employ, in the performance of this contract, any person having a conflict;
- (g) the person signing the proposal is authorized to make decisions as to pricing quoted and has not participated, and will not participate, in any action contrary to the above statements;
- (h) whether there is a reasonable probability that the bidder is or will be associated with any parent, affiliate or subsidiary organization, either formally or informally, in supplying any service or furnishing any supplies or equipment to the bidder which would relate to the performance of this contract. If the statement is in the affirmative, the bidder is required to submit with the proposal, written certification and authorization from the parent, affiliate or subsidiary organization granting the State and/or the federal government the right to examine any directly pertinent books, documents, papers and records involving such transactions related to the contract. Further, if at any time after a proposal is submitted, such an association arises, the bidder will obtain a similar certification and authorization and failure to do so will constitute grounds for termination for cause of the contract at the option of the State;
- (i) bidder agrees that any lost or reduced federal matching money resulting from unacceptable performance in a contractor task or responsibility defined in the RFP, contract or modification shall be accompanied by reductions in state payments to Contractor; and
- (j) the bidder has not been retained, nor has it retained a person to solicit or secure a state contract on an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the bidder for the purpose of securing business.

For breach of this provision, the Legislative Coordinating Council shall have the right to reject the proposal, terminate the contract for cause and/or deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee or other benefit.

2.4. Bidder Information

The bidder must include a narrative of the bidder's corporation and each subcontractor if any. The narrative shall include the following:

- (a) date established;
- (b) ownership (public, partnership, subsidiary, etc.);
- (c) number of personnel, full and part time, assigned to this project by function and job title;
- (d) resources assigned to this project and the extent they are dedicated to other matters;
- (e) organizational chart;
- (f) list of electric investor-owned, cooperatives, municipalities, or regulatory agencies in Kansas that bidder has provided consulting services in the past 10 years;
- (g) financial statement may be required.

2.5. Qualifications

A description of the bidder's qualifications and experience providing the requested or similar service shall be submitted with the Technical Proposal. The bidder must be an established firm recognized for its capacity to perform. The bidder must have sufficient personnel to meet the deadlines specified in the bid event.

2.6. Experience

All bidders must have a minimum of three years continuous active participation in the applicable industry, providing services comparable in size and complexity to those specified herein.

2.7. Timeline/Availability

The availability and capacity for implementing services upon notification of need must be submitted with the bid.

2.8. Methodology

Bidders shall submit with the bid, a detailed explanation of the methodology for implementing services.

2.9. References

Provide three references who have contracted for similar services from the bidder in the last five years. References shall show firm name, contact person, address, e-mail address and phone number. Bidder's employees shall not be shown as references.

2.10. Bidder Contracts

Bidders must include with their RFP response, a copy of any contracts, agreements, licenses, warranties, etc. that the bidder would propose to incorporate into the contract generated from this Bid Event. (State of Kansas form DA-146a remains a mandatory requirement in all contracts.)

2.11. Alternate Proposals/Equivalent Items

Bids on goods and services comparable to those specified herein are invited. Whenever a material, article or piece of equipment is identified in the specifications by reference to a manufacturer's or vendor's name, trade name, catalog number, etc., it is intended to establish a standard, unless otherwise specifically stated. Any material, article or equipment of other manufacturers or vendors shall perform to the standard of the item specified. Equivalent bids must be accompanied by sufficient descriptive literature and/or specifications to provide for detailed comparison. Samples of items, if required, shall be furnished at no expense to the State and if not destroyed in the evaluation process, shall be returned at bidder's expense, if requested.

The State of Kansas reserves the right to determine and approve or deny "equivalency" in comparison of alternate bids.

2.12. Technical Literature

All Technical Proposals shall include specifications and technical literature sufficient to allow the State to determine that the equipment/services meet(s) all requirements. If a requirement is not addressed in the technical literature, it must be supported by additional documentation and included with the bid. Proposals without sufficient technical documentation may be rejected.

2.13. Human Trafficking

The State of Kansas, as a matter of public policy, encourages anyone doing business with the State of Kansas to take steps to discourage human trafficking. If prospective bidders/vendors/Contractors have any policies or participate in any initiatives that discourage human trafficking the prospective bidder/vendor/Contractor is encouraged to submit same as part of their bid response.

3. Terms and Conditions

3.1. Contract

The successful bidder will be required to enter into a written contract with the State. The contractor agrees to accept the provisions of Form DA 146a (Contractual Provisions Attachment), which is incorporated into all contracts with the State and is incorporated into this bid event.

3.2. Contract Documents

This bid event, any amendments, the response and any response amendments of the Contractor, and the State of Kansas DA-146a (Contractual Provision Attachment) shall be incorporated into the written contract, which shall compose the complete understanding of the parties.

In the event of a conflict in terms of language among the documents, the following order of precedence shall govern:

- Form DA 146a;
- written modifications to the executed contract;
- written contract signed by the parties;
- the Bid Event documents, including any and all amendments; and
- Contractor's written offer submitted in response to the Bid Event as finalized.

3.3. Captions

The captions or headings in this contract are for reference only and do not define, describe, extend, or limit the scope or intent of this contract.

3.4. Contract Formation

No contract shall be considered to have been entered into by the State until all statutorily required signatures and certifications have been rendered and a written contract has been signed by the contractor.

3.5. Statutes

Each and every provision of law and clause required by law to be inserted in the contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then on the application of either party the contract shall be amended to make such insertion or correction.

3.6. Governing Law

This contract shall be governed by the laws of the State of Kansas and shall be deemed executed in Topeka, Shawnee County, Kansas.

3.7. Jurisdiction

The parties shall bring any and all legal proceedings arising hereunder in the State of Kansas District Court of Shawnee County, unless otherwise specified and agreed upon by the State of Kansas. Contractor waives personal service of process, all defenses of lack of personal jurisdiction and forum non conveniens. The Eleventh Amendment of the United States Constitution is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the

State to reiterate that nothing related to this Agreement shall be deemed a waiver of the Eleventh Amendment

3.8. Mandatory Provisions

The provisions found in Contractual Provisions Attachment (DA 146a) are incorporated by reference and made a part of this contract.

3.9. Termination for Cause

The Legislative Coordinating Council (LCC) may terminate this contract, or any part of this contract, for cause under any one of the following circumstances:

- the Contractor fails to make delivery of goods or services as specified in this contract;
- the Contractor provides substandard quality or workmanship;
- the Contractor fails to perform any of the provisions of this contract, or
- the Contractor fails to make progress as to endanger performance of this contract in accordance with its terms.

The LCC shall provide Contractor with written notice of the conditions endangering performance. If the Contractor fails to remedy the conditions within ten (10) days from the receipt of the notice (or such longer period as State may authorize in writing), the LCC shall issue the Contractor an order to stop work immediately. Receipt of the notice shall be presumed to have occurred within three (3) days of the date of the notice.

3.10. Termination for Convenience

The LCC may terminate performance of work under this contract in whole or in part whenever, for any reason, the Legislative Coordinating Council shall determine that the termination is in the best interest of the State of Kansas. In the event that the LCC elects to terminate this contract pursuant to this provision, it shall provide the Contractor written notice at least 30 days prior to the termination date. The termination shall be effective as of the date specified in the notice. The Contractor shall continue to perform any part of the work that may have not been terminated by the notice.

3.11. Rights and Remedies

If this contract is terminated, the State, in addition to any other rights provided for in this contract, may require the Contractor to transfer title and deliver to the State in the manner and to the extent directed, any completed materials. The State shall be obligated only for those services and materials rendered and accepted prior to the date of termination.

In the event of termination, the Contractor shall receive payment prorated for that portion of the contract period services were provided to or goods were accepted by State subject to any offset by State for actual damages including loss of federal matching funds.

The rights and remedies of the State provided for in this contract shall not be exclusive and are in addition to any other rights and remedies provided by law.

3.12. Debarment of State Contractors

Any Contractor who defaults on delivery or does not perform in a satisfactory manner as defined in this Contract may be barred for a period up to three (3) years, pursuant to KSA 75-37,103, or have their work evaluated for pre-qualification purposes pursuant to K.S.A. 75-37,104.

3.13. Antitrust

If the Contractor elects not to proceed with performance under any such contract with the State, the Contractor assigns to the State all rights to and interests in any cause of action it has or may acquire under the anti-trust laws of the United States and the State of Kansas relating to the particular products or services purchased or acquired by the State pursuant to this contract.

3.14. Hold Harmless

The Contractor shall indemnify the State against any and all loss or damage to the extent arising out of the Contractor's negligence in the performance of services under this contract and for infringement of any copyright or patent occurring in connection with or in any way incidental to or arising out of the occupancy, use, service, operations or performance of work under this contract.

The State shall not be precluded from receiving the benefits of any insurance the Contractor may carry which provides for indemnification for any loss or damage to property in the Contractor's custody and control, where such loss or destruction is to state property. The Contractor shall do nothing to prejudice the State's right to recover against third parties for any loss, destruction or damage to State property.

3.15. Force Majeure

The Contractor shall not be held liable if the failure to perform under this contract arises out of causes beyond the control of the Contractor. Causes may include, but are not limited to, acts of nature, fires, tornadoes, quarantine, strikes other than by Contractor's employees, and freight embargoes.

3.16. Assignment

The Contractor shall not assign, convey, encumber, or otherwise transfer its rights or duties under this contract without the prior written consent of the State. State may reasonably withhold consent for any reason.

This contract may terminate for cause in the event of its assignment, conveyance, encumbrance or other transfer by the Contractor without the prior written consent of the State.

3.17. Third Party Beneficiaries

This contract shall not be construed as providing an enforceable right to any third party.

3.18. Waiver

Waiver of any breach of any provision in this contract shall not be a waiver of any prior or subsequent breach. Any waiver shall be in writing and any forbearance or indulgence in any other form or manner by State shall not constitute a waiver.

3.19. Injunctions

Should Kansas be prevented or enjoined from proceeding with the acquisition before or after contract execution by reason of any litigation or other reason beyond the control of the State, Contractor shall not be entitled to make or assert claim for damage by reason of said delay.

3.20. Staff Qualifications

The Contractor shall warrant that all persons assigned by it to the performance of this contract shall be employees of the Contractor (or specified Subcontractor) and shall be fully qualified to perform the work required. The Contractor shall include a similar provision in any contract with any Subcontractor selected to perform work under this contract.

Failure of the Contractor to provide qualified staffing at the level required by the contract specifications may result in termination of this contract or damages.

3.21. Subcontractors

The Contractor shall be the sole source of contact for the contract. The State will not subcontract any work under the contract to any other firm and will not deal with any subcontractors. The Contractor is totally responsible for all actions and work performed by its subcontractors. All terms, conditions and requirements of the contract shall apply without qualification to any services performed or goods provided by any subcontractor.

3.22. Independent Contractor

Both parties, in the performance of this contract, shall be acting in their individual capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor accepts full responsibility for payment of unemployment insurance, workers compensation, social security, income tax deductions and any other taxes or payroll deductions required by law for its employees engaged in work authorized by this contract.

3.23. Worker Misclassification

The Contractor and all lower tiered subcontractors under the Contractor shall properly classify workers as employees rather than independent contractors and treat them accordingly for purposes of workers' compensation insurance coverage, unemployment taxes, social security taxes, and income tax withholding. Failure to do so may result in contract termination.

3.24. Immigration and Reform Control Act of 1986 (IRCA)

All contractors are expected to comply with the Immigration and Reform Control Act of 1986 (IRCA), as may be amended from time to time. This Act, with certain limitations, requires the verification of the employment status of all individuals who were hired on or after November 6, 1986, by the Contractor as well as any subcontractor or sub-contractors. The usual method of verification is through the Employment Verification (I-9) Form.

With the submission of this bid, the Contractor hereby certifies without exception that such Contractor has complied with all federal and state laws relating to immigration and reform. Any misrepresentation in this regard or any employment of persons not authorized to work in the United States constitutes a material breach and, at the State's option, may subject the contract to termination for cause and any applicable damages.

Unless provided otherwise herein, all contractors are expected to be able to produce for the State any documentation or other such evidence to verify Contractor's IRCA compliance with any provision, duty, certification or like item under the contract.

3.25. Proof of Insurance

Upon request, the Contractor shall present an affidavit of Worker's Compensation, Public Liability, and Property Damage Insurance to the Legislative Coordinating Council.

3.26. Conflict of Interest

The Contractor shall not knowingly employ, during the period of this contract or any extensions to it, any professional personnel who are also in the employ of the State and providing services involving this contract or services similar in nature to the scope of this contract to the State. Furthermore, the Contractor shall not knowingly employ, during the period of this contract or any extensions to it, any state employee who has participated in the making of this contract until at least two years after his/her termination of employment with the State.

3.27. Nondiscrimination and Workplace Safety

The Contractor agrees to abide by all federal, state and local laws, and rules and regulations prohibiting discrimination in employment and controlling workplace safety. Any violations of applicable laws or rules or regulations may result in termination of this contract.

3.28. Confidentiality

The Contractor may have access to private or confidential data maintained by State to the extent necessary to carry out its responsibilities under this contract. Contractor must comply with all the requirements of the Kansas Open Records Act (K.S.A. 45-215 et seq.) in providing services under this contract. Contractor shall accept full responsibility for providing adequate supervision and training to its agents and employees to ensure compliance with the Act. No private or confidential data collected, maintained or used in the course of performance of this contract shall be disseminated by either party except as authorized by statute, either during the period of the contract or thereafter. Contractor agrees to return any or all data furnished by the State promptly at the request of State in whatever form it is maintained by Contractor. On the termination or expiration of this contract, Contractor shall not use any of such data or any material derived from the data for any purpose and, where so instructed by State, shall destroy or render it unreadable.

3.29. Environmental Protection

The Contractor shall abide by all federal, state and local laws, and rules and regulations regarding the protection of the environment. The Contractor shall report any violations to the applicable governmental agency. A violation of applicable laws or rule or regulations may result in termination of this contract for cause.

3.30. Prohibition of Gratuities

Neither the Contractor nor any person, firm or corporation employed by the Contractor in the performance of this contract shall offer or give any gift, money or anything of value or any promise for future reward or compensation to any State employee at any time.

3.31. Retention of Records

Unless the State specifies in writing a different period of time, the Contractor agrees to preserve and make available at reasonable times all of its books, documents, papers, records and other evidence involving transactions related to this contract for a period of five (5) years from the date of the expiration or termination of this contract.

Matters involving litigation shall be kept for one (1) year following the termination of litigation, including all appeals, if the litigation exceeds five (5) years.

The Contractor agrees that authorized federal and state representatives, including but not limited to, personnel of the using agency; independent auditors acting on behalf of state and/or federal agencies

shall have access to and the right to examine records during the contract period and during the five (5) year post contract period. Delivery of and access to the records shall be within five (5) business days at no cost to the state.

3.32. Off-Shore Sourcing

If, during the term of the contract, the Contractor or subcontractor plans to move work previously performed in the United States to a location outside of the United States, the Contractor shall immediately notify the Legislative Coordinating Council in writing, indicating the desired new location, the nature of the work to be moved and the percentage of work that would be relocated. The Legislative Coordinating Council must approve any changes prior to work being relocated. Failure to obtain the LCC's approval may be grounds to terminate the contract for cause.

3.33. Payment

Payment Terms are Net 30 days based on each invoice submitted.

Payment schedule shall be on a frequency mutually agreed upon by both the agency and the Contractor.

3.34. Accounts Receivable Set-Off Program

If, during the course of this contract, the Contractor is found to owe a debt to the State of Kansas, a state agency, municipality, or the federal government, agency payments to the Contractor may be intercepted / setoff by the State of Kansas. Notice of the setoff action will be provided to the Contractor. Pursuant to K.S.A. 75-6201 et seq, Contractor shall have the opportunity to challenge the validity of the debt. The Contractor shall credit the account of the agency making the payment in an amount equal to the funds intercepted.

K.S.A. 75-6201 et seq. allows the Director of Accounts & Reports to setoff funds the State of Kansas owes Contractors against debts owed by the Contractors to the State of Kansas, state agencies, municipalities, or the federal government. Payments setoff in this manner constitute lawful payment for services or goods received. The Contractor benefits fully from the payment because its obligation is reduced by the amount subject to setoff.

3.35. Federal, State and Local Taxes

Unless otherwise specified, the contracted price shall include all applicable federal, state and local taxes. The Contractor shall pay all taxes lawfully imposed on it with respect to any product or service delivered in accordance with this Contract. The State of Kansas is exempt from state sales or use taxes and federal excise taxes for direct purchases. These taxes shall not be included in the contracted price. Upon request, the State shall provide to the Contractor a certificate of tax exemption.

The State makes no representation as to the exemption from liability of any tax imposed by any governmental entity on the Contractor.

3.36. Required Reports

The Contractor shall be required to file a final report on Sections 1 and 2 with the State Corporation Commission by January 8, 2020. The Contractor shall be required to file a final report on Section 3 with the State Corporation Commission by July 1, 2020. In the event multiple Contractors are hired to complete different sections of the required work, the due dates for final reports will be in effect for the sections the Contractor will complete. Electronic files shall be e-mailed to the State Corporation Commission in .pdf format. The email address will be provided to the successful contractor(s).

3.37. Debarment of State Contractors

Any Contractor who defaults on delivery or does not perform in a satisfactory manner as defined in this Agreement may be barred for up to a period of three (3) years, pursuant to K.S.A. 75-37,103, or have its work evaluated for pre-qualification purposes. Contractor shall disclose any conviction or judgment for a criminal or civil offense of any employee, individual or entity which controls a company or organization or will perform work under this Agreement that indicates a lack of business integrity or business honesty. This includes (1) conviction of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract or in the performance of such contract or subcontract; (2) conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property; (3) conviction under state or federal antitrust statutes; and (4) any other offense to be so serious and compelling as to affect responsibility as a state contractor. For the purpose of this section, an individual or entity shall be presumed to have control of a company or organization if the individual or entity directly or indirectly, or acting in concert with one or more individuals or entities, owns or controls 25 percent or more of its equity, or otherwise controls its management or policies. Failure to disclose an offense may result in the termination of the contract.

The Contractor certifies that neither it, its principals, or any subcontractor which the Contractor will utilize in furtherance of this agreement are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this Agreement by any federal department or agency.

3.38. Materials and Workmanship

The Contractor shall perform all work and furnish all supplies and materials, machinery, equipment, facilities, and means, necessary to complete all the work required by this Contract, within the time specified, in accordance with the provisions as specified.

3.39. Implied Requirements

All products and services not specifically mentioned in this contract, but which are necessary to provide the functional capabilities described by the specifications, shall be included.

3.40. Information/Data

Any and all information/data required to be provided at any time during the contract term shall be made available in a format as requested and/or approved by the State.

3.41. Integration

This contract, in its final composite form, shall represent the entire agreement between the parties and shall supersede all prior negotiations, representations or agreements, either written or oral, between the parties relating to the subject matter hereof. This Agreement between the parties shall be independent of and have no effect on any other contracts of either party.

3.42. Modification

This contract shall be modified only by the written agreement and approval of the parties. No alteration or variation of the terms and conditions of the contract shall be valid unless made in writing and signed by the parties. Every amendment shall specify the date on which its provisions shall be effective.

3.43. Severability

If any provision of this contract is determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this contract shall not be affected and each provision of this contract shall be enforced to the fullest extent permitted by law.

3.44. Accessibility

The Contractor agrees that the services to be provided under this Contract shall comply with applicable state and federal law. This includes Section 508 of the Rehabilitation Act of 1973 and any amendments thereto, (29 U.S.C. & 794d), and its implementation of Electronic and Information Technology Accessibility Standards (36 CFR § 1194).

3.45. Restricted Use Information

“Restricted Use Information” means information provided to Service Provider by or at the direction of Customer, or to which access was provided to Service Provider by or at the direction of Customer, in the course of Service Provider’s performance under this Agreement that: (i) identifies or can be used to identify an individual (including, without limitation, names, signatures, addresses, telephone numbers, e-mail addresses and other unique identifiers); or (ii) can be used to authenticate an individual (including, without limitation, employee identification numbers, government-issued identification numbers, passwords or PINs, financial account numbers, credit report information, biometric or health data, answers to security questions and other personal identifiers).

3.46. Award

Award will be based on overall bid(s) in the best interest of the State of Kansas.

4. SPECIFICATIONS

PREFACE

The Legislative Coordinating Council (LCC) of the Kansas Legislature shall have general authority over all legislative services and such authority shall be exercised by such council as it shall determine, except as otherwise provided by chapter 46 of Kansas Statutes Annotated. The Legislative Coordinating Council shall represent the Legislature when the Legislature is not in session. The LCC is a seven-member body composed of the Senate President, Senate Majority and Minority Leaders, and the House of Representatives Speaker, House Speaker Pro Tem, and House Majority and Minority Leaders.

PURPOSE OF REQUEST FOR PROPOSAL

The purpose of this Request for Proposal (RFP) is to provide information that may assist future legislative and regulatory efforts to craft forward-looking electric policy that leads to regionally competitive electric rates and reliable electric service. The Legislative Coordinating Council shall select one or more independent organizations that have experience with evaluating electric utilities and include input from residential, commercial and industrial customers, electric utilities and other energy stakeholders.

Any organization selected by the LCC to conduct the study is authorized to request data for any electric utility as defined above; the utility has at least 14 days to respond. To ensure nondisclosure of confidential business information, the organization is required to enter into a confidentiality agreement with the utility prior to making a request for information.

Duties of the State Corporation Commission (KCC)

The bill requires the KCC to assist any organization selected to conduct the study by sharing any subject matter knowledge regarding electric utilities in Kansas or by facilitating the procurement of any necessary information requested by the organization for the study. Such information is subject to the Kansas Open Records Act, the Judicial Review Act, the Kansas Administrative Procedures Act, and any other applicable law or regulations applicable to the KCC.

Disputes regarding the provision of information is decided by the KCC. The KCC also is responsible for establishing reasonable protections for the treatment of confidential information.

The KCC is responsible for paying the costs of the study through assessments upon utilities that are subject to the study.

Required Study Areas to be Addressed

(Language of Study Areas Taken From 2019 Substitute for Senate Bill 69. Testimony may be viewed at: http://kslegislature.org/li/b2019_20/measures/SB69/testimony)

TO BE COMPLETED BY JANUARY 8, 2020

Section (1) The effectiveness of current Kansas ratemaking practices, including whether:

- Current ratemaking adequately attracts needed utility capital investments and adequately discourages unnecessary capital investments in Kansas;
- Current ratemaking appropriately balances utility profits with the public interest objectives of achieving competitive rates over time while providing the best practicable combination of price, quality and service;

Consulting Services to Perform Study of the Retail Rates of Kansas Electric Public Utilities

- Kansas electric public utilities are currently recovering from Kansas retail electric ratepayers the full or partial cost, including a return on investment, of any investments that are no longer fully used or required to be used in service to the public within the state of Kansas, including, but not limited to, generation capacity investments;
- The investments that Kansas electric public utilities have made in electric transmission and renewable generation resources have contributed, and to what extent, to the obsolescence of all the other generation facility investments of such utilities;
- Allowing Kansas investor-owned electric public utilities to recover costs through surcharges and riders, without a comprehensive ratemaking process, has unnecessarily contributed to rising wholesale and retail electricity prices;
- The current ratemaking processes for Kansas electric cooperatives and municipal utilities are in the public interest; and
- Electricity providers in surrounding states are subject to similar state laws, regulations and oversight to such requirements in Kansas;

TO BE COMPLETED BY JANUARY 8, 2020

Section (2) Options available to the State Corporation Commission and the Kansas Legislature to affect Kansas retail electricity prices to become regionally competitive while providing the best practicable combination of price, quality and service, including reviewing whether:

- Capital expenditures and operating expenses of Kansas electric public utilities can be managed to achieve and sustain competitive retail rates while maintaining adequate and reliable service;
- Any performance-based regulation, economic development initiatives, price-cap regulation or other non-traditional ratemaking methods should be considered to reduce retail electric rates or the level of increase of any rate;
- Competitive markets for retail electricity can benefit all Kansas consumers;
- Further investments in energy efficiency and renewable energy, including revenue decoupling and renewable energy incentives, can benefit all Kansas consumers;
- Securitized ratepayer-backed bonds can benefit utilities and ratepayers by reducing investment risk, facilitating the recovery of certain stranded costs from under-utilized or otherwise obsolete generating and other facilities and lowering retail electric rates, and assisting in the transition to new technologies, including a review of whether securitized bonds could be effectively utilized by Kansas utilities;
- Kansas sales tax, property taxes, assessment rates and other fees and taxes on utilities are comparable to other states in the region and how such taxes and fees impact the competitiveness of utility rates;

Consulting Services to Perform Study of the Retail Rates of Kansas Electric Public Utilities

- Kansas electric utilities and the State Corporation Commission can reduce the cost impacts of decisions of the Southwest Power Pool by advocating for certain positions through the Southwest Power Pool's stakeholder and regional state committee processes, including an identification of current and future issues most likely to impact Kansas retail electric rates;
- Any other regulatory actions are available to the state corporation commission to manage or reduce retail electric rates; and
- Legislative enactments can address retail electric rate escalation in Kansas;

TO BE COMPLETED BY JULY 1, 2020

Section (3) Other consequential issues materially affecting Kansas electricity rates, including:

- Whether any costs incurred by Kansas electric public utilities to build and operate electric vehicle charging stations, including any necessary upgrades to distribution infrastructure, are recovered from ratepayers not using electric vehicle charging services;
- How rates for electric vehicle charging services should be designed to ensure such rates are just and reasonable and not subsidized by other utility customers;
- The potential effects of deregulating electric vehicle charging services in Kansas, including whether deregulation would ensure that electric vehicle charging services are not subsidized by public utility ratepayers not using electric vehicle charging services;
- Whether Kansas consumers could benefit from improved access to advanced energy solutions, including micro grids, electric vehicles, charging stations, customer generation, battery storage and transactive energy;
- The extent to which transmission investments by Kansas electric public utilities have impacted retail rates, including any incremental regional transmission costs incurred by Kansas ratepayers for transmission investments in other states, and whether such costs have been fully offset by financial benefits such as improved access to low-cost renewable energy and wholesale energy markets;
- The costs and benefits incurred by Kansas ratepayers for transmission investments in Kansas, used to export energy out of Kansas;
- How rate increases, or the associated rising costs of Kansas investor-owned electric public utilities, impact the retail electric rates of Kansas electric cooperatives and municipal utilities;
- Whether retail electric rates in Kansas are a material barrier to economic development in Kansas;
- The impact of contract rates with commercial and industrial customers and economic development rates on other customer classes, including whether expanded utilization of such approaches can benefit all customers over time;

Consulting Services to Perform Study of the Retail Rates of Kansas Electric Public Utilities

- Whether Kansas electric public utilities recover their costs of serving customers from each customer class on the basis of cost causation;
- How cyber and physical security and grid stabilization efforts have affected, or are projected to affect, electric public utility rates;
- The value of a utility integrated resource planning process that requires state regulatory approval; and
- Economic analysis of the price fluctuations of generation fuels on the cost of electricity.

For this contract, engagement of awarded Contractor(s) shall be done based on due dates of specific sections of work. The Contractor is to respond in whole or may bid on specific sections (1, 2, or 3). Sections 1 and 2 must be completed and a final report submitted by January 8, 2020. Section 3 must be completed, and a final report submitted, by July 1, 2020.

CONTENTS OF THE PROPOSAL

Each responder shall provide a technical proposal in a tabular format in the order specified below:

- Provide the name, title, address, email address, and telephone number for all individuals who may be assigned to work on the project. Summarize the individual's relevant experience, including level of responsibility. The individual charged with overall responsibility should be clearly identified and should be available to make any oral presentation, if requested.
- Provide a minimum of three references, including contact names and telephone numbers.
- Describe your firm's procedure and policy for providing continuing, uninterrupted service if staffing changes occur or if the requested scope of services is significantly increased. In addition, describe your procedure for replacing personnel assigned to the project.
- Explain the nature and extent of familiarity and experience regarding the stated scope of work to be performed in this request for proposal.
- Provide a narrative describing the manner in which you will provide the required services.
- Provide a list of similar engagements, where the firm has completed studies of electric retail rates for other state legislatures or public utility commissions, electric public utilities, electric cooperatives and municipalities and/or commercial and industrial consumers in the past ten years. Include a brief analysis of each engagement and the evaluation outcomes for each study.

5. COST SHEET

Contractor Name: _____

The bidders rate sheet is to be the Cost Proposal. Please submit a rate sheet showing standard rates and proposed hourly rates. The submitted rate sheet is to be fixed for the term of the contract. Provide costs for each section including cost breakdown for each study topic. Provide hourly rate, if applicable, for each principal, associate, administrative staff, and subcontractor working on the study. Indicate whether submitted proposal is for entire contract or specific sections.

Please provide the following costs for the project.

Estimate Cost \$ _____

Estimate Cost – Section 1 \$ _____

Estimate Cost – Section 2 \$ _____

Estimate Cost – Section 3 \$ _____

Other Costs not shown above (please be specific)

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

List Hourly Rates for each Principal, Associate, Administrative Staff, and Subcontractor:

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

6. Contractual Provisions Attachment

DA-146a Rev. 06/12

6.1. Terms Herein Controlling Provisions

It is expressly agreed that the terms of each and every provision in this attachment shall prevail and control over the terms of any other conflicting provision in any other document relating to and a part of the contract in which this attachment is incorporated. Any terms that conflict or could be interpreted to conflict with this attachment are nullified.

6.2. Kansas Law and Venue

This contract shall be subject to, governed by, and construed according to the laws of the State of Kansas, and jurisdiction and venue of any suit in connection with this contract shall reside only in courts located in the State of Kansas.

6.3. Termination Due To Lack Of Funding Appropriation

If, in the judgment of the Director of Accounts and Reports, Department of Administration, sufficient funds are not appropriated to continue the function performed in this agreement and for the payment of the charges hereunder, State may terminate this agreement at the end of its current fiscal year. State agrees to give written notice of termination to contractor at least 30 days prior to the end of its current fiscal year, and shall give such notice for a greater period prior to the end of such fiscal year as may be provided in this contract, except that such notice shall not be required prior to 90 days before the end of such fiscal year. Contractor shall have the right, at the end of such fiscal year, to take possession of any equipment provided State under the contract. State will pay to the contractor all regular contractual payments incurred through the end of such fiscal year, plus contractual charges incidental to the return of any such equipment. Upon termination of the agreement by State, title to any such equipment shall revert to contractor at the end of the State's current fiscal year. The termination of the contract pursuant to this paragraph shall not cause any penalty to be charged to the agency or the contractor.

6.4. Disclaimer Of Liability

No provision of this contract will be given effect that attempts to require the State of Kansas or its agencies to defend, hold harmless, or indemnify any contractor or third party for any acts or omissions. The liability of the State of Kansas is defined under the Kansas Tort Claims Act (K.S.A. 75-6101 et seq.).

6.5. Anti-Discrimination Clause

The contractor agrees: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001 et seq.) and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111 et seq.) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101 et seq.) (ADA) and to not discriminate against any person because of race, religion, color, sex, disability, national origin or ancestry, or age in the admission or access to, or treatment or employment in, its programs or activities; (b) to include in all solicitations or advertisements for employees, the phrase ""equal opportunity employer""; (c) to comply with the reporting requirements set out at K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if the contractor is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract and the contract may be cancelled, terminated or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration; (f) if it is determined that the contractor has violated applicable provisions of ADA, such violation shall constitute

a breach of contract and the contract may be cancelled, terminated or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration.

Contractor agrees to comply with all applicable state and federal anti-discrimination laws.

The provisions of this paragraph number 5 (with the exception of those provisions relating to the ADA) are not applicable to a contractor who employs fewer than four employees during the term of such contract or whose contracts with the contracting State agency cumulatively total \$5,000 or less during the fiscal year of such agency.

6.6. Acceptance Of Contract

This contract shall not be considered accepted, approved or otherwise effective until the statutorily required approvals and certifications have been given.

6.7. Arbitration, Damages, Warranties

Notwithstanding any language to the contrary, no interpretation of this contract shall find that the State or its agencies have agreed to binding arbitration, or the payment of damages or penalties. Further, the State of Kansas and its agencies do not agree to pay attorney fees, costs, or late payment charges beyond those available under the Kansas Prompt Payment Act (K.S.A. 75-6403), and no provision will be given effect that attempts to exclude, modify, disclaim or otherwise attempt to limit any damages available to the State of Kansas or its agencies at law, including but not limited to the implied warranties of merchantability and fitness for a particular purpose.

6.8. Representative's Authority To Contract

By signing this contract, the representative of the contractor thereby represents that such person is duly authorized by the contractor to execute this contract on behalf of the contractor and that the contractor agrees to be bound by the provisions thereof.

6.9. Responsibility For Taxes

The State of Kansas and its agencies shall not be responsible for, nor indemnify a contractor for, any federal, state or local taxes which may be imposed or levied upon the subject matter of this contract.

6.10. Insurance

The State of Kansas and its agencies shall not be required to purchase any insurance against loss or damage to property or any other subject matter relating to this contract, nor shall this contract require them to establish a "self-insurance" fund to protect against any such loss or damage. Subject to the provisions of the Kansas Tort Claims Act (K.S.A. 75-6101 et seq.), the contractor shall bear the risk of any loss or damage to any property in which the contractor holds title.

6.11. Information

No provision of this contract shall be construed as limiting the Legislative Division of Post Audit from having access to information pursuant to K.S.A. 46-1101 et seq.

6.12. The Eleventh Amendment

"The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the State to reiterate that nothing related to this contract shall be deemed a waiver of the Eleventh Amendment."

6.13. Campaign Contributions / Lobbying

Funds provided through a grant award or contract shall not be given or received in exchange for the making of a campaign contribution. No part of the funds provided through this contract shall be used to influence or attempt to influence an officer or employee of any State of Kansas agency or a member of the Legislature regarding any pending legislation or the awarding, extension, continuation, renewal, amendment or modification of any government contract, grant, loan, or cooperative agreement.

Substitute for SENATE BILL No. 69

AN ACT concerning electric utilities; requiring a study of electric rates; relating to the legislative coordinating council; state corporation commission.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) To provide information that may assist future legislative and regulatory efforts to craft forward-looking electric policy that leads to regionally competitive electric rates and reliable electric service, the legislative coordinating council shall authorize a study of the retail rates of Kansas electric public utilities. Such utilities shall include electric public utilities as defined in K.S.A. 66-101a, and amendments thereto, electric cooperative public utilities exempt from state corporation commission jurisdiction pursuant to K.S.A. 66-104d, and amendments thereto, and the three largest municipally owned or operated electric utilities by customer count.

(b) (1) To conduct the study, the legislative coordinating council shall select one or more independent organizations, and notwithstanding the provisions of K.S.A. 46-1202, and amendments thereto, such selection shall be made by an affirmative vote of at least five members of the council including at least one affirmative vote from a member of the minority party, that have experience with evaluating electric utilities and include input from residential, commercial and industrial customers, electric utilities and other energy stakeholders.

(2) To facilitate this study, any organization selected by the legislative coordinating council may request data from any electric utility identified in subsection (a) and must allow at least 14 days for the utility to respond. Prior to making a request for information of any electric utility, any organization selected by the council shall enter into a confidentiality agreement with the electric utility to assure nondisclosure of confidential business information.

(3) The state corporation commission shall assist any organization hired by the legislative coordinating council by sharing subject matter knowledge regarding Kansas electric utilities and assisting with the procurement of any necessary information requested by such organization. Such requests shall be subject to the provisions of the Kansas open records act, the judicial review act, the Kansas administrative procedures act and any other law or regulations applicable to the state corporation commission. Any dispute regarding the provision of information, including the establishment of reasonable protections for the treatment of confidential information, shall be decided by the commission.

(4) The study shall be completed and delivered to the state corporation commission in two parts. The first part of the study shall be comprised of the issues identified in subsections (c)(1) and (2) and shall be completed and made available on the commission's website by January 8, 2020, and the second part of the study shall be comprised of the issues identified in subsection (c)(3) and shall be completed and made available on the commission's website by July 1, 2020. The commission shall submit the first part of the study to the house committee on energy, utilities and telecommunications and the senate committee on utilities by January 14, 2020, and shall submit the second part of the study to such committees by January 12, 2021.

(5) The costs of the study shall be paid by the state corporation commission from an assessment of expenses pursuant to K.S.A. 66-1502, and amendments thereto, upon the utilities that are subject to the study, regardless of whether such utilities are subject to the jurisdiction of the commission.

(c) The study authorized by the legislative coordinating council shall address:

(1) The effectiveness of current Kansas ratemaking practices, including whether:

(A) Current ratemaking adequately attracts needed utility capital

investments and adequately discourages unnecessary capital investments in Kansas;

(B) current ratemaking appropriately balances utility profits with the public interest objectives of achieving competitive rates over time while providing the best practicable combination of price, quality and service;

(C) Kansas electric public utilities are currently recovering from Kansas retail electric ratepayers the full or partial cost, including a return on investment, of any investments that are no longer fully used or required to be used in service to the public within the state of Kansas, including, but not limited to, generation capacity investments;

(D) the investments that Kansas electric public utilities have made in electric transmission and renewable generation resources have contributed, and to what extent, to the obsolescence of all the other generation facility investments of such utilities;

(E) allowing Kansas investor-owned electric public utilities to recover costs through surcharges and riders, without a comprehensive ratemaking process, has unnecessarily contributed to rising wholesale and retail electricity prices;

(F) the current ratemaking processes for Kansas electric cooperatives and municipal utilities are in the public interest; and

(G) electricity providers in surrounding states are subject to similar state laws, regulations and oversight to such requirements in Kansas;

(2) options available to the state corporation commission and the Kansas legislature to affect Kansas retail electricity prices to become regionally competitive while providing the best practicable combination of price, quality and service, including reviewing whether:

(A) Capital expenditures and operating expenses of Kansas electric public utilities can be managed to achieve and sustain competitive retail rates while maintaining adequate and reliable service;

(B) any performance-based regulation, economic development initiatives, price-cap regulation or other non-traditional ratemaking methods should be considered to reduce retail electric rates or the level of increase of any rate;

(C) competitive markets for retail electricity can benefit all Kansas consumers;

(D) further investments in energy efficiency and renewable energy, including revenue decoupling and renewable energy incentives, can benefit all Kansas consumers;

(E) securitized ratepayer-backed bonds can benefit utilities and ratepayers by reducing investment risk, facilitating the recovery of certain stranded costs from under-utilized or otherwise obsolete generating and other facilities and lowering retail electric rates, and assisting in the transition to new technologies, including a review of whether securitized bonds could be effectively utilized by Kansas utilities;

(F) Kansas sales tax, property taxes, assessment rates and other fees and taxes on utilities are comparable to other states in the region and how such taxes and fees impact the competitiveness of utility rates;

(G) Kansas electric utilities and the state corporation commission can reduce the cost impacts of decisions of the southwest power pool by advocating for certain positions through the southwest power pool's stakeholder and regional state committee processes, including an identification of current and future issues most likely to impact Kansas retail electric rates;

(H) any other regulatory actions are available to the state corporation commission to manage or reduce retail electric rates; and

(I) legislative enactments can address retail electric rate escalation

in Kansas; and

(3) other consequential issues materially affecting Kansas electricity rates, including:

(A) Whether any costs incurred by Kansas electric public utilities to build and operate electric vehicle charging stations, including any necessary upgrades to distribution infrastructure, are recovered from ratepayers not using electric vehicle charging services;

(B) how rates for electric vehicle charging services should be designed to ensure such rates are just and reasonable and not subsidized by other utility customers;

(C) the potential effects of deregulating electric vehicle charging services in Kansas, including whether deregulation would ensure that electric vehicle charging services are not subsidized by public utility ratepayers not using electric vehicle charging services;

(D) whether Kansas consumers could benefit from improved access to advanced energy solutions, including micro grids, electric vehicles, charging stations, customer generation, battery storage and transactive energy;

(E) the extent to which transmission investments by Kansas electric public utilities have impacted retail rates, including any incremental regional transmission costs incurred by Kansas ratepayers for transmission investments in other states, and whether such costs have been fully offset by financial benefits such as improved access to low-cost renewable energy and wholesale energy markets;

(F) the costs and benefits incurred by Kansas ratepayers for transmission investments in Kansas, used to export energy out of Kansas;

(G) how rate increases or the associated rising costs of Kansas investor-owned electric public utilities impact the retail electric rates of Kansas electric cooperatives and municipal utilities;

(H) whether retail electric rates in Kansas are a material barrier to economic development in Kansas;

(I) the impact of contract rates with commercial and industrial customers and economic development rates on other customer classes, including whether expanded utilization of such approaches can benefit all customers over time;

(J) whether Kansas electric public utilities recover their costs of serving customers from each customer class on the basis of cost causation;

(K) how cyber and physical security and grid stabilization efforts have affected, or are projected to affect, electric public utility rates;

(L) the value of a utility integrated resource planning process that requires state regulatory approval; and

(M) economic analysis of the price fluctuations of generation fuels on the cost of electricity.

Substitute for SENATE BILL No. 69—page 4

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE concurred in
HOUSE amendments _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE
as amended _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.

Electric Rate Study; Sub. for SB 69

Sub. for SB 69 directs the Legislative Coordinating Council (LCC) to authorize a study of retail rates of Kansas electric public utilities.

Purpose and Scope

The bill specifies the purpose of the study is to provide information that may assist future legislative and regulatory efforts in developing electric policy that includes regionally competitive rates and reliable electric service. The utilities subject to the study include electric public utilities, as defined in Chapter 66 of the *Kansas Statutes Annotated*; electric cooperative public utilities exempt from Kansas Corporation Commission (KCC) jurisdiction; and the three largest municipally owned or operated electric utilities by customer count.

Selection, Rights, and Duties of Study Organizations

The bill requires the LCC to select, by an affirmative vote of at least five members (including at least one vote from a minority party member), one or more independent organizations that have experience evaluating electric utilities. The study also requires input from residential, commercial, and industrial customers, electric utilities, and other stakeholders.

Any organization selected by the LCC to conduct the study is authorized to request data for any electric utility as defined above; the utility has at least 14 days to respond. To ensure nondisclosure of confidential business information, the organization is required to enter into a confidentiality agreement with the utility prior to making a request for information.

Duties of the KCC

The bill requires the KCC to assist any organization selected to conduct the study by sharing any subject matter knowledge regarding electric utilities in Kansas or by facilitating the procurement of any necessary information requested by the organization for the study. Such information is subject to the Kansas Open Records Act, the Judicial Review Act, the Kansas Administrative Procedures Act, and any other applicable law or regulations applicable to the KCC.

Disputes regarding the provision of information is decided by the KCC. The KCC also is responsible for establishing reasonable protections for the treatment of confidential information.

The KCC is responsible for paying the costs of the study through assessments upon utilities that are subject to the study.

Issues to Be Studied

The bill requires the study to be completed in two parts. The first portion of the study, which is required to be completed by January 8, 2020, and submitted to the House and Senate utilities committees by January 14, 2020, will examine the following issues:

- The effectiveness of current Kansas ratemaking practices, including whether:
 - Current ratemaking adequately attracts needed utility capital investments and adequately discourages unnecessary capital investments in Kansas;
 - Current ratemaking appropriately balances utility profits with the public interest objectives of achieving competitive rates over time while providing the best practicable combination of price, quality, and service;
 - Kansas electric public utilities are currently recovering from Kansas retail electric ratepayers the full or partial cost, including a return on investment, of any investments no longer fully used or required to be used in service to the public within Kansas, including, but not limited to, generation capacity investments;
 - The investments Kansas electric public utilities have made in electric transmission and renewable generation resources have contributed, and to what extent, to the obsolescence of all the other generation facility investments of such utilities;
 - Allowing Kansas investor-owned electric public utilities to recover costs through surcharges and riders, without a comprehensive ratemaking process, has unnecessarily contributed to rising wholesale and retail electricity prices;
 - Current ratemaking processes for Kansas electric cooperatives and municipal utilities are in the public interest; and
 - Electricity providers in surrounding states are subject to similar state laws, regulations, and oversight to such requirements in Kansas; and

- Options available to the KCC and the Kansas Legislature to affect Kansas retail electricity prices to become regionally competitive while providing the best practicable combination of price, quality, and service, including whether:
 - Capital expenditures and operating expenses of Kansas electric public utilities can be managed to achieve and sustain competitive retail rates while maintaining adequate and reliable service;
 - Any performance-based regulation, economic development initiatives, price-cap regulation or other non-traditional ratemaking methods should be considered to reduce retail electric rates or the level of increase of any rates;
 - Competitive markets for retail electricity could benefit all Kansas consumers;
 - Further investments in energy efficiency and renewable energy, including revenue decoupling and renewable energy incentives, could benefit all Kansas consumers;
 - Securitized ratepayer-backed bonds could benefit utilities and ratepayers by reducing investment risk, facilitating the recovery of certain stranded costs from under-utilized or otherwise obsolete generating and other facilities and lowering retail electric rates, and assisting in the transition to

new technologies, including a review of whether securitized bonds could be effectively utilized by Kansas utilities;

- Kansas sales tax, property taxes, assessment rates, and other fees and taxes on utilities are comparable to other states in the region and how such taxes and fees impact the competitiveness of utility rates;
- Kansas electric utilities and the KCC may reduce the cost impacts of decisions of the Southwest Power Pool (SPP) by advocating for certain positions through the SPP's stakeholder and regional state committee processes, including an identification of current and future issues most likely to impact Kansas retail electric rates;
- Any other regulatory actions are available to the KCC to manage or reduce retail electric rates; and
- Legislative enactments could address retail electric rate escalation in Kansas.

The second part of the study, which is required to be completed by July 1, 2020, and submitted to the House and Senate utilities committees by January 12, 2021, will examine other consequential energy issues materially affecting Kansas electric rates, including:

- Whether any costs incurred by Kansas electric public utilities to build and operate electric vehicle charging stations, including any necessary upgrades to distribution infrastructure, are recovered from ratepayers not using electric vehicle charging services;
- How rates for electric vehicle charging services should be designed to ensure such rates are just and reasonable and not subsidized by other utility customers;
- The potential effects of deregulating electric vehicle charging services in Kansas, including whether deregulation would ensure electric vehicle charging services are not subsidized by public utility ratepayers not using electric vehicle charging services;
- Whether Kansas consumers could benefit from improved access to advanced energy solutions, including micro grids, electric vehicles, charging stations, customer generation, battery storage, and transactive energy;
- The extent to which transmission investments by Kansas electric public utilities have impacted retail rates, including any incremental regional transmission costs incurred by Kansas ratepayers for transmission investments in other states, and whether such costs have been fully offset by financial benefits such as improved access to low cost renewable energy and wholesale energy markets;
- The costs and benefits incurred by Kansas ratepayers for transmission investments in Kansas used to export energy out of Kansas;

- How rate increases or the associated rising costs of Kansas investor-owned electric public utilities impact the retail electric rates of Kansas electric cooperatives and municipal utilities;
- Whether retail electric rates in Kansas are a material barrier to economic development in Kansas;
- The impact of contract rates with commercial and industrial customers and economic development rates on other customer classes, including whether expanded utilization of such approaches could benefit all customers over time;
- Whether Kansas electric public utilities recover their costs of serving customers from each customer class on the basis of cost causation;
- How cyber and physical security and grid stabilization efforts have affected, or are projected to affect, electric public utility rates;
- The value of a utility integrated resource planning process that requires state regulatory approval; and
- Economic analysis of the price fluctuations of generation fuels on the cost of electricity.

The bill requires the first and second parts of the study to be made available on the KCC's website by January 8, 2020, and July 1, 2020, respectively.

The bill takes effect upon publication in the *Kansas Register*.