

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a personal services contract with **Energy and Environmental Economics (E3)** for **Integrated Resource Plan (IRP) Support**.

Board Meeting Date: 2/1/2022
Project Name/Contract #: IRP Support Contract 22-012-PSC
Primary Contact: Frank Lawson Ext.7621

Contract Amount:

Original Contract Amount: \$300,000
Additional \$ Previously Approved: \$0
Invoices over last approval: \$0
Percentage over last approval: 0%
Amount this Request: \$300,000
Resulting Cumulative Total: **\$300,000**

Contracting Method:

Method of Solicitation: Direct Negotiation
If applicable, basis for exemption: EWEB Rule 3-0275 Sole-Source
Term of Agreement: 2 years
Option to Renew? Yes, annually up to 5 years total
Approval for purchases "as needed"
for the life of the Contract: Yes No
Proposals/Bids Received (Range): N/A
Selection Basis: Direct Negotiation, Sole-Source

Narrative:

Operational Requirement and Alignment with Strategic Plan

Electricity Supply Planning includes complex modeling, robust analytics, industry knowledge, and interpretation of results. As part of our ongoing Electricity Supply Planning efforts, EWEB staff have committed to deliver a draft Integrated Resource Plan (IRP) to the EWEB Board in December 2022. While preparing for that effort, in November 2021 EWEB's lead electricity supply planner retired unexpectedly, leaving inadequate time to support the training and transfer of knowledge to other Power Planning staff. As a result, to stay on track with the committed timeline and effectively utilize our existing modeling resources, scenarios, data sets, and prior analyses in the 2022 IRP, EWEB needs to secure the services of a knowledgeable and compatible consultant with the ability to quickly integrate with our team with little to no training time.

Contracted Goods or Services

If approved, E3 will contribute to EWEB's Integrated Resource Planning process by guiding its AURORA modeling team, serving as an architect advisor to its IRP strategy team, and acting as a bridge between the two teams to ensure work is sequenced to support agreed upon objectives in a thorough and timely manner. E3 has experience with the AURORA model and doing the modeling for IRPs of numerous utilities across the US and in the Pacific Northwest region. Given EWEB's AURORA modeling team is newer to both the model and IRP process, E3 will help

the team succeed in structuring model inputs, vetting assumptions, debugging model results, highlighting key findings, among other modeling tasks. E3 also has vast knowledge of industry trends and regional dynamics of the Pacific Northwest which will be key in supporting the IRP strategy team. E3 will help the team identify key questions, design scenarios, and frame modeling findings to the board and public in digestible ways. Because these two fundamental work streams within the IRP process are so intertwined, the modeling and the strategy, E3's experience from both perspectives will ensure communication is fluid, the scope of core questions to be answered within the IRP is reasonable and focused, and current industry thinking is applied. Work will be authorized by issuing project-specific Task Orders.

Purchasing Process

Due to the nature of the work and the knowledge required, these services qualify for a sole-source exemption in accordance with EWEB Rule 3-0275 (a).

Competitive Fair Price (if less than 3 responses received)

E3 has offered a discount to market rates for this contract.

Prior Contract Activities

EWEB Contract No.	Project Name (Description)	Board Approval Date	Project Duration (Notice to proceed to close out).	Original Contract Amount	Final Contract Amount
21-007-PSC	Phase II Electrification Analysis	NA	1/22/21 – 1/31/22	\$138,333	TBD

ACTION REQUESTED:

Management requests the Board approve a Personal Services Contract with Energy and Environmental Economics (E3) for IRP Support. Approximately \$200,000 was planned for these services in the Integrated Planning Analytical Support 2022 budget of \$200,000. Variances will be managed within the budget process and Board policy.