CLIENT OF CHOICE:
FAIR, TRANSPARENT, & OPEN EVALS

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Seattle City Light
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OUR MISSION
Seattle City Light is dedicated to delivering customers affordable, reliable and environmentally responsible electricity services.

OUR VISION
We resolve to provide a positive, fulfilling and engaging experience for our employees. We will expect and reinforce leadership behaviors that contribute to that culture. Our workforce is the foundation upon which we achieve our public service goals and will reflect the diversity of the community we serve.

We strive to improve quality of life by understanding and answering the needs of our customers. We aim to provide more opportunities to those with fewer resources and will protect the well-being and safety of the public.

We aspire to be the nation’s greenest utility by fulfilling our mission in an environmentally and socially responsible manner.

OUR VALUES
Safety, Environmental Stewardship, Innovation, Excellence, Customer Care
OUTLINE

• It all starts with the Scope of Work

• City Light’s New Approach to Proposal Evaluations
SCOPE OF WORK

• Traditionally, business units have not been shown how to write an effective Scope of Work.

• Most common approach:
  o A project manager gets assigned to a project.
  o They find an old example & try to freshen it up
  o Or, take a stab at it from scratch

• Biggest risk is when we don’t know what we don’t know.
SCOPE OF WORK TEMPLATES

• We’ve begun using these to help our business units put together their SOWs
CITY LIGHT’S NEW EVALUATION PROCESS: OVERVIEW

• Key Differences
  o Prescribed template formats for evaluation criteria
  o Page limits
  o Blind and anonymous criteria

• Outcomes
  o Apples-to-apples comparison
  o Reduces marketing “fluff” and focuses on the project
  o Minimize favoritism toward “usual suspects”
  o Small and WMBE firms have a seat at the table
CITY LIGHT’S NEW EVALUATION PROCESS: TEMPLATES, PAGE LIMITS, BLIND & ANONYMOUS

ATTACHMENT E - RISK ASSESSMENT PLAN

SECTION 1 – ASSESSMENT OF CONTROLLABLE RISKS (2 Pages Maximum)

Risk 1: Stator core existing condition

Why is it a Risk? It is typical during studies of this nature to conditionally accept the existing core for continued use based on limited observed results of a thorough visual and borescopic inspection and viewing through inspection windows. The final qualification will ultimately be based on quantitative Cld or loop testing. When the core is not the case, the core condition is not risk to the rehabilitation schedule. If the core is not found to be in a good condition, the stator core replacement is included in the scope of work for the contractor. This results in potential cost and schedule implications to the project.

Solution: SCL requested during the pre-submittal conference that Unit 54 was planned to be removed during the Phase 1 inspection cycle, it is unusual to have access to a rotor or inspection program. The absence of core splits in the stator shall make it suitable candidate for El-Cld testing to determine the condition of the existing stator core. Our lengthy tenure in the industry is aware that the original core in Unit 54 was replaced by 1978. Replacement of a stator core is a significant cost and with the unique opportunity of having the rotor inspection will allow for testing to determine the condition of the core. We will conduct the EL-Cld test following completion of Phase 1. Task 2 inspectors shall have the capability and expertise to conduct and interface with the teams generator rewinding expert. We have made the rewinding platform that was used on Boundary Unit 54 and will be installed by SCL for the Unit 54 Phase 1 inspection.

Risk 2: Validation of contractor design changes

Why is it a Risk? Significant design changes to flow distribution in unit 54 were made by the contractor, however, confirmation of the added changes are typically only supported by the contract calculations as complex CFD modeling is deemed to be time consuming and may not provide results of sufficient validation of the changes occurs during the testing of completion of the rehabilitation outage. Failure to verify distribution requirements can result in contractual disputes on the unit and additional outage requirements to make modifications to the system.

Solution: The ventilation model that is developed during Phase 1 will verify any ventilation modifications proposed by the bidder. The bid proposal provides confirmation of testing both pre- and post-stage and the design review stage to ensure that the plan has a high probability of achievement of performance goals.

ATTACHMENT F - VALUE ASSESSMENT PLAN

VALUE ADDED OPTIONS (2 Pages Maximum)

Option 1: Reference the write up on Attachment E (Risk Assessment Plan - Controllable)
- Description: Reference the write up on Attachment E (Risk Assessment Plan - Controllable)
- Cost Impact: Not included per direction from SCL during pre-submittal conference
- Schedule Impact: Not included per direction from SCL during pre-submittal conference

Option 2: Conduct heat run testing in accordance with IEEE 115 in the event original heat run data is not available. The purpose of this testing is to verify baseline data for inclusion in the RFP package for contractor solicitation. We will supply all test equipment and personnel to conduct the testing.
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- Cost Impact: Not included per direction from SCL during pre-submittal conference
- Schedule Impact: Unit shutdown overnight to allow cooling to ambient temperature and instrumentation installation. One day of operational testing with load control to maximum power (based on availability of water). No shutdown will be required to remove instrumentation. Total schedule duration impact is 2 days.

Option 3: In addition to the heat run testing noted in Option 1, we will conduct baseline vibration, sound and airflow (ventilation measurements) of the unit. Testing will be conducted in accordance with ISO 7919-5 and ISO 3746 and the equipment provided will meet IEC or ISO requirements. We will supply all test equipment and personnel to conduct the testing. We will also provide hardware to measure the actual rim to spider interference remaining on the unit.
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- Schedule Impact: Unit shutdown overnight to allow cooling to ambient temperature and instrument installation. One day of operational testing with load control to maximum power (based on availability of water). No shutdown will be required to remove instrumentation. Total schedule duration impact is 2 days.

Option 4: Hazardous material sampling
- Description: The scope included in Task 2 of the RFP requests “conducting a hazardous materials inspection of the units and surrounding area.” Our team will take this a step further and conduct actual sampling activities during the Unit 54 outage. Paint chip samples will be obtained from areas typically found to contain lead paint and are anticipated to be disturbed during unit overhaul.
CITY LIGHT’S NEW EVALUATION PROCESS: MINIMIZING THE POTENTIAL FOR BIAS

• Minimize favoritism

• Bring non-usual suspect to the table

• Get the best consultant even if it is not what the PM “wants”
CITY LIGHT’S NEW EVALUATION PROCESS: DIFFERENTIATING EXPERTISE

<table>
<thead>
<tr>
<th>Risk 1:</th>
<th>Source Data Quality and Integrity</th>
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</thead>
<tbody>
<tr>
<td>Why is it a Risk?</td>
<td>In our experience, one of the largest risks in data consolidation projects is not properly accounting for the time required to understand, normalize, and import non-standard data from existing systems.</td>
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<tr>
<td>Solution:</td>
<td>For each data source that will be integrated into the Building Analytics system, we will perform a risk assessment which will classify the probability of project-delaying problems involved in the ETL process. Based on that risk assessment, we will prioritize the data import of the riskiest integrations earlier in the project timeline. When encountered, this risk can cause significant delays in producing client value due to the disruption in the downstream activities that depend upon having a functional data integration. Should this risk present itself in the project, we will look to adjust the overall deliverable timeline and/or scope to accommodate for the delay, additional cost, and downstream impacts of troublesome data imports.</td>
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<tr>
<th>Risk 5:</th>
<th>Project Source Data Contained in Legacy Excel Calculators.</th>
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<tbody>
<tr>
<td>Why is it a Risk?</td>
<td>We estimate there are over 230+ versions of the Excel calculators that have been used by SCL to calculate savings for various project types (Outline available upon request). If the key project attribute data is not contained in one of the legacy systems, mapping fields for dynamic data extraction is estimated at approximately 500 hours.</td>
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<td>Solution:</td>
<td>(a) We’ve methodically reviewed 10 of the SCL calculators and have devised a plan for field mapping and data scraping for import into the BA if needed. (b) Our team has experience scraping data from Excel and is familiar with many of the calculators that are used in the NW for savings calculations. We anticipate leveraging these skills for optimizing workflows in the DSM project – outlined in our DSM proposal.</td>
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CITY LIGHT’S NEW EVALUATION PROCESS: TAKES TIME TO TRAIN THE PROJECT TEAM

• This approach requires a different way of thinking.

• Evaluation process, templates, and methodology

• There can be discomfort with:
  o Anonymous proposals
  o Holding the price separate
  o Prescribing page limits
  o Using standard templates rather than open responses
CITY LIGHT’S NEW EVALUATION PROCESS: EDUCATING THE VENDORS IS CRITICAL!

• Vendors must understand the client is serious when we say “The Client is not always right.”

• We want to know...
  o about scope gaps
  o about potential issues that could pop up in execution
  o what resources, decisions, actions are expected of us
  o of potential changes that are help out-of-scope & we will accommodate them if they occur
  o if our budget/schedule is unreasonable
CITY LIGHT’S NEW EVALUATION PROCESS: EDUCATING THE VENDORS IS CRITICAL!

• 2-3hr Pre-Submittal conference
  o Detailed review of the RFP process, intent, criteria
  o Examples of strong vs. poor proposal responses
  o (do this twice for complex IT projects)

• Have even conducted proposal-writing workshops based on RFP criteria (i.e. mock proposals)

• Extensive training in Pre-Award Clarification

• Setup and training for Post-Award Metrics

• Ongoing monitoring of Post-Award Metrics
QUESTIONS?