

STAFF PROPOSAL FOR RFP COST ESTIMATE LEVEL OF CONFIDENCE

Final Estimate

- **+/-20% level of confidence**
 - 20% bandwidth must be within the study estimate bandwidth
- **Staff Proposal: Estimate derived from the cost estimate in the winning bid/response to the RFP**
 - Developed by the bidder
 - No NTC-C process for Competitive Upgrades

Current RFP Process Outlined in the OATT

- RFP issued as early as 7 days after Board approval
- Responses received within 90 days from the date the RFP was issued
- IEP submits recommendation to SPP Board within 60 days
 - Oversight Committee may grant a 30-day extension
- Board selects an RFP Proposal
- Total time period of approximately 6 months assuming no extension granted

Current NTC-C Process

- **NTC-C issued by SPP 15 days after Board approval**
 - For ITPNT, DTO must reply with cost estimate within approx. 6 months
 - For ITP10, DTO must reply with cost estimate within approx. 12 months
- **Examination of the cost compared to the +/-30% bandwidth**
 - If outside the bandwidth project reevaluated with a recommendation provided to the Board
- **Original intent of the NTC-C was to provide the Board an additional point to review cost**

2015 ITPNT Hypothetical Timeline using NTC-C

- RFPs issued for Competitive Upgrades in February
- RFP Responses due in May
- IEP scoring through July
- July 30: Board DTO selection at July Board Meeting
- August 21: NTC-Cs issued within 15 business days of Board Meeting
- NTC-C response due by August 31
 - **7 business days to complete**
 - Must be completed 4 months prior to the start of the next ITPNT

2015 ITPNT Example Timeline using Staff Proposal

- RFPs issued for Competitive Upgrades in February
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- July 30: Board DTO selection at July Board Meeting
- August 21: NTCs issued within 15 business days of Board Meeting

Proposal

- **+/-20% Estimate derived from the cost estimate in the winning bid/response to the RFP**
 - **No NTC-C process for Competitive Upgrades**
 - **Ensures the RFP response bid is meaningful**
 - **Fits better in ITP timeline**