

# INDUSTRY EXPERT PANEL

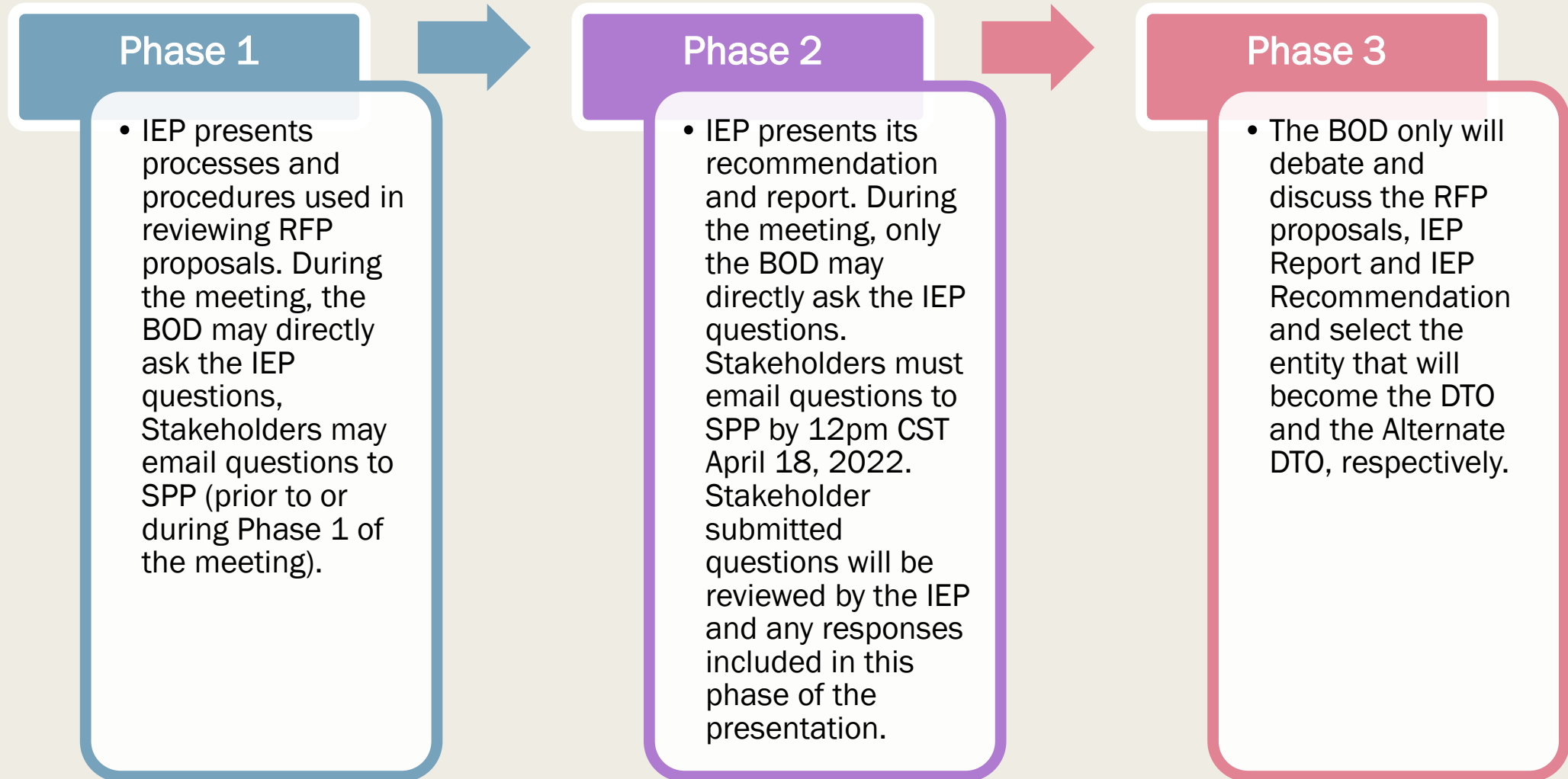
IEP Process and Recommendations for:  
RFP-000005 Minco-Pleasant Valley-Draper 345 kV  
Transmission Lines

April 26, 2022

# Agenda

- Introduction
- Phase 1 – RFP, IEP, & Report Development Process
  - *Josh Martin, SPP BOD Member & Oversight Committee Chair*
  - *Paul Suskie, SPP EVP & GC*
  - *Steve Strickland, IEP Chair*
    - Industry Expert Pool, IE Pool Training, & IE Panel Selection
    - Post IEP Evaluation Window Steps
    - IEP Evaluation Process
- Phase 2 – IEP Substantive Evaluation of 7 RFP Proposals
  - *Steve Strickland, IEP Chair*
    - IEP Evaluations
    - Overview of Pre-submitted Stakeholder Questions
    - IEP Recommendations

# 3 Phase Process for Board Meeting



**Phase 1 – RFP, IEP, & Report  
Development Process - *Josh Martin***

# **SPP Oversight Committee RFP Minco- Pleasant Valley-Draper 345 kV Timeline**

# Industry Expert Panel (IEP)

- OC reviews affiliations any potential candidate has with (1) an SPP stakeholder or member as listed on the “Members” section of the SPP homepage; and (2) any entity that is listed as a Qualified RFP Participant (“QRP”) on the SPP homepage
  - *For purposes of SPP’s Transmission Owner Selection Process (“TOSP”), an affiliation is defined as the existence of a relationship or situation whereby an Industry Expert has past, present, or currently, planned interests that either directly or indirectly (through a client, contractual, financial, organizational or other relationship) may relate to a QRP or SPP stakeholder*
  - *OC has approved the following policy regarding IEP Pool members: “If an expert has been selected to serve in the IEP pool and their respective departure from the their previous employer is less than two years and appears to present a conflict of interest, they may not be chosen to serve on a panel until the two year period has expired.”*
- In April 2021, 7 experts were contracted for the purpose of creating an expert panel to evaluate the Minco-Pleasant Valley-Draper (MPVD) Request For Proposal (RFP)
- On May 3, 4 and 7, 2021 SPP Staff conducted a training exercise for the 7 contracted experts via Webex.
- The training included an overview of SPP, FERC Order 1000, the SPP Planning Process, the SPP Tariff attachments on Order 1000, the Industry Expert Panel Responsibilities, and a mock RFP Response scenario.

# Minco-Pleasant Valley-Draper Project

- On April 27, 2021 SPP Board for Directors (BOD) gave final approval for the construction of the MPVD Project.
- On May 4, 2021 SPP published the MPVD RFP
- On May 11, 2021 the SPP Oversight Committee (OC) approved the IEP panel to be seated for evaluation of the MPVD RFP.
  - *SPP tariff requires that SPP's Oversight Committee create an IEP that consists of 3-5 members. Attachment Y Section III.2(b)(iv)*

# Industry Expert Panel for RFP-000005 Minco-Pleasant Valley-Draper

Area of Expertise	Primary Expert	Secondary Expert
Engineering Design	Tom Bozeman <sup>^</sup>	Ali Alfayez
Project Management Construction	Ali Alfayez <sup>^</sup>	Brian Van Gheem
Operations	Brian Van Gheem	Tom Bozeman
Rate Analysis	Steve Strickland <sup>*^</sup>	Bernard Cevera
Finance	Bernard Cevera	Steve Strickland

\* Industry Expert Panel Chair

<sup>^</sup> Served on previous panels



# Summary of IEP Members Background

Panel Members	Summary of Background
<p><b>Steve Strickland (Chair)</b></p>	<p>Mr. Strickland's 35-year career with Entergy Arkansas spanned responsibilities in regulation, engineering, business development, and executive management. His educational background includes degrees in chemical engineering, business, and law. In addition to extensive involvement in utility regulatory policy issues, his engineering experience includes coal and nuclear power plant projects, and engineering management of advanced power plants, including coal gasification combined cycle.</p>
<p><b>Tom Bozeman</b></p>	<p>Mr. Bozeman has been employed by and led some of the most recognizable Engineering consulting firms in the industry. He has led design and construction of over 54 projects/1,000 miles of transmission line projects from 34kV to 500kV. In addition, he has led the design of more than 170 substation projects from 34kV to 765kV and system studies for 700 miles of DC lines.</p>
<p><b>Ali Al-Fayez</b></p>	<p>Mr. Al-Fayez has 40 years of utility experience, including 20 years in Transmission Planning, 10 years in asset management, and 12 years as an electric utility consultant. During his career he was responsible for the transmission capital budget of utilities of \$1 billion. Over the last 5 years, Mr. Al-Fayez has been involved in the RTO/ISO competitive processes in the operations and maintenance areas.</p>
<p><b>Brian Van Gheem</b></p>	<p>Mr. Van Gheem has been employed in the compliance field over the last 15 years, including his current position as Senior NERC Consultant with Proven Compliance Solutions. Mr. Van Gheem obtained his NERC System Operator Certification while working as a principal compliance engineer with MISO. He provided administrative support as NERC field-tested the balancing authority ACE limits currently in place for NERC Reliability Standard BAL-001-2. He also has experience with electric transmission project construction for the design of distribution underbuilds on transmission facilities.</p>
<p><b>Bernard Cevera</b></p>	<p>Mr. Cevera has extensive utility experience as an employee and consultant for RTOs, the Kansas City Board of Public Utilities, and multiple utility companies. He directed a staff of up to 434 employees with \$210 million in annual revenues and \$177 million in operating expenses. Mr. Cevera also was responsible for the construction, maintenance and management of a distribution system serving 65,000 electric customers in a 127 square mile service area, consisting of 29 substations and 2,992 miles of distribution lines.</p>

**Phase 1 – RFP, IEP, & Report  
Development Process - *Paul Suskie***

# SPP Staff Action Upon Receipt of RFP Responses

- Between May 4, 2021 and November 1, 2021, SPP staff received 7 proposals from 5 entities. All proposals were submitted by an entity/entities that has/have been approved as Qualified RFP Participants (QRPs) as required by Attachment Y Section III.2 of the SPP Tariff.
  - *Proposals A&B, C, D, E, F, G*
- On November 12, 2021 SPP Staff gave the IEP access to the 7 proposals for the IEP to begin the panel evaluation per Attachment Y
- SPP Staff helped to facilitate the efforts of the IEP until the IEP's Report was finalized on February 10, 2022
  - Attachment Y Section III.2(b)(vi) states that SPP staff shall facilitate the IEP's efforts

# Post IEP Evaluation Window Steps

- Attachment Y requires SPP to produce two redacted versions of the Internal Report, a Board of Directors (BOD) report and a Public report.
  - On February 10, 2022 the IEP finalized its Report
  - On April 12, 2022 SPP Staff published two redacted versions of the Internal Report
    - Board of Directors Report – the RFP Respondents’ names are redacted but not confidential information. Provided to the BOD members by April 12, 2022.
    - Public Report – the RFP Respondents’ names and any confidential information obtained during the TOSP are redacted. Posted publicly on April 12, 2022 at [www.spp.org](http://www.spp.org)

# Post IEP Evaluation Window Steps (Cont'd)

- SPP emailed Stakeholders the BOD Process Letter from BOD Chairman Larry Altenbaumer on April 11, 2022 and posted the letter along with the IEP Public Report on April 12, 2022
- After posting of the IEP Public Report, Stakeholders submitted 20 questions for review by the IEP and SPP; IEP has provided responses for 9 questions and SPP has provided responses to 11 questions.
  - *IEP responses are included in this presentation and will be addressed by the IEP Chair*
  - *SPP responses have been posted in the BOD background materials*
  - *Some questions have been generalized to ensure Respondent confidentiality*

**Phase 1 – RFP, IEP, & Report  
Development Process - *Steve Strickland***

# IEP Evaluation Process

- The panel held its initial meeting by conference call on May 18, 2021
- The panel held 11 conference calls prior to the beginning of the evaluation window starting.
- In these conference calls, the panel developed internal administrative guidelines and procedures and identified resource requirements, including:
  - email and documentation protocols
  - the need for outside consultant assistance
  - procedures to govern Requests for Information (RFI)
  - identified a process schedule
  - defined what a successful project would be – *built within the target in-service date and budget, constructed in a safe manner, and operated as intended and in accordance with the requirements set out by SPP.*
  - Developed and published IEP Direction to Respondents document

# IEP Evaluation Process (Cont'd)

- SPP Tariff - Attachment Y requirements:
  - “The IEP shall score and rank each RFP Proposal in a non-discriminatory manner...”
  - “The IEP may recommend that any RFP Proposal be eliminated from consideration due to a low score in any individual category.”
  - “The IEP shall develop a final score for each RFP Proposal and provide its recommended RFP Proposal and an alternate RFP Proposal to the BOD...”
  - “The RFP Proposal with the highest total score may not always be recommended.”



# IEP Evaluation Process (Cont'd)

- “The IEP shall score and rank each RFP Proposal in a non-discriminatory manner...”
  - Prospective IEP members were screened to ensure no conflicts of interest
  - The IEP had no interaction with any representative of any proposal and all contacts, such as RFI requests, were conducted by SPP staff
  - The IEP assigned each proposal a letter designation when the proposals were received and referred to proposals by that designation for the full evaluation period and in the report
  - The IEP focused on finalizing the point allocations within each of the five scoring categories independently before the points were totaled and the proposal with the highest points was identified

# IEP Evaluation Process (Cont'd)

- On July 16, 2021 the IEP published the “IEP Direction to Respondents” document to spp.org
- Prior to the beginning of the evaluation window, the five scoring category teams:
  - identified criteria/sub-criteria for rating using SPP Tariff and other applicable factors
  - developed scoring methodologies to assign points to the evaluation criteria/sub-criteria
  - adopted a common allocation methodology – 0% unacceptable, 50% good, 75% better and 100% best
  - maximum points awarded to at least one proposal for each subjective criterion/sub-criterion
- Panelists were also provided with SPP Tariff Attachment Y, Business Practices related to the TOSP, and the Minimum Transmission Design Standards Rev 2
- Panelists were given access to all RFP Proposals on November 12, 2021

# IEP Evaluation Process (Cont'd)

- Panelists continued with weekly calls to
  - Address scoring issues including:
    - Overlapping scoring criteria/sub-criteria
    - Ensuring appropriate weighting among scoring categories
  - Focus the experts' knowledge and experience on common rating issues
  - Identify any RFIs needed to clarify information in the reports
- The primary and secondary experts communicated with each other outside of the weekly calls, as required
- Panelists used SPP regulatory, legal, and planning staff for assistance on an as-needed basis
- The Panel reviewed proposals for any significant issues that might prevent the proposal from being able to achieve a successful project.

# IEP Evaluation Process (Cont'd)

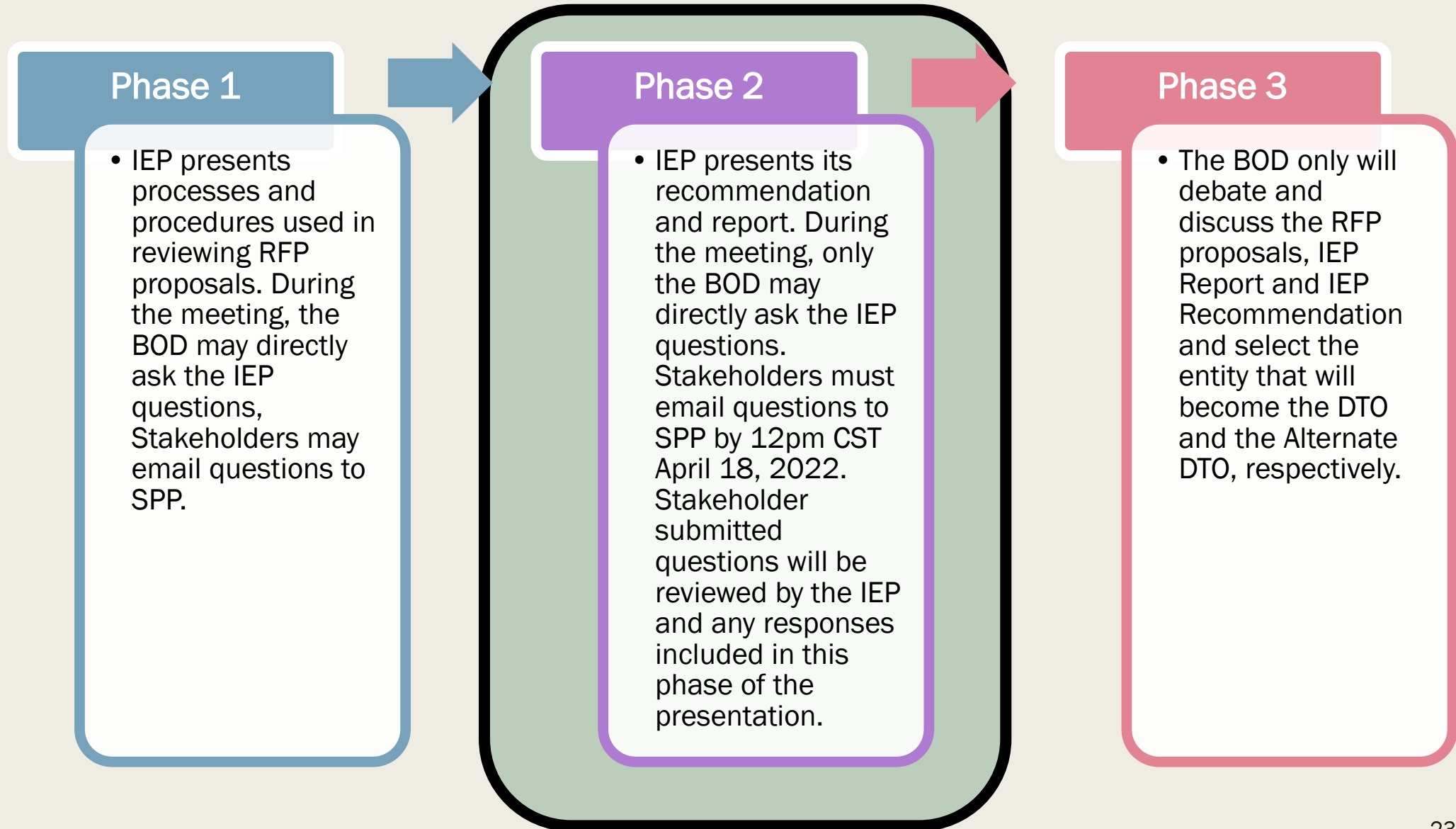
- Each Scoring Category Team:
  - Evaluated relevant information in each proposal to identify point allocations using judgment/experience
  - Compiled results in summary tables by scoring category and in total
- The IEP determined the proposal allocated the most points was the tentative recommended proposal
- The IEP then performed a reality check to confirm that the top proposal should be the Recommended RFP Proposal

# IEP Evaluation Process (Cont'd)

- Alternate Recommended RFP Proposal
  - Attachment Y directs IEP to develop “a single recommendation for the SPP Board of Directors consisting of its recommended RFP Proposal and an alternate RFP Proposal for each Competitive Upgrade
  - Tariff recognizes “[t]he RFP Proposal with the highest score may not always be recommended.”
- IEP Report Development
  - Conducted six cycles of report draft reviews
  - Identified supporting information for inclusion in the Appendix
  - Issued a final, confidential IEP Internal Report to SPP Staff on February 10, 2022

# Questions

# End of Phase 1



**Phase 2 – IEP Substantive Evaluation of  
7 RFP Proposals – *Steve Strickland***



# IEP Evaluations

- “The IEP may recommend that any RFP Proposal be eliminated from consideration due to a low score in any individual category.”
  - The IEP agreed that a successful project was one that was constructed safely, on time, and within budget, and would operate safely and according to its design parameters.
  - The IEP reviewed all proposals to identify any cross category impacts and validate the ability of the proposal to perform as submitted and within cost estimates as submitted
  - The evaluators for the Engineering Design, Project Management, Operations, and Finance scoring categories each determined that all proposals demonstrated an ability to produce a successful project for their review areas
- SPP Staff determined that all proposals had met the Detailed Project Proposal requirements to receive incentive points.

# IEP Evaluations (Cont'd)

TOSP Scoring Criteria	Maximum Points
Engineering Design	200 Points
Project Management (Construction Project Management)	200 Points
Operations	250 Points
Rate Analysis (Cost to Customers)	225 Points
Finance (Financial Viability and Creditworthiness)	<u>125 Points</u>
Total Base Points	<b>1,000 Points</b>
Detailed Project Proposal (Incentive Points)	<u>100 Points</u>
Total Maximum Points	<b>1,100 Points</b>

\* See final report for assignment of points to criteria in each scoring category.

# IEP Evaluation Results

<b>Scoring Results Matrix SPP-RFP-000005 Minco-Pleasant Valley-Draper 345kV</b>										
RFP Proposal	RRE	PVRR	Engineering Design (200pts)	Project Management (200pts)	Operations (250pts)	Rate Analysis (225pts)	Finance (125pts)	Total Score	Incentive Pts	Grand Total Score
E	\$ 55,053,470	\$ 50,712,417	197.00	194.00	169.38	225.00	115.00	900.38	100.00	<b>1000.38</b>
D	\$ 77,558,459	\$ 67,239,991	157.00	168.00	216.56	179.50	109.06	830.13	100.00	<b>930.13</b>
C	\$ 85,631,534	\$ 77,444,363	153.10	163.35	213.08	152.50	120.00	802.03	100.00	<b>902.03</b>
G	\$ 74,030,113	\$ 70,946,775	187.50	168.50	167.50	174.00	96.25	793.75	100.00	<b>893.75</b>
B	\$ 87,661,315	\$ 87,268,023	158.50	153.00	205.31	129.00	106.88	752.69	100.00	<b>852.69</b>
A	\$ 96,992,028	\$ 96,351,168	174.00	153.00	205.31	109.00	106.88	748.19	100.00	<b>848.19</b>
F	\$ 87,005,124	\$ 84,178,479	178.00	152.50	186.25	125.00	101.25	743.00	100.00	<b>843.00</b>
Average	\$ 80,561,720	\$ 76,305,888	172.16	164.62	194.77	156.29	107.90	795.74	N/A	<b>895.74</b>

# IEP Recommendations

# IEP Recommendations

- IEP unanimously recommends Proposal E as the Recommended RFP Proposal for RFP-000005 Minco-Pleasant Valley-Draper
  - Received highest point allocation of all proposals
  - Met all evaluation criteria set by the IEP
  - Exhibited strong performance in multiple scoring categories
    - Received highest point allocation in Rate Analysis which represents the lowest cost to SPP customers, both in the cost to construct and operate
    - Strengths beyond cost
      - while demonstrating significant cost savings scored highest in points in Engineering Design and Project Management and just 5 points below highest scored proposal in Finance
      - IEP examined how well Proposal E scored in these areas to ensure the high points received were reflecting a true balance across all categories and criteria to determine the value to SPP customers, not just the cost
    - Proposal E presents the best evidence that it can produce a successful project, one that is constructed safely, on time, and within budget, and would operate safely and according to its design parameters

# IEP Recommendations (Cont.)

- In addition, Proposal E
  - Proposal E backs up its low construction cost estimate with the best cost cap guarantees of any proposal, including relatively tight caps on both the annual transmission rate revenue requirement and the projected construction cost, with less restrictive exclusions compared to other proposals.
  - Proposal E presents one of the most robust design criteria and line loading cases and ranked as one of the best in the Reliability/Quality criterion.
  - Proposal E proposes an in-service date of July 1, 2024, six months before the target date specified in the RFP, including a construction plan that explains how it would achieve this early date and meaningful financial penalties in the event the target date is not met.
  - Proposal E provided sufficient information to demonstrate its capability to perform effectively as the Project's Transmission Owner.
  - Proposal E described a maintenance philosophy with more frequent aerial and comprehensive ground inspections than the other proposals and proposed locating a maintenance operations center near the Project.
  - Proposal E demonstrated that it has the necessary financial strength to finance the project, and could draw on the financial strength of its parent company, which has a high S&P rating.

# IEP Recommendations (Cont.)

- Summary of Proposal E
  - Proposed route:
    - 48.4 mile single circuit 345 kV
  - Structure:
    - Configuration: single pole braced horizontal post
    - Foundation Type: direct embedded
    - Material: spun concrete
    - Total Structures: 296
  - Conductor:
    - Type: ACSS/HS “Pheasant” Bundle of 2
    - Size: 1272 kcmil
  - Proposed construction complete date:
    - Six months prior to RFP need date of January 1, 2025
  - Cost:
    - RFP Response Estimate cost to construct: \$55,053,470
    - Present Value Revenue Requirement cost to operate and maintain: \$50,712,417
    - Cost guarantees

# IEP Alternate Proposal Recommendation

- IEP unanimously recommends Proposal D as the Recommended Alternate Proposal
  - Received the second highest point total
  - Received the highest allocation of points in the Operations scoring category, second highest in Rate Analysis and third in Project Management and Finance
  - Submitted by a Respondent viewed as having the capability and experience to construct the Project successfully



# IEP Alternate Proposal Recommendations (Cont'd)

- Summary of Proposal D
  - Proposed route:
    - 45.1 mile single circuit 345 kV
  - Structure:
    - Configuration: single pole braced horizontal post
    - Foundation Type: direct embed
    - Material: galvanized steel
    - Total Structures: 262
  - Conductor:
    - Type: ACSS “Cardinal”
    - Size: 954 kcmil
  - Proposed construction complete date:
    - By the RFP need date of January 1, 2025
  - Cost:
    - RFP Response Estimate cost to construct: \$77,558,459
    - Present Value Revenue Requirement cost to operate and maintain: \$67,239,991
    - Cost guarantees

# Overview of Pre-submitted Stakeholder Questions

1. At what point would the IEP become concerned with a cost estimate/RRE that was substantially below other Respondents' estimates? We understand that the recommended proposal provided a cost guarantee, but was there a point where the evaluator needs to question the legitimacy of the cost estimate?
2. Why did the IEP award points to the recommended proposal for having an in-service date earlier than the need date?
3. Why did the IEP in its evaluations identify benefits in the scoring of the proposals for items that are outside of the scope of work for the Project? The IEP identified (specifically called out) items such as switching, relay settings during commissioning, etc. that are for equipment that are in the incumbent utility's scope of work.
4. How did the IEP evaluate proposals with respect to cost certainty considering inflationary and global supply chain pressures that have escalated since bids were submitted?

# Overview of Pre-submitted Stakeholder Questions (Cont'd)

5. How did the IEP evaluate the “in practice” performance history of Respondent’s with respect to project cost overruns on other FERC Order 1000 projects?
6. Did the IEP expect Respondent’s to have firsthand knowledge of the site’s existing infrastructure, topography and agency requirements for siting and construction?
7. By what criteria did the IEP evaluate experience level in both engineering and project management subcategories; both for identified contract resources and participant resources?
8. How did the IEP evaluate the Respondent’s ability to obtain ROW?
9. How did the IEP view the regulatory and operational differences between Respondent’s in the evaluation of the proposals?

# Questions

# IEP Recommendation

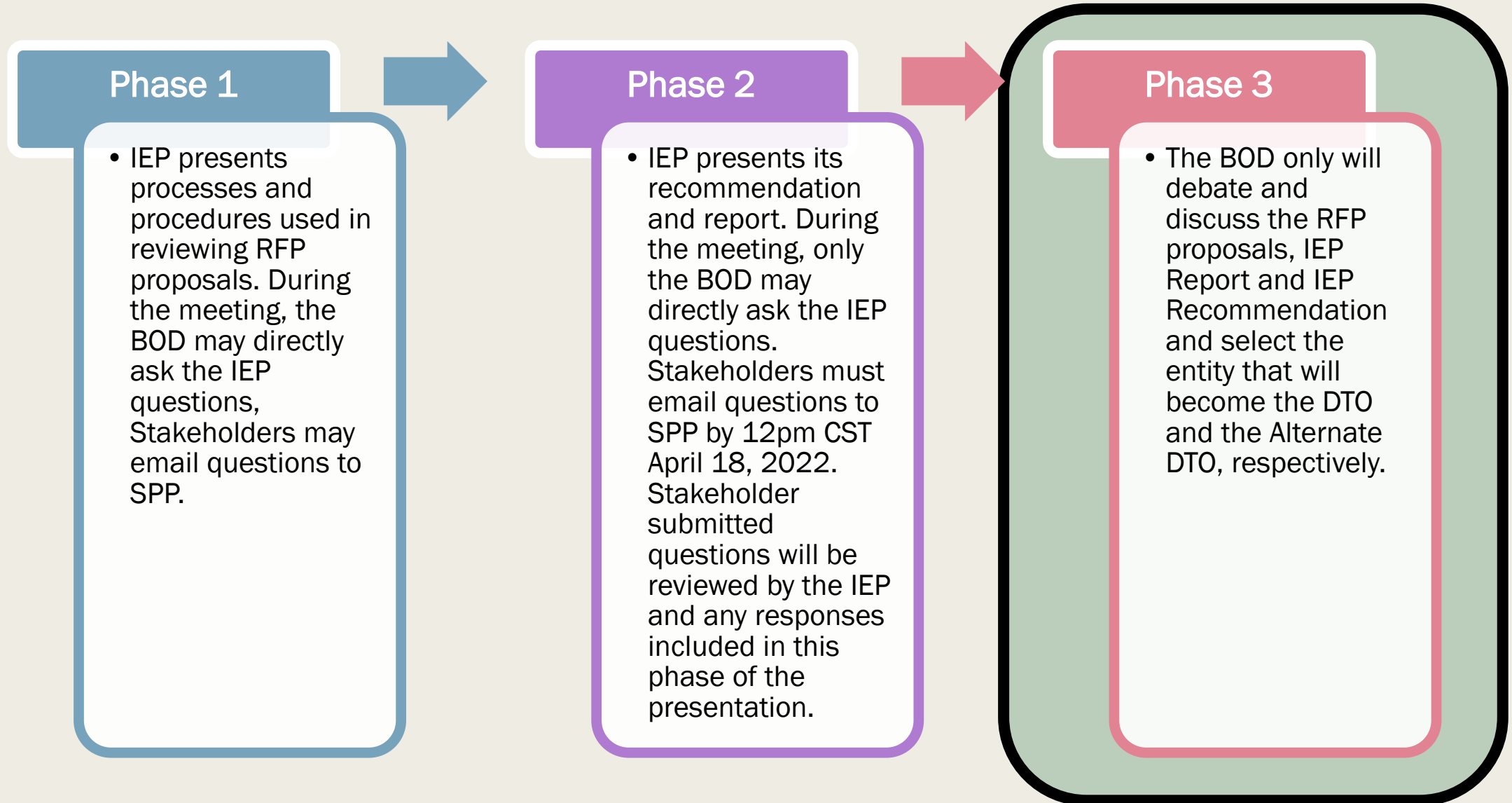
- Approve the IEP Report and designate a Designated Transmission Owner (DTO) and Alternate DTO as recommended by the IEP.

- **RECOMMENDED MOTIONS:**

*Motion 1: To accept the IEP's recommendation designating the DTO as recommended in the IEP Report and to direct SPP Staff to issue a NTC to the DTO, per SPP's Tariff.*

*Motion 2: To accept the IEP's recommendation designating the Alternate DTO as recommended in the IEP Report.*

# End of Phase 2



# Addendum

# IEP Response to Question 1

- At what point does the IEP become concerned with an RFP Participant submitting a cost estimate/RRE that is substantially below the other participants estimates? We understand that the selected proposal provided a guarantee, but there still comes a point where the evaluator needs to question the legitimacy of the cost estimate.
  - *Response: The IEP addressed that issue in its deliberations. Its process included examining each proposal's detailed cost elements in comparison to the other proposals to identify any significant outliers. To the extent that any cost element was out of line, that element was examined to assess explanations for that deviation.*



# IEP Response to Question 2

- Why did the IEP award points to the recommended proposal for having an in-service date earlier than the need date?
  - *Response: The TO for the Project will need to coordinate interconnection arrangements with the incumbent utilities owning the terminal facilities for the Project. Because the Project was justified on an economic basis, it is likely SPP customers will receive economic benefit if the Project is placed in service prior to the target in-service date. The incumbent utilities owning the terminal substations would have incentive to work with the Project TO and achieve an earlier in-service date to maximize benefits to Zone and Region customers.*

# IEP Response to Question 3

- Why did the IEP in its evaluations identify benefits in the scoring of the proposals for items that are outside of the scope of work for the Project? The IEP identified (specifically called out) items such as switching, relay settings during commissioning, etc. that are for equipment that are in the incumbent utility's scope of work.
  - *Response: As stated in the response to question 29 in the Transmission Owner Selection Process Questions Log, a “Respondent’s prior experience with transmission switching actions and real-time control [was] not part of the evaluation of a prospective Transmission owner because the competitive facilities are limited to the transmission line.” The IEP also did not focus on relay operations in its evaluation. However, some Respondents provided switching accuracy rates and the number of annual switching steps as sample metrics to be evaluated under the sub-criterion Corporate Reliability Metrics of the Operations Category. Other company-specific reliability metrics were also evaluated under this sub-criterion. Corporate Reliability Metrics in general were viewed as a way to compare and rank the operational expertise of the Respondents.*

# IEP Response to Question 4

- How did the IEP evaluate proposals with respect to cost certainty considering inflationary and global supply chain pressures that have escalated since bids were submitted?
  - *Response: All Respondents submitted their proposals during the COVID 19 pandemic with knowledge of potential supply chain issues and inflation. Several Respondents specifically addressed these factors, such as cost containment and safety and health, and were allocated points accordingly. During its evaluation the IEP asked SPP staff about any reported supply chain or other quality issues. At the time Staff reported that nothing had been reported in the quarterly tracking report due to any supply chain or other quality issues that would cause construction delays.*

# IEP Response to Question 5

- How did the IEP evaluate the “in practice” performance history of Respondent’s with respect to project cost overruns on other FERC Order 1000 projects?
  - *Response: The IEP relied on information related to cost Respondents provided in their proposals.*

# IEP Response to Question 6

- Did the IEP expect Respondent's to have firsthand knowledge of the site's existing infrastructure, topography and agency requirements for siting and construction?
  - *Response: The allocation of points took into consideration a Respondent's knowledge of its proposed route as presented in its proposal. Some proposals stated the Respondent had already evaluated the Project's terrain and potential routes. Some proposals detailed several route pros and cons, and one proposal provided a video demonstrating the topology and possible geographic, civil, and utility infrastructure crossings along its proposed route.*

# IEP Response to Question 7

- By what criteria did the IEP evaluate experience level in both engineering and project management subcategories; both for identified contract resources and participant resources?
  - *Response: The IEP used several criteria and sub-criteria enumerated in its Scoring Methodology to evaluate and rank proposals based on each Respondent's engineering and project management experience, both for the Respondent and its contractors. The information in each proposal formed the basis for the evaluation, ranking, and allocation of points for these criteria and sub-criteria.*

# IEP Response to Question 8

- How did the IEP evaluate the Respondent's ability to obtain ROW?
  - *Response: The IEP relied on the information provided in each proposal that described the Respondent's proposed method for obtaining ROW. Point allocations were based solely upon that information.*

# IEP Response to Question 9

- How did the IEP view the regulatory and operational differences between Respondent's in the evaluation of the proposals?
  - *Response: The IEP developed a Scoring Methodology based on the required criteria identified in the SPP's Tariff, Attachment Y and supplemented as deemed appropriate within each scoring category. The IEP then relied on the information provided in each proposal to evaluate and rank the proposals for each criterion and sub-criterion in the Scoring Methodology. All proposals were evaluated on the same basis.*



**Minco-Pleasant Valley-Draper Report**  
**Respondent Questions and IEP Responses**

1. At what point would the IEP become concerned with a cost estimate/RRE that was substantially below other Respondents' estimates? We understand that the recommended proposal provided a cost guarantee, but was there a point where the evaluator needs to question the legitimacy of the cost estimate?
  - Response: The IEP addressed that issue in its deliberations. Its process included examining each proposal's detailed cost elements in comparison to the other proposals to identify any significant outliers. To the extent that any cost element was out of line, that element was examined to assess explanations for that deviation.
  
2. Why did the IEP award points to the recommended proposal for having an in-service date earlier than the need date?
  - Response: The TO for the Project will need to coordinate interconnection arrangements with the incumbent utilities owning the terminal facilities for the Project. Because the Project was justified on an economic basis, it is likely SPP customers will receive economic benefit if the Project is placed in service prior to the target in-service date. The incumbent utilities owning the terminal substations would have incentive to work with the Project TO and achieve an earlier in-service date to maximize benefits to Zone and Region customers.
  
3. Why did the IEP in its evaluations identify benefits in the scoring of the proposals for items that are outside of the scope of work for the Project? The IEP identified (specifically called out) items such as switching, relay settings during commissioning, etc. that are for equipment that are in the incumbent utility's scope of work.
  - Response: As stated in the response to question 29 in the Transmission Owner Selection Process Questions Log, a "Respondent's prior experience with transmission switching actions and real-time control [was] not part of the evaluation of a prospective Transmission owner because the competitive facilities are limited to the transmission line." The IEP also did not focus on relay operations in its evaluation. However, some Respondents provided switching accuracy rates and the number of annual switching steps as sample metrics to be evaluated under the sub-criterion Corporate Reliability Metrics of the Operations Category. Other company-specific reliability metrics were also evaluated under this sub-criterion. Corporate Reliability Metrics in general were viewed as a way to compare and rank the operational expertise of the Respondents.
  
4. How did the IEP evaluate proposals with respect to cost certainty considering inflationary and global supply chain pressures that have escalated since bids were submitted?
  - Response: All Respondents submitted their proposals during the COVID 19 pandemic with knowledge of potential supply chain issues and inflation. Several Respondents specifically addressed these factors, such as cost containment and safety and health, and were allocated points accordingly. During its evaluation the IEP asked SPP staff about any reported supply chain or other quality issues. At the time Staff reported that nothing had been reported in the quarterly tracking report due to any supply chain or other quality issues that would cause construction delays.

5. How did the IEP evaluate the “in practice” performance history of Respondent’s with respect to project cost overruns on other FERC Order 1000 projects?
  - Response: The IEP relied on information related to cost Respondents provided in their proposals.
  
6. Did the IEP expect Respondent’s to have firsthand knowledge of the site’s existing infrastructure, topography and agency requirements for siting and construction?
  - Response: The allocation of points took into consideration a Respondent’s knowledge of its proposed route as presented in its proposal. Some proposals stated the Respondent had already evaluated the Project’s terrain and potential routes. Some proposals detailed several route pros and cons, and one proposal provided a video demonstrating the topology and possible geographic, civil, and utility infrastructure crossings along its proposed route.
  
7. By what criteria did the IEP evaluate experience level in both engineering and project management subcategories; both for identified contract resources and participant resources?
  - Response: The IEP used several criteria and sub-criteria enumerated in its Scoring Methodology to evaluate and rank proposals based on each Respondent’s engineering and project management experience, both for the Respondent and its contractors. The information in each proposal formed the basis for the evaluation, ranking, and allocation of points for these criteria and sub-criteria.
  
8. How did the IEP evaluate the Respondent’s ability to obtain ROW?
  - Response: The IEP relied on the information provided in each proposal that described the Respondent’s proposed method for obtaining ROW. Point allocations were based solely upon that information.
  
9. How did the IEP view the regulatory and operational differences between Respondent’s in the evaluation of the proposals?
  - Response: The IEP developed a Scoring Methodology based on the required criteria identified in the SPP’s Tariff, Attachment Y and supplemented as deemed appropriate within each scoring category. The IEP then relied on the information provided in each proposal to evaluate and rank the proposals for each criterion and sub-criterion in the Scoring Methodology. All proposals were evaluated on the same basis.

**Minco-Pleasant Valley-Draper Report**  
**Respondent Questions and Staff Responses**

1. To the extent that inflationary pressures and some commitments for cost certainty were made, how will the SPP treat changes in design made to control cost (or achieve schedule) that ultimately could impact design parameters upon which the proposal was selected?
  - Response: The expectation of competitive projects is to have the same quarterly tracking process in terms of cost and schedule as any other Notification to Construct (“NTC”). The Project Cost Working Group (“PCWG”) implements these processes as detailed in SPP Business Practice (“BP”) 7060.
2. To the extent that the SPP has selected in-service dates for this project, how will the SPP treat requests for schedule extensions based on material unavailability?
  - Response: Any changes in the in-service date would be evaluated in accordance with the SPP Tariff, Attachment Y, Section V and BP 7060 as any other NTC.
3. Will changes in cost due to material/labor/inflationary pressures attributed to COVID-19 and/or the ongoing Russia/Ukraine conflict be allowed, or will they be treated as a known Force Majeure events and disallowed as reasons for the winning bidder to seek cost relief?
  - Response: Any Force Majeure claim would be evaluated in accordance with the SPP Tariff, Section 10.1 as any other NTC and any applicable cost caps specified in the RFP response.
4. How has the IEP incorporated the learnings from Sooner to Wekiwa (SPP-RFP-000002) or the feedback received as solicited from the Blackberry to Wolf Creek (SPP-RFP-000003) RFP process?
  - Response: With RFP-000005 Minco-Pleasant Valley-Draper 345kVproject, SPP Staff discussed and shared with the IEP any feedback that was received from previous RFPs as well as discussing with them revisions being proposed by the Transmission Owner Selection Process Task Force and approved through the SPP stakeholder process or suggestions from the Oversight Committee.
5. Did the IEP consult the results of the evaluations of Sooner to Wekiwa (SPP-RFP-000002) and Blackberry to Wolf Creek (SPP-RFP-000003) for consistency in evaluation of the same criteria on this project?
  - Response: For reference, SPP Staff does provide past IEP documents (i.e.; IEP Direction to Respondents Document, RFP Public Report) to the current IEP. Each IEP is allowed to develop its own non-discriminatory scoring methodology and process based on the categories and base points stipulated in Section III.2.f.iii of Attachment Y of the Tariff. Some members of the Minco-Pleasant Valley-Draper IEP have served on prior SPP IEP panels including the Sooner to Wekiwa (SPP-RFP-000002) and Blackberry to Wolf Creek (SPP-RFP-000003) projects.
6. What is SPP’s plan to provide more transparency into the rationale behind the IEP’s scoring for each category for each respondent given how heavily the report is redacted?
  - Response: The IEP Report provides the IEP’s rationale for scoring in each category. The report details the process the IEP used to review, rank, and score each RFP Proposal, including the scoring methodology developed by the IEP prior to reviewing bids and how

they implemented that methodology to make their final recommendation. The report is redacted consistent with Stakeholder approved business practices and FERC approved Tariff language and RFP respondents designated confidential information.

7. To what extent did the IEP (or, does the SPP Board) consider business continuity risk of any non SPP load serving entities that choose to submit bids to FERC 1000 projects in the SPP?
  - Response: As part of the Transmission Owner Selection Process, each QRP is required to meet the qualification criteria specified in Attachment Y, Section III.1 of the SPP Tariff before the QRP is permitted to respond to any RFPs for competitive upgrades. This qualification step was approved by FERC and included in the TOSP specifically to ensure that the entities participating in the TOSP were adequately qualified to participate in the process.
8. Does the IEP see cost before evaluating all other categories?
  - Response: SPP provides the RFP proposals in their entirety to the IEP at the start of the IEP review period.
9. Does SPP have prescribed guidance on what is considered “confidential” information?
  - Response: SPP does not determine which information is confidential in the RFP response process. The SPP Tariff specifically provides that a RFP Respondent may identify any information in its RFP Proposal that is confidential and that SPP is required to redact that confidential information from the public version of the IEP’s report. See Attachment Y, Section III.2(c) and (d). BP 7700 specifies certain information within the RFP Proposal that SPP will not treat as confidential.
10. Attachment O, Section III.6.a states an entity is required to include information about “the specific need(s) identified in the Integrated Transmission Planning Assessments to be addressed” as an element of a DPP. Can SPP provide evidence of each Proposal Respondent solving the specific needs identified in a DPP submittal that were ultimately granted the DPP incentive for the Minco–Pleasant Valley-Draper Project? Please describe the process used to evaluate and award the incentive points.
  - Response: The SPP Tariff limits the disclosure of information contained in a DPP to the information SPP determines is necessary for the review of the DPP during the planning process and for documentation of the reason(s) why a DPP was or was not chosen in the current ITP Assessment. The request for each Respondents DPP information as it relates to the incentive points received in the Minco-Pleasant Valley-Draper Transmission Owner Selection Process (“TOSP”) does not fall within one of the exceptions for disclosure. Accordingly, the release of information related to DPPs submitted for the Minco-Pleasant Valley-Draper project during the 2019 ITP Assessment is prohibited by the SPP Tariff.
  - SPP evaluates the DPPs using the processes outlined in Attachment O, Section III.6 of the SPP Tariff and BP 7650.
11. To the extent a similar project submission, taken as an equivalent DPP, was awarded the DPP incentive, please provide relevant citations within the SPP tariff granting such authority.
  - Response: SPP utilizes the processes outlined in Section III.6 of Attachment O of the SPP Tariff and in BP 7650.