

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JULY 26, 2021

SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH SIEMENS INDUSTRY, INC. FOR GENERATOR POWER TESTING, MODELING, AND DATA COLLECTION AS REQUIRED BY CALIFORNIA INDEPENDENT SYSTEM OPERATOR FOR RIVERSIDE ENERGY RESOURCE CENTER AND SPRINGS POWER PLANT IN THE AMOUNT OF \$211,804 FOR A TERM THROUGH MARCH 22, 2022

ISSUES:

Consider approving a Professional Consultant Services Agreement with Siemens Industry, Inc. for generator power testing, modeling, and data collection as required by California Independent System Operator for Riverside Energy Resource Center and Springs Power Plant in the amount of \$211,804.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve a Professional Consultant Services Agreement with Siemens Industry, Inc. for generator power testing, modeling, and data collection as required by California Independent System Operator for Riverside Energy Resource Center and Springs Power Plant in the amount of \$211,804 for a term through March 22, 2022; and
2. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement with Siemens Industry, Inc., including making minor non-substantive changes.

BACKGROUND:

The City of Riverside owns and operates the Riverside Energy Resource Center (RERC) and Springs Power Plant (Springs). Each of the four turbines at RERC are registered as a Participating Generator with the California Independent System Operator (CAISO) and Springs is recognized as a Participating Generator.

The CAISO's Tariff requires Participating Generators to provide the CAISO with accurate and up-to date generator modeling data to maintain the electric grid. The CAISO's Business Practice Manual (BPM) for the Transmission Planning Process Section 10 identifies numerous tests, modeling, and data collection needed for all Participating Generators in the CAISO's territory. On

January 26, 2021, the CAISO notified Riverside Public Utilities' (RPU) that the four RERC units and the Springs Power Plant were required to submit generator modeling data by October 1, 2021 in accordance with the BPM to maintain compliance. This is a new requirement that was passed in 2018; however, the guidance to complete the modeling was not finalized until January 26, 2021. The CAISO's BPM requires this testing, collection, and submittal of this data every five years going forward.

Upon submittal of the data, the CAISO will review for inaccuracies and inform RPU of deficiencies. Per the CAISO's Tariff, failure to make an initial submission by the deadline, or failure to cure deficiencies during the 60-day cure period will result in a \$500/day penalty per generation unit not in compliance. For RPU, failure to meet these deadlines would result in a penalty of up to \$2,500 per day for all five of RPU's Participating Generators. This Agreement also meets the City's Strategic Plan for increased reliability of critical infrastructure facilities by meeting compliance requirements to ensure cost effective continuity of operations.

DISCUSSION:

Request for Proposal (RFP) 2089 was posted on March 24, 2021 and 78 vendors that are registered with the City through the City's bidding platform, PlanetBids, were notified of the RFP. Included in the notification were two vendors who previously performed Generator Modeling, Testing, and Data Collection at Riverside's generating facilities. RFP 2089 closed on April 15, 2021 and staff received three proposals. **Due to the specialized services required for this project, staff only anticipated a few proposals.**

Table 1. RFP Notification Summary

Action	Number of Vendors
Vendors Notified	78
Vendors who downloaded the RFP	23
Proposals received	3

Table 2. Proposals Received

Vendor	Location	Amount	Rank
Siemens Power Technologies International (Siemens)	Foster City, CA	\$211,804	1
General Electric International, Inc.	Schenectady, New York	\$185,900	2
Grid Subject Matter Experts, LLC	Folsom, CA	\$232,894	3

Staff recommends the proposal from Siemens Power Technologies International (Siemens). Siemens addressed items listed in the Scope of Work from the RFP without exclusions, provided competitive pricing, had minimal revisions to the City's Professional Consultant Services Agreement, and demonstrated the capability to meet RPU's aggressive schedule. In addition, Siemens has previous experience successfully performing CAISO generator modeling, testing, and data collection. The proposal received from General Electric International, Inc., while the lowest priced bid, had several exclusions and exceptions to the City's standard terms and conditions. The exclusions and exceptions presented a significant risk for higher costs.

Siemens will coordinate with RPU staff to schedule dates to perform testing and collect data at RERC and Springs. Following the on-site tests, Siemens will prepare a report and review with RPU staff before submitting to the CAISO. Siemens will also provide services to RPU to cure any deficiencies that are identified by the CAISO within the 60-day cure period.

Staff is working with the CAISO to minimize the amount of units needed to meet the testing requirements. If successful, the total cost for the testing could be reduced by \$90,000. This possible contract change is included in the agreement.

The Purchasing Services Manager concurs that the recommended actions comply with Purchasing Resolution No. 23256.

FISCAL IMPACT:

The total fiscal impact for Fiscal Year 2021-22 is \$211,804. Sufficient funds are available in RERC Maintenance-Generating Plants Account No. 6120130-424131 and Springs Maintenance-Generating Plants Account No. 6120120-424131.

Prepared by: Daniel E. Garcia, Utilities Deputy General Manager/Power Resources

Approved by: Todd M. Corbin, Utilities General Manager

Approved by: Al Zelinka, FAICP, City Manager

Approved as to form: Kristi J. Smith, Interim City Attorney

Certifies availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Attachments:

1. Professional Consultant Services Agreement with Siemens Power Technologies International to perform required CAISO generator modeling, testing, and data collection
2. Presentation
3. City of Riverside, Purchasing Division Bid Award Recommendation