



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: AUGUST 24, 2026

SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT FROM RFP NO. 2531 WITH NEWGEN STRATEGIES AND SOLUTIONS, LLC OF LAKEWOOD, COLORADO FOR ELECTRIC COST OF SERVICE ANALYSIS AND RATE DESIGN WITH THE TERM ENDING DECEMBER 31, 2028, IN THE AMOUNT OF \$148,800

ISSUE:

Consider approving a Professional Consultant Services Agreement from RFP No. 2531 with NewGen Strategies and Solutions, LLC of Lakewood, Colorado for Electric Cost of Service Analysis and Rate Design with the term ending December 31, 2028, in the amount of \$148,800.

RECOMMENDATIONS:

That the Board of Public Utilities recommends that the City Council:

1. Approve a Professional Consultant Services Agreement from RFP No. 2531 with NewGen Strategies and Solutions, LLC of Lakewood, Colorado for Electric Cost of Service Analysis and Rate Design with the term ending December 31, 2028, in the amount of \$148,800; and
2. Authorize the City Manager, or designee, to execute the Agreement with NewGen Strategies and Solutions, LLC including making minor and non-substantive changes, including extensions up to one (1) two-year term, subject to the availability of budgeted funds.

BACKGROUND:

As Riverside Public Utilities (RPU) plans for its future, a cost-of-service analysis and rate design project is necessary for financial planning purposes as well as to design future rate adjustments beyond the current Electric Utility five-year rate plan that includes a final year rate adjustment effective January 1, 2028. Some issues RPU has identified for determining future revenue requirements and designing rates include:

- Changing Industry and Regulatory Requirements – The impacts of distributed generation, electrification, and renewable energy portfolio requirements need to be considered along with changes in local, state, and federal regulatory requirements. This includes meeting the State mandate of 100% zero-carbon electricity production by 2045 while continuing to ensure safe, reliable, and affordable energy for all residents.

- Operating and Infrastructure Costs – The costs of production, transmission, distribution, and funding for capital improvements to meet the Electric Utility’s aging infrastructure needs are all components of rates. These components will be analyzed in a comprehensive cost of service analysis to determine current and forecasted overall revenue requirements.
- Cost Allocation Between Customer Rate Classes – It is essential to identify the cost to serve the City’s customers and to ensure equitable allocation of cost responsibility among the customer classes.

RPU’s previous Electric Cost of Service Analysis and Rate Design Project was completed in 2023 in support of the current Electric Utility five-year rate plan. An updated Electric Cost of Service Analysis and Rate Design Project is necessary to address the areas of full cost recovery, determining revenue requirements, and designing future rates beyond the current Electric Utility five-year rate plan.

The Electric Cost of Service Analysis and Rate Design Project will provide a comprehensive review of all rate schedules, forecast of future revenue requirements, equitable allocation of costs among customer classes, an electric utility rate trends study, and a five-year rate design recommendation.

DISCUSSION:

Purchasing Overview

On January 16, 2026, the City’s Purchasing Division (Purchasing) issued Request for Proposals (RFP) No. 2531 on PlanetBids seeking prospective proposers to provide Electric Cost of Service Analysis and Rate Design.

The solicitation notification is summarized in the table below:

Action	Number of Vendors
External Vendors Notified	500
City of Riverside Vendors Notified	779
Vendors who downloaded the RFP	36
Proposals received	5

A total of five (5) questions were received from prospective proposers, and no addenda were posted. RFP No. 2531 closed on February 11, 2026, with a total of five (5) responses. All responses were found to be responsive and responsible.

Under the guidance of Purchasing, three (3) City staff from Public Utilities Department evaluated the proposals for round one, which resulted in NewGen Strategies and Solutions, LLC (NewGen) ranking No. 1. The evaluation criteria, total points and rankings for each evaluation round are summarized in the tables below.

Round 1 – Evaluation Results

Vendor	Location	Proposed Cost	Weighted Score Evaluations					Rank
			Qualifications and Experience (25%)	Professional References (25%)	Overall Proposal (25%)	Proposal Pricing (25%)	Total Evaluation Score	
NewGen Strategies and Solutions, LLC	Lakewood, CO	\$119,600	200.00	208.33	200.00	244.17	852.50	1
GDS Associates Inc	Marietta, GA	\$116,810	166.67	141.67	141.67	250.00	700.01	2
Energy and Environmental Economics, Inc. (E3)	San Francisco, CA	\$214,065	175.00	141.67	175.00	136.42	628.09	3
Baker Tilly	Madison, WI	\$247,640	141.67	141.67	133.33	117.92	534.59	4
Quantum America	Miami, FL	\$199,800	75.00	58.33	158.33	146.16	437.82	5

Following the evaluation, NewGen was selected as the most qualified company to perform the requirements of the RFP. Although NewGen’s pricing proposal was not the lowest, they received the highest scores in qualifications, experience, professional references, and overall proposal including project approach which established them as the most qualified consultant to complete this project. NewGen’s experience includes multiple similar projects in California and across the United States.

NewGen entered into negotiations with the City where clarification was provided on the services in Phase IV Enhancements to Study. The City sought clarification of what Enhancements to Study included resulting in the hours and tasks being revised and increased the submission by \$29,200 for a total contract amount of \$148,800.

NewGen Strategies & Solutions, LLC.	Amount
Phase I - Cost of Service Analysis and Project Management	\$55,900
Phase II - Electric Utility Rate Trend Study	\$9,500
Phase II - Rate Design Recommendation	\$34,100
Phase IV - Enhancements to the Study including AMI Data Assistance, Rate Alternatives for Customers with Solar, Electric Vehicles, and other Electrification, and Workshops	\$44,300
Expenses and Travel	\$5,000
Grand Total	\$148,800

NewGen will utilize a customer impact rate design model that captures the entire RPU billing

database to develop rate impact analysis and provide a comprehensive and complete view of all rate impacts to all customers. The customer impact analysis will provide detailed information on rate impacts for all classes and individual customers, and will support the broader communication, understanding, and endorsement of study results and potential rate changes. Under Phase IV Enhancements to Study, NewGen will analyze RPU's Advanced Metering Infrastructure (AMI) data to support rate design, rate structure, and rate analysis activities associated with this Study, review RPU's solar rates including Self-Generation to evaluate opportunities for revisions or potential new solar rates and rate structures, review and develop new potential new rates for electric vehicles and electrification, and provide two workshops for the City Council and Board of Public Utilities.

This action is pursuant to Purchasing Resolution 24101, Section 508 which states, "Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder, except that...(c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications."

The Purchasing Manager concurs that the recommended action is compliant with Purchasing Resolution 24101.

FISCAL IMPACT:

The total fiscal impact of the actions of this report is a total of \$148,800 over the agreement term. Sufficient funds are available in the Public Utilities Electric Fund Management Services Professional Services Account No. 6000000-421000.

Prepared by:	Brian Seinturier, Utilities Assistant General Manager/Finance and Administration
Approved by:	David A. Garcia, Utilities General Manager
Certified as to availability of funds:	Julie Nemes, Finance Director
Approved by:	Gilbert Hernandez, Assistant City Manager
Approved as to form:	James Johnson, City Attorney

Attachments:

1. Award Recommendation
2. Agreement
3. Presentation