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REECE McALISTER
EXECUTIVE DIRECTOR

SALLIE TANNER
EXECUTIVE SECRETARY

Georgia Public Service Commission

(404) 656-4501
(800) 282-5813

244 WASHINGTON STREET, SW
ATLANTA, GEORGIA 30334-5701

FAX: (404) 656-2341
psc.ga.gov

REQUEST FOR PROPOSALS
TO
CONDUCT AGREED-UPON PROCEDURES ENGAGEMENTS
ON ONE OR MORE APPLICATIONS FOR DISBURSEMENTS FROM THE
UNIVERSAL ACCESS FUND

DATE OF ISSUANCE: 4:00 P.M. November 7, 2023

INSTRUCTIONS

All spaces below and in the attached Proposal Signature and Certification form are to be filled in with signatures where indicated. Failure to sign proposal will result in rejection of your proposal.

PROPOSAL OF:

Company Name:

Contact Name:

Address:

Telephone:

Fax:

Email:

SUBMIT PROPOSAL TO:

Ms. Sallie Tanner
Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334-5701

DATE PROPOSAL SENT:

CARRIER USED:

TRACKING NUMBER:

NOTE: PLEASE ENSURE THAT ALL REQUIRED SIGNATURE BLOCKS ARE COMPLETED. FAILURE TO SIGN THIS FORM WILL CAUSE REJECTION OF YOUR PROPOSAL.

State of Georgia

Public Service Commission

PROPOSAL

We propose to furnish and deliver any and all of the services named in the attached Request for Proposals (“RFP”) for which prices have been set. The price or prices offered herein shall apply for the period of time stated in the RFP.

It is understood and agreed that this proposal constitutes an offer, which when accepted in writing by the Public Service Commission, State of Georgia, and subject to the terms and conditions of such acceptance, will constitute a valid and binding contract between the undersigned and the State of Georgia.

It is understood and agreed that we have read the State’s specifications shown or referenced in the RFP and that this proposal is made in accordance with the provisions of such specifications. By our written signature on this proposal, we guarantee and certify that all items included in this proposal meet or exceed any and all such State specifications. We further agree if awarded a contract, to deliver services that meet or exceed the specifications.

It is understood and agreed that this proposal shall be valid and held open for a period of one hundred twenty (120) days from proposal opening date.

Authorized Signature

Date

Print/Type Name

Print/Type Company Name

PROPOSAL SIGNATURE AND CERTIFICATION

(Offeror must sign and return with proposal)

I certify that this proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a proposal for the same materials, supplies, equipment, or services and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of State and Federal Law and can result in fines, prison sentences, and civil damage awards. I agree to abide by all conditions of the proposal and certify I am authorized to sign this proposal for the offeror. I further certify that the provisions of the Official Code of Georgia Annotated, Sections 45-10-20 et seq. have not been violated and will not be violated in any respect.

Authorized Signature

Date

Print/Type Name

Print/Type Company Name

REQUEST FOR PROPOSALS

1.0 GENERAL

1.1 Introduction

Pursuant to its statutory regulatory responsibilities contained in the Official Code of Georgia Annotated (“O.C.G.A.”), Section 46, the Georgia Public Service Commission (“GPSC” or “Commission”) is required to act on a variety of issues. From time to time, the Commission utilizes the services of consultants to assist in these tasks. To assist in the determination of the consultants or consulting firms to be retained for this purpose, the Commission shall accept competitive sealed proposals from interested and available offerors. All proposals submitted pursuant to this request shall be made in accordance with the provisions of these instructions. The proposals shall be evaluated in accordance with the evaluation criteria set forth in this Request for Proposals (“RFP”). Subsequent to the opening of the sealed proposals, discussions may be conducted by the Commission with responsible offerors who submit proposals determined to be potentially acceptable for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals.

In conducting any such discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors. All such discussions shall be conducted by the Issuing Officer named below:

Mr. Patrick Reinhardt
Engineer, Telecommunications Unit
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334-5701
Telephone: 404.463.2151
Email: preinhardt@psc.ga.gov

Contract awards shall be made to the responsible offerors whose proposals are determined to be the most advantageous for the State, taking into account all of the requirements and evaluation criteria set forth in the RFP. No other requirements or criteria shall be used in the evaluation. The Commission reserves the right to reject any and all proposals submitted in response to this request. There is no assurance, expressed or implied, that an award will necessarily be made pursuant to this RFP. This RFP shall not give any right to any respondent for any indemnification claims.

1.2 Background

The Commission plans to utilize appropriate, qualified consultants to assist the Commission Staff in performing the tasks described in Section 2.0 (Scope of Services) of this RFP.

1.3 Procurement Timetable

The following timetable will apply to this RFP, unless otherwise ordered by the Commission:

November 7, 2023	Date of Issuance of RFP
December 7, 2023	Deadline for receipt of proposals by the Commission
NO PROPOSALS WILL BE ACCEPTED FOR ANY REASON AFTER 4:00 PM ON THIS DATE	
December 19, 2023	Proposal award

Proposals should be delivered to the Executive Secretary's Office at the location below:

Ms. Sallie Tanner
Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334-5701

1.4 Restrictions on Communications with Commission Staff

From the issue date of this RFP until an offeror is selected and the selection is announced, offerors are not allowed to communicate for any reason with any Commission Staff member concerning this RFP except through the Issuing Officer named herein, or as provided by existing work agreement(s). For violation of this provision, the State shall reserve the right to reject the proposal of the offending offeror.

1.5 RFP Amendments

The Commission reserves the right to amend this RFP prior to the date of proposal submission. Amendments will be sent to all offerors who originally received a copy of the RFP.

1.6 Proposal Withdrawal

Prior to the proposal due date, a submitted proposal may be withdrawn by the offeror by submitting a written request to the Issuing Officer named herein. Any such request must be signed by a person authorized to sign for the offeror.

1.7 Cost for Preparing Proposals

The cost of developing the proposal is the sole responsibility of the offeror. The State will not provide reimbursement for such costs.

1.8 Contract Term

The contract will be a two-party contract between the offeror and the Commission. The term of the contract shall be subject to negotiation. Additional contract information is contained in Sections 1.9 and 3.4 of this RFP.

1.9 Contract

A sample contract issued by the Commission in an unrelated matter is attached to this RFP as Attachment 1. Articles II, III, IV, V, and VI of this contract are germane to the consulting services which are contemplated by this RFP. Article I, Scope of Services, of the contract will mirror Section 2.0 of this RFP. Submission of a proposal constitutes acceptance of the terms contained in Sections II through VI of the sample contract by the submitting party. **Each proposal shall contain the name, title, and hourly rate of every consultant and support person employed by the offeror, as well as any subcontractor expected to be engaged in work on the tasks contained in this RFP. Any subsequent request by the offeror to add any other personnel may be denied. If no clerical/administrative personnel are listed in the offeror's proposal, the costs for this type of work will be assumed to have been otherwise covered in the bid price. Also, the offeror's federal tax identification number or social security number (for an individual consultant) shall also be included in the proposal.** The Commission reserves the right to negotiate with the successful offeror other additions to, deletions from and/or changes in the language in the contract, provided that no such addition, deletion or change in contract language would, in the sole discretion of the Commission, affect the evaluation criteria set forth herein, or give the successful offeror a competitive advantage.

1.10 Format for Responses

Proposals should correspond with and satisfy the requirements set forth in this RFP. The offeror must submit **THREE** copies of its final proposal to the Commission. Only **ONE** copy of reference documents should be submitted. In addition to the hardcopies,

offerors must also submit an electronic copy of the proposal and reference documents in electronic format, in either an Adobe or Microsoft Word file on compact disc.

Proposals should indicate whether or not there are any deviations from the specified requirements.

1.11 Information Required from Offerors

Offeror's proposal must be submitted in the format outlined below, preparing consecutively numbered pages with index tabs for each section.

- A. STATEMENT OF THE REQUIREMENTS.** State in succinct terms the offeror's understanding of the requirements presented by this RFP.
- B. MANAGEMENT SUMMARY.** Include a narrative description of the proposed effort and a list of the products that will be delivered, and a proposed timeline for task completion. There should be a separate narrative description for each of the work tasks.
- C. WORK PLAN.** Task descriptions are to be the guide in describing the offeror's technical plan for accomplishing the work. The task descriptions should be very detailed in order to afford the Commission a thorough understanding of the work plan. Offerors are cautioned that their proposal may be rejected if their work plan does not include specific recommendations of how each of the task descriptions will be accomplished.
- D. PRIOR EXPERIENCE.** Submit a statement of **similar work conducted** in the previous five years. Studies or projects referred to should be identified and the name of the client shown, including the name, address, and phone number of the responsible official of the client company or agency who may be contacted. Also, highlight any experience in the state of Georgia, and the number and percentage of recommendations that have been accepted for approval for the past five years.
- E. PERSONNEL.** The name of the individual proposed as project leader for each work task, together with a detailed resume of their experience in conducting similar efforts, should be provided. Also, provide a detailed resume for each individual—executive, professional, management analyst, systems analyst, auditor, staff consultant, etc.—who will be engaged in the work, describing the qualifications applicable to the performance of the tasks. Please include an organizational chart showing reporting relationships of team personnel. These individuals may not be removed from the project without prior consent of the Commission. See Section 1.9 regarding personnel changes.

- F. STATEMENT ON POTENTIAL CONFLICTS OF INTEREST.** The offeror shall identify any relationships between itself or its employees and the companies under the jurisdiction of the Commission, or any subsidiaries or affiliates of such companies. The extent, nature and time aspects must be identified. If there have been no such relationships, a statement to that effect shall be included in the proposal. Failure to provide the statement on potential conflicts of interest will automatically disqualify the offeror.
- G. TIME ESTIMATES.** Estimate the time required for completion of each work task as outlined in Section 2.0, Scope of Services. Indicate the number of employee hours, by individual employee rate, allocated to each task. Submit this data on a cost analysis chart. Include a project schedule display, highlighting each task with estimated start and completion time.

1.12 Additional Information

An offeror that submits a proposal that meets the requirements set forth in this RFP may be requested to provide additional information.

1.13 Retention of Proposals

All material submitted in response to this RFP will become the property of the Commission and may be returned to the offeror at the option of the Commission. One copy shall be retained by the Commission for official files for a period of seven (7) years from the date of receipt.

1.14 Questions Regarding This RFP

Questions regarding the requirements set forth in this RFP should be directed to the Issuing Officer listed in Section 1.1, Introduction.

1.15 Offeror Oral Presentations

No oral presentations are contemplated. Offerors will be contacted by the Issuing Officer regarding any questions from the Commission Staff concerning their proposals.

1.16 Note to Offerors

In the recent past, the Commission has received a number of proposals from offerors that have been unresponsive to the specific RFPs. Problems have included:

- A. Unsigned Proposal Signature and Certificate page.

- B. Bid format not corresponding to RFP requirements (excessive use of “boilerplate” language/insufficient focus on service requirements).
- C. No price quote for services to be provided (only hourly rate stated).
- D. Little information concerning deliverables to be provided by offeror.
- E. Submission of voluminous reference materials not relevant to the services requested.
- F. Proposal not stating acceptance of provisions of sample contract attached to the RFP.

A careful reading of the RFP by offerors will prevent these problems.

2.0 SCOPE OF SERVICES

2.1 Background

This RFP contains one service for which consulting assistance is requested. This service is described in Section 2.2 of this RFP.

2.2 Docket No. 32235: Generic Proceeding to Implement House Bill 168

On December 19, 2023 or upon execution of the contract by the Commission and the selected offeror, the offeror shall conduct Agreed-Upon Procedures Engagements (“Engagements”) on one or more applications for disbursements from the Universal Access Fund (“UAF”). The applications subject to these Agreed-Upon Procedures Engagements will be filed on December 15, 2023.¹

There are 20 Tier 2 incumbent local exchange carriers that are eligible to seek funding from the UAF. For the past two years, all 20 eligible carriers (“UAF Applicant Companies”) have applied for disbursements from the UAF. The Commission has, in recent years, selected one offeror to conduct Engagements of all the individual applications, but the Commission reserves the right to select multiple offerors to review subsets of the applications. With that in mind, offerors may wish to consider pricing bids differently based on the number of applications awarded (e.g., \$X per application up to five applications, \$Y per application up to 10 applications, etc.). However, all bids should be on a *per application* basis because the Commission does not know with certainty how many applications will be filed and because, while the Commission is the

¹ A sample unredacted UAF application that was filed in 2019 can be found here: <https://psc.ga.gov/search/facts-document/?documentId=179228>

selected offeror's client, the UAF Applicant Companies are responsible for paying the expense of the Engagements, pursuant to O.C.G.A. § 46-2-33(a).

The selected offeror will review the application or applications that were awarded to the offeror and the relevant State law,² Commission rules,³ and Commission orders that govern UAF applications.⁴ The selected offeror will then develop data requests to the UAF Applicant Companies.⁵ The data requests should request any additional documents and information not included in the application that are necessary to evaluate the application's accuracy and compliance with State law and Commission orders.

Below are the procedures that were performed in last year's Engagements. However, offerors are strongly encouraged to develop their own procedures, keeping in mind that the purpose of the Engagements is primarily to verify that the amounts requested by the UAF Applicant Companies are accurate and that the expenses incurred reflect the "reasonable actual costs to provide basic local exchange services." O.C.G.A. § 46-5-167(d)(2)B). Offerors should include in their proposals all of the procedures necessary to meet these requirements. Optional services and procedures may be proposed by the offeror at additional cost (again, on a per application basis).

AUP Agreed-Up Procedures

- 1 Obtain UAF company pre-filed information and schedules filed with the GPSC
- 2 Issue specific Contractor data requests to the UAF Companies and schedule field work
- 3 Audit the Company's UAF model (printed version as well as spreadsheet testing)
- 4 Trace amounts on the Applicant's Form M back to Company prepared schedules matching their General Ledger
- 5 Trace Form M data to the UAF Model column entitled Balance Per Books
- 6 Trace amounts in the "subject to separations" adjustment column of the UAF Model to Net Operating Income (NOI) and Rate of Return (ROR) on rate base calculations
- 7 Trace amounts in the "non-regulated" adjustment column of UAF Model to supporting journal entries of cost study. Selected supporting work papers are reviewed for reasonableness, accuracy, and conformance.

² See [O.C.G.A. 46-5-167\(d\)\(2\)\(B\)](#)

³ See [GPSC Rule 515-12-1-.39. Universal Access Fund](#)

⁴ See <https://psc.ga.gov/search/facts-document/?documentId=174864>. Other Commission Orders in this docket can be viewed and downloaded here: <https://psc.ga.gov/facts-advanced-search/document-filings/?docketId=32235&documentId=&statusId=&description=&company=gpsec&industryId=&fileDateFrom=&fileDateTo=&receivedDateFrom=&receivedDateTo=>

⁵ Data requests issued to last year's UAF Applicant Companies can be found here: <https://psc.ga.gov/search/facts-document/?documentId=192687>

- 8 Test the FCC Part 36 study and review allocation/traffic factors
- 9 Test and recalculate the Revenue Requirement Section on the UAF Model
- 10 Review each invoice over \$250 and select those invoices that appear unreasonable
- 11 Review corporate allocations and the Company's Cost Allocation Manual
- 12 Verify fixed asset amounts in the Company's Continuing Property Record and identify those assets that are inappropriately included in rate base in the UAF application. If applicant is a recipient of Federal or state Broadband Grants, determine whether the grants were to be used as revenue, expense offsets, or for capital acquisitions. To the extent such grants are/were used for capital acquisition, review books to ensure that such purchased assets are excluded from the rate base for UAF purposes
- 13 Verify the amounts of Federal universal service fund support reported in the UAF Application. Review UAF Applicant work
- 14 Verify that any long-term debt interest costs treated as AFUDC (Allowance for Funds Used During Construction) were treated either as current year income or as a reduction to interest rates
- 15 Verify that any Patronage Dividends credited (not necessarily received in cash) from long term lenders are treated as a reduction to the cost of debt
- 16 Review the outside auditor's report on the financial statements and report any adverse findings or qualified opinions
- 17 Review and test the requested amount for Executive Compensation and Corporate Operations Expense and compared the amount shown in the UAF application to the GPSC caps
- 18 Review depreciation rates used for the UAF application and compare to the rates adopted by the GPSC
- 19 Review cost allocation manual, verify that it is being used, test a sample of allocations and report when the manual was last updated
- 20 Incorporate revised factors or methods adopted by GPSC, such as cost of equity, into the UAF model
- 21 Prepare exhibits of financial results and support mechanisms. Analyze as to why increases/decreases occurred
- 22 Identify Construction Work in Progress and Retirement amounts for the test year
- 23 Identify the Company's affiliates and non-regulated services
- 24 Identify the total costs charged to the regulated company by the affiliate or parent company. Quantified costs by FCC USOA Account and determined the per access line amount over the past 3 years. If the costs appear unreasonable, propose adjustments or informed GPSC staff and recommend an affiliated transactions engagement be performed

- 25 For ACAM UAF companies only, obtain the Company spreadsheet depicting calculated amounts, review Company prepared adjustments, trace adjustments in the UAF application model to the spreadsheet and identify impact of the adjustment
- 26 Test and review the Approved Cost of Equity and Cost of Capital Rates of Tier II local exchange carriers for the purpose of evaluating applications for reimbursement from the UAF. The rate of return on rate base will be limited to the lesser of 8.0% or the level computed based on a 9.25% return on equity, using the applicant's actual cost of debt and the applicant's actual debt/equity structure. Verify that the above calculation was used in the respective UAF Model
- 27 Finalize work papers and prepare final report
- 28 Prepare testimony if requested.

The selected offeror shall produce a final report outlining the findings and disallowances, if any, that result from each procedure. The deadline for providing draft reports to the Commission Staff shall be May 1, 2024.

Finally, it is possible that the offeror may be required to prepare testimony and testify in defense of its findings during a hearing that will be conducted either in person at the Commission or via Zoom. A hearing has not been requested since 2011, but the cost of testimony and appearance at a hearing should be priced into the offer in the event a hearing is requested by an interested party.⁶

2.3 Offeror Responsibilities

The offeror agrees that, for a period of one year following the completion of any project described in this RFP, as well as during the time within which such duties are being performed, the offeror shall not enter into any employment with the companies under the jurisdiction of the Commission, or any subsidiary or affiliate of those companies. Additionally, the offeror must, on his or her own action, disclose to the attorneys for the Staff the fact and substance of any unauthorized contacts or representations made to the offeror outside the physical presence of attorneys representing the Staff or a Commission Staff member by persons known, or who reasonably should be known, by the offeror to be associated, directly or indirectly, with the companies referenced in this paragraph. The Commission shall inform the offeror of the Commission's policies and regulations with respect to such unauthorized contact, and the offeror shall affirm in writing that no unauthorized contacts were made or that such contacts were reported as required. Non-compliance with this requirement may result in immediate cancellation of the related contract and the institution of any additional proceeding deemed necessary or appropriate by the attorneys representing the Commission. The attorneys representing the Commission are authorized to use any reasonable method to ensure strict compliance with this requirement.

⁶ See Procedural and Scheduling Order: <https://psc.ga.gov/search/facts-document/?documentId=180825>

2.4 Time of Performance

The period of performance of the related contract shall be from the date of its execution through the completion of the tasks as described in Sections 2.2 of this RFP or until the Commission shall determine that further performance should cease and shall instruct the offeror to suspend performance, provided, however, that nothing shall prohibit the offeror from making appropriate fee and expense applications for work performed between the Beginning Date and the Execution Date. In the event that performance shall be suspended upon instruction of the Commission, the offeror shall be compensated for all work completed prior to said suspension according to allowed expenses and labor at the rates as stated in the contract.

3.0 INSTRUCTIONS TO OFFERORS

3.1 Offeror Qualifications

Each proposal should contain documents and other information necessary to enable the Commission to evaluate the offeror's ability to provide the required consulting services. These documents and information should include, but are not limited to, the following:

- A. Examples of the offeror's work products related to similar issues.
- B. Resumes of (a) the principals in the offeror's consulting firm and (b) those consultants retained by the firm who would provide services as a part of the offeror's proposal, including any subcontractors proposed.
- C. A listing of which of the offeror's consultants would be providing services under the proposal and the specific services provided by each.
- D. References for the consultant(s) who would be providing services to the Commission under the proposal.
- E. An Excel spreadsheet, in descending chronological order, listing all clients served in the past 36 months by the offeror's consultant or consultants that will provide the services requested in this RFP.

3.2 Compensation and Payment

The offeror understands and agrees that all work performed under this RFP shall be paid for by the UAF Applicant Companies. The offeror shall be paid a not to exceed sum agreed upon for professional services and related expenses rendered under the contract. Offeror expenses are to include support for professional services including, but not

limited to, reasonable and necessary (as defined by the Commission) actual expenses incurred by the offeror for travel, lodging, meals, telephone, express mail delivery, computer charges and copying costs. Maximum reimbursement amounts for daily meals for the offeror shall be the following, the total of which is not meant to be a per diem amount:

Breakfast	\$7.50
Lunch	\$12.50
Dinner	\$30.00

Payments shall be made on a monthly basis as monthly invoices are received by the Commission from the offeror, provided, however, that prior to each monthly payment, the offeror must be in compliance with as much of the contract as is applicable at the time, and, prior to final payment, the offeror shall have completed all obligations under the contract. Invoices shall be submitted based on actual expenses and time expended on the contract work, with labor rates for offeror personnel as agreed upon. Upon execution of a contract, the Utilities Division's Business Analyst will send instructions to the offeror to explain how the billings should be prepared, itemized and supported to effect payment. Additionally, the Commission and the offeror will agree that the contract amount shall be subject to modification by agreement between them to accommodate changes in workload required of the offeror due to subsequent changes in the scope and level of the offeror's responsibilities, not otherwise properly compensated by the amount originally stated in the contract. The necessity of modifying the contract amount shall be determined by agreement of the offeror and the Staff, subject to Commission approval.

3.3 Retention of Records

The offeror shall keep and maintain all records and other documents pertaining to the performance of the contract until the final payment of funds to the offeror by the UAF Applicant Company or Companies pursuant to the contract is made. At such time, the physical custody of the records and documents shall be returned to the Commission.

3.4 Contract

The proposal shall state acceptance by the submitting party of Articles II through VI of the attached sample contract (Attachment I). Payment under this contract shall be made in accordance with the provisions of Section 3.2 of this RFP.

4.0 PROPOSAL EVALUATION

4.1 Selection Process

The Commission Staff shall evaluate each proposal submitted by utilizing the evaluation criteria below. On the date shown in Section 1.3, Procurement Timetable, the Commission shall select offerors to provide the consulting services described in this RFP.

4.2 Evaluation Criteria

The offeror shall meet, and where applicable shall commit to meeting, all of the requirements of this RFP. The Commission shall use its judgment to select a vendor, as indicated in this RFP.

In awarding the contracts for these services, the Commission shall make written awards of contracts to the offerors whose proposals are the most advantageous to the State. The Commission Staff shall evaluate each proposal submitted by utilizing the evaluation criteria below:

- A. The cost of the consulting services requested.
- B. Demonstrated experience and competence of the offeror in performing tasks similar to those contained in this RFP.
- C. The ability of the offeror to provide effective consulting services concerning the tasks on which the offeror is bidding.

The Commission shall consider each proposal in a manner that does not disclose the contents of the proposal to competing offerors.