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**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF NEW ORLEANS
AND
THE WASHINGTON UTILITY GROUP**

THIS AGREEMENT is made and entered into as of the 1st day of January 2005 by and between the Council of the City of New Orleans, represented by Eddie L. Sapir, President of the Council (hereinafter referred to as "City") and the firm of **The Washington Utility Group** (hereinafter referred to as "Contractor").

WITNESSETH

WHEREAS, to address the complex legal and technical issues necessary to properly meet its responsibility, the Council has selected hearing officers and consulting firms as advisors, in accordance with the competitive selection process required by the Home Rule Charter; and

WHEREAS, pursuant to Rule 45, the City Council adopted Motion M-04-301, directing the Council staff to issue a Request for Qualifications to initiate a competitive selection process to obtain consultants with expertise essential to assisting the Council in effectuating its regulatory authority over electric and gas utilities in New Orleans; and

WHEREAS, a Request for Qualifications relative to electric and gas regulatory services was issued on June 11, 2004;

WHEREAS, responses to the Request for Qualifications were reviewed by the Staff Selection Review Committee and on August 10, 2004, the Council Utilities Committee interviewed the finalists in the competitive selection process and made a recommendation to the Council; and

1 **WHEREAS**, by Motion M-04-803 the City Council approved the recommendation of
2 the Council Utilities Committee that the firm of The Washington Utility Group be retained to
3 provide utility consulting services in the area of the Council's electric and gas regulatory
4 responsibility ("New Matters"); and

5 **WHEREAS**, the Council by Motion M-05-102 authorized the President of the Council
6 to sign a professional service contract with the firm of The Washington Utility Group for the
7 contract amount as specified herein; and

8 **WHEREAS**, the firm of The Washington Utility Group is herein represented by Richard
9 E. Stinneford, President as authorized by letter to enter into agreement on behalf of the firm of
10 The Washington Utility Group.

11 **NOW, THEREFORE**, the City of New Orleans and the firm of The Washington Utility
12 Group for the consideration, and under conditions set forth, do agree as follows:

13 I. **SCOPE OF SERVICES:**

14 A. Contractor Agrees To:

15 Provide accounting, financial planning and operation analysis, utility planning and
16 financial information system analysis, and analytical services in connection with
17 utility diversification and revenue requirement/cost of service issues to the Council
18 and provide accounting and related consulting services to the Council in all local,
19 state and federal regulatory matters in respect to the electric and natural gas utilities
20 providing services in New Orleans, including but not limited to Entergy, its
21 unregulated subsidiaries and its regulated operating subsidiaries; Entergy Louisiana,
22 Inc; and Entergy New Orleans, Inc.; as may be required from time to time by the
23 City Council, and its staff.

1 B. The City Agrees To:

- 2 1. Provide contract administration through the City Council Utilities
3 Regulatory Office.
4 2. Provide access to records, documents and other information as may be required.
5 Additional support and information may be directed to the Council Utilities
6 Regulatory Office.

7 **II. COMPENSATION:**

8 The compensation to be paid for services rendered will be at the hourly billing rate of:

- 9 Partner up to \$180.00 per hour
10 Manager up to \$150.00 per hour

11 The compensation to be paid to the firm of The Washington Utility Group for such
12 services shall not exceed Twenty Thousand Dollars (\$20,000.00). If there are any
13 necessary and ordinary expenses attached to the work of the firm of The Washington
14 Utility Group these expenses, in addition to the fees outlined above, shall be
15 reimbursable by the City but the total amount of such expenses and fees shall not exceed
16 Twenty Thousand Dollars (\$20,000.00). The firm of The Washington Utility Group shall
17 submit to the City a detailed monthly invoice for payment of services provided. This
18 agreement is contingent upon the appropriation and allocation of funds by the City of
19 New Orleans.

20 **III. PAYMENT:**

21 Payment under this agreement shall be made pursuant to detailed monthly invoices
22 submitted by the firm, subject to review and approval by the City for payment. Upon
23 authorization through the City Council Utilities Regulatory Office such invoices may be

1 submitted to the Finance Department for payment by the City or, alternatively, when such
2 invoices would be reimbursable by a utility subject to regulation under Section 3-130 of
3 the Home Rule Charter and reimbursable pursuant to Section 3-130 (5) of the Home Rule
4 Charter, the City Council Utilities Regulatory Office may submit such invoices for
5 payment to such regulated utility company. Payments in the name of the firm under this
6 provision shall then be sent to the Council Utilities Regulatory Office which shall
7 immediately forward such authorized payment to the firm. The Council Utilities
8 Regulatory Office shall maintain records of such payments which shall be public records
9 and shall also forward copies of such records as required to the CAO and Department
10 of Finance. Such payments, when made by such utility company through the City
11 Council's Utilities Regulatory Office shall fully discharge the City's obligation for such
12 payment under this contract and be included in and applied to the maximum
13 compensation limits of this contract. Pursuant to Motion M-05-96 such payments shall
14 be recoverable as regulatory expense by such utility in the same manner as
15 reimbursements to the City for such payments pursuant to Section 3-130 (5) of the Home
16 Rule Charter.

17 **IV. EQUAL EMPLOYMENT OPPORTUNITY:**

18 In all hiring or employment made possible by or resulting from this Contract, there (1)
19 will not be any discrimination against any employee or applicant for employment because
20 of race, color, religion, gender, age, gender, physical or mental disability, national origin,
21 sexual orientation, creed, culture, or ancestry, and (2) where applicable, affirmative
22 action will be taken to ensure that the Contractor's employees are treated during
23 employment without regard to their race, color, religion, gender, physical or mental

1 disability, national origin, sexual orientation, creed, culture, or ancestry. This
2 requirement shall apply to, but not be limited to the following: employment, upgrading,
3 demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates
4 of pay or other forms of compensation; and selection for training, including
5 apprenticeship. All solicitations or advertisements for employees shall state that all
6 qualified applicants will receive consideration for employment without regard to race,
7 color, religion, gender, age, physical or mental disability, national origin, sexual
8 orientation, creed, culture, or ancestry.

9 **V. ASSIGNABILITY:**

10 The Contractor shall not assign any interest in this Contract, and shall not transfer
11 any interest in the same without prior written consent of the City of New Orleans.

12 **VI. CONFLICT OF INTEREST:**

13 In the interest of ensuring that efforts of the Contractor do not conflict with the
14 interest of the City, and in recognition of Contractor's professional responsibility
15 to the City, the Contractor agrees to decline any offer of employment if its
16 independent, professional work on behalf of the City is likely to be adversely
17 affected by the acceptance of such employment. The initial determination of such
18 a possibility rests with the Contractor. It is incumbent upon the Contractor to
19 notify the City and provide full disclosure of the possible effects of such
20 employment on the Contractor's independent,
21 professional work in behalf of the City. Final decision on any disputed offers of other
22 employment for the Contractor shall rest with the City.

23 **VII. INDEMNIFICATION:**

1 The Contractor shall indemnify and save harmless the City of New Orleans against any
2 and all claims, demands, suits, judgments of sum of money to any party accruing against
3 the City for loss of life or injury or damage to persons or property growing out of,
4 resulting from, or by reason of any act of omission of the operation of the Contractor,
5 his agents, servants or employees while engaged in or about or in connection with the
6 discharge or performance of the services to be done or performed by the Contractor
7 hereunder, and shall also hold the City harmless from any and all claims and/or liens for
8 labor, services, or materials furnished to the Contractor in connection with the
9 performance of its obligation under this Agreement.

10 **VIII. ACKNOWLEDGMENT OF EXCLUSION OF WORKER'S COMPENSATION**

11 **COVERAGE:**

12 The Contractor herein expressly agrees and acknowledges that it is an
13 independent Contractor as defined in R. S. 23:1021 (6) and as such, it is
14 expressly agreed and understood between the parties hereto, in entering into this
15 professional services contract, that the City of New Orleans shall not be liable to
16 the Contractor for any benefits or coverage as provided by the Worker's
17 Compensation Law of the State of Louisiana, and further, under the provisions
18 of R.S. 23:1034 anyone employed by the Contractor shall not be considered an
19 employee of the City for the purpose of Worker's Compensation Coverage.

20 **IX. ACKNOWLEDGMENT OF EXCLUSION OF UNEMPLOYMENT**

21 **COMPENSATION COVERAGE:**

22 The Contractor herein expressly declares and acknowledges that it is an independent
23 contractor and as such is being hired by the City under this contract of hire as noted and

1 defined in R.S. 23:1472 (E); and, therefore, it is expressly declared and understood
2 between the parties hereto, in entering into this professional services contract or contract
3 for hire, and in connection with unemployment compensation in coverage only, that:

4 A. The Contractor has been and will be free from any control or direction by
5 the City, over the performance of the services covered by this contract;
6 and

7 B. Service(s) to be rendered by the Contractor are outside the normal course
8 and scope of the City's usual business; and

9 C. The Contractor has been independently engaged in performing services
10 listed herein prior to the date of this contract.

11 Consequently, neither the Contractor nor anyone employed by the Contractor shall be
12 considered an employee of the City for the purpose of unemployment compensation
13 coverage, the same being hereby expressly waived and excluded by the parties hereto.

14 **X. WAIVER OF SICK AND ANNUAL LEAVE BENEFITS:**

15 It is expressly agreed to and understood between the parties entering into this
16 professional services contract that the Contractor, acting as an independent agent, and its
17 agents assigned and employees shall not receive any sick and annual leave benefits from
18 the City of New Orleans.

19 **XI. JURISDICTION:**

20 The undersigned Contractor does further hereby consent and yield to the jurisdiction of
21 the State Civil Courts of the Parish of Orleans and does hereby formally waive any pleas
22 of jurisdiction on account of residence elsewhere of the undersigned Contractor

23 **XII. DURATION OF AGREEMENT:**

1 The services to be provided under the terms of this Agreement shall begin on January 1,
2 2005 and shall end no later than December 31, 2005. It is understood and acknowledged
3 by all signators to this Agreement that work described under these terms is to be
4 accomplished during the time period specified herein. The terms, conditions and
5 duration of this contract may be modified by an executed, written amendment to this
6 contract.

7 **XIII. EXTENSION:**

8 This agreement may be extended at the option of the City, provided that funds are
9 allocated by the Council of the City of New Orleans and the extensions of the agreement
10 facilities the continuity of services provided herein. This agreement may be extended by
11 the City on an annual basis for no longer than four additional one year periods.

12 **XIV. CANCELLATION:**

13 Either party of this contract may terminate the contract at any time during the
14 term of the contract by giving the other party written notice of said intention to
15 terminate at least thirty (30) days before the date of termination.

16 **XV. SOLICITATION:**

17 The Contractor has not employed or retained any company or person, other than a bona
18 fide employee working solely for him, to solicit or secure the subject contract. The
19 Contractor has not paid or agreed to pay any person, other than a bona fide employee
20 working from him, any fee, commission, percentage, gift, or any other or consideration
21 contingent upon or resulting from the subject contract.

22 **XVI. SEVERABILITY.**

23 In the event a Court of competent jurisdiction finds any clause or provisions pertaining

1 to the retention of Contractor invalid, unless said Court expressly states otherwise, said
2 findings shall not affect Contractor's right to continue providing utility-related
3 accounting services to the City with respect to any clause or provision not found to be
4 invalid.

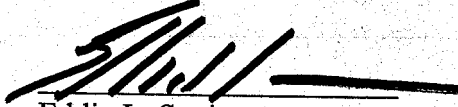
5 For the consideration and under the conditions set forth above, the Contractor has agreed
6 to perform the specified services for the City of New Orleans.

7 **IN WITNESS WHEREOF:**

8 **ATTEST**

CITY COUNCIL

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Eddie L. Sapir
City Council President

Thomas M. Strait

[Handwritten Signature]

[Handwritten Signature]
Approved: _____
Law Department

The Washington Utility Group, LLC

[Handwritten Signature]
By: Richard E. Stinneford, ~~President~~
Member

2120 L. Street, NW
Suite 520
Washington, DC 20037

57-1140470
~~52-1675925~~
Federal ID Number

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AMENDMENT TO
AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF NEW ORLEANS
AND
THE WASHINGTON UTILITY GROUP

THIS AGREEMENT is made and entered into as of the 1st day of January 2006 by and between the Council of the City of New Orleans, represented by Oliver M. Thomas, Jr. President of the Council (hereinafter referred to as "City") and the firm of The Washington Utility Group (hereinafter referred to as "Contractor").

WITNESSETH

WHEREAS, to address the complex legal and technical issues necessary to properly meet its responsibility, the Council has selected The Washington Utility Group, in accordance with the competitive selection process required by the Home Rule Charter; and

WHEREAS, pursuant to Motions M-04-803 the City Council approved the recommendation of the Council Utilities Committee that the firm of The Washington Utility Group be retained to provide utility consulting services in the area of the Council's electric and gas regulatory responsibility; and

WHEREAS, the Council desires to authorize a contract

1 amendment and extension with The Washington Utility Group to
2 assist in meeting the Council's regulatory responsibility to the
3 City and its ratepayers; and

4 **WHEREAS**, by Motion M-06-37 the President of the Council is
5 hereby authorized to sign a contract amendment with The
6 Washington Utility Group extending the contract through 2006 and
7 increasing the maximum compensation under such contract; now,
8 therefore

9 **WHEREAS**, all parties to the agreements dated January 1,
10 2005 desire to amend the agreement and have the necessary
11 authority to do so.

12 **THEREFORE, IT IS HEREBY AGREED:**

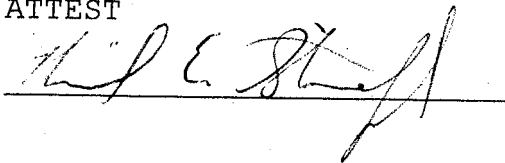
- 13 1. To increase the maximum compensation payable under the
14 terms of this agreement up to "\$20,000.00" thereby
15 increasing the amount on lines 12 and 16 of page 3 of
16 9 of the Agreement dated January 1, 2005 for the firm
17 of The Washington Utility Group. The maximum
18 compensation for all services including professional
19 hours and expenses shall not exceed Forty Thousand
20 Dollars (\$40,000.00). If there are any necessary and
21 ordinary expenses attached to the work of the firm of
22 The Washington Utility Group these expenses in
23 addition to the fees outlined above, shall be
24 reimbursable by the City but the total amount of such

1 expenses and fees shall not exceed Forty Thousand
2 Dollars (\$40,000.00).

3 2. To change the termination date of the agreement by
4 deleting the date, " December 31, 2005", on line 2 of
5 page 8 of 9 and inserting in lieu thereof, the date
6 "December 31, 2006.

7 **IN WITNESS WHEREOF:**

8 ATTEST

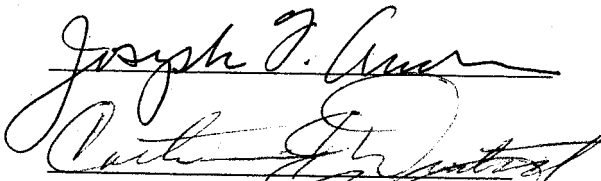
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CITY COUNCIL



11 Oliver M. Thomas , Jr.
12 City Council President

13 The Washington Utility Group, LLC

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15 _____

16 By: Richard E. Stinneford,
17 Member

18 
19 _____

20 2120 L. Street, NW
21 Suite 520
22 Washington, DC 20037

23 Approved: _____
24 Law Department

25 52-1673925
Federal ID Number

K07-161

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**AMENDMENT TO
AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF NEW ORLEANS
AND
WASHINGTON UTILITY GROUP, LLC**

THIS AGREEMENT is made and entered into as of the 1st day of January 2007 by and between the Council of the City of New Orleans, represented by Oliver M. Thomas, Jr. President of the Council (hereinafter referred to as "City") and the firm of Washington Utility Group, LLC (hereinafter referred to as "Contractor").

WITNESSETH

WHEREAS, to address the complex legal and technical issues necessary to properly meet its responsibility, the Council has selected Washington Utility Group, LLC in accordance with the competitive selection process required by the Home Rule Charter; and

WHEREAS, pursuant to Motions M-04-803 the City Council approved the recommendation of the Council Utilities Committee that the firm of Washington Utility Group, LLC be retained to provide utility consulting services in the area of the Council's electric and gas regulatory responsibility; and

WHEREAS, by Motion M-07-107 the President of the Council is hereby authorized to sign a contract amendment with Washington Utility Group, LLC extending the termination date of the contract through 2007.

1 **WHEREAS**, all parties to the agreements dated January 1, 2005 desire to amend the
2 agreement and have the necessary authority to do so.

3 **THEREFORE, IT IS HEREBY AGREED:**

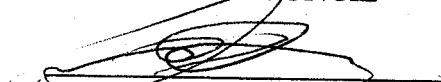
- 4 1. To change the termination date of the agreement by deleting the date, " December
5 31, 2006", on line 2 of page 8 of 9 and inserting in lieu thereof, the date
6 "December 31, 2007".

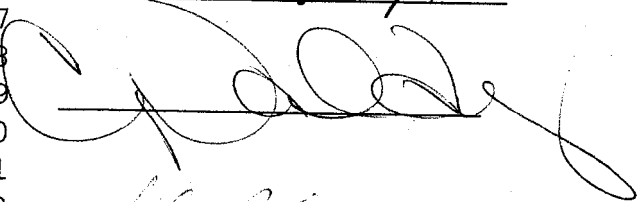
7 **IN WITNESS WHEREOF:**

8 **ATTEST**

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CITY COUNCIL


Oliver M. Thomas, Jr.
City Council President

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16 Richard E. Stinneford
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Washington Utility Group, LLC
By: Richard E. Stinneford, President

2154 Wisconsin Avenue
Washington, DC 20007

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22 Vicki Jones
23
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26 Approved: Vicki Jones
27 Law Department

57-1140470
Federal ID Number

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AMENDMENT TO
AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF NEW ORLEANS
AND
WASHINGTON UTILITY GROUP, LLC

THIS AGREEMENT is made and entered into as of the 1st day of January 2008 by and between the Council of the City of New Orleans, represented by Arnie Fielkow, President of the Council (hereinafter referred to as "City") and the firm of Washington Utility Group, LLC (hereinafter referred to as "Contractor").

WITNESSETH

WHEREAS, to address the complex legal and technical issues necessary to properly meet its responsibility, the Council has selected Washington Utility Group, LLC in accordance with the competitive selection process required by the Home Rule Charter; and

WHEREAS, pursuant to Motions M-04-803 the City Council approved the recommendation of the Council Utilities Committee that the firm of Washington Utility Group, LLC be retained to provide utility consulting services in the area of the Council's electric and gas regulatory responsibility; and

WHEREAS, by Motion M-08-63 the President of the Council is hereby authorized to sign a contract amendment with Washington Utility Group, LLC extending the termination date of the contract through 2008.

1 **WHEREAS**, all parties to the agreements dated January 1, 2005 desire to amend the
2 agreement and have the necessary authority to do so.

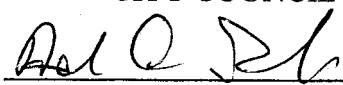
3 **THEREFORE, IT IS HEREBY AGREED:**

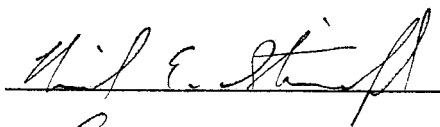
4 1. To change the termination date of the agreement by deleting the date, " December 31,
5 2007", on line 2 of page 8 of 9 and inserting in lieu thereof, the date "December 31,
6 2008

7 2. It is further agreed that the agreement is hereby amended to provide as follows:
8 "Pursuant to Chapter 2, Article XVIII of the City Code relative to the Office of
9 Inspector General, the contractor understands and will abide by all provisions of
10 Chapter 2 of the City Code."


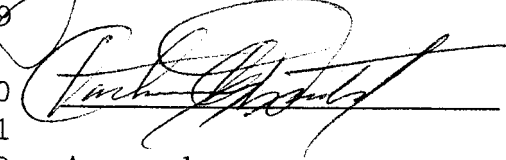
11 **IN WITNESS WHEREOF:**

12 **ATTEST**
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CITY COUNCIL

Arnie Fielkow
City Council President

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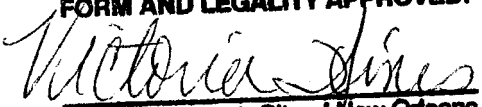
Washington Utility Group, LLC
By: Richard E. Stinneford, President

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19 

2154 Wisconsin Avenue
Washington, DC 20007

22 Approved: _____
23 Law Department

52-1673925
Federal ID Number

FORM AND LEGALITY APPROVED:

Law Department, City of New Orleans

**MOTION
M-08-63**

CITY HALL: February 7, 2008

**BY: COUNCILMEMBERS MIDURA, CARTER, HEDGE-MORRELL, AND
WILLARD-LEWIS**

WHEREAS, pursuant to Section 3-130 of the Home Rule Charter of the City of New Orleans, the New Orleans City Council exercises powers of supervision, regulation, and control over electric and gas utilities providing service in the City; and

WHEREAS, to address the complex legal and technical issues necessary to properly meet its responsibility, the Council has selected consulting firms as advisors, in accordance with the competitive selection process required by the Home Rule Charter and established by Council Rule 45; and

WHEREAS, by Motion M-04-803, after competitive selection, the City Council authorized retention of the Firm of The Washington Utility Group to continue to provide consulting services to the City Council in electric and gas utility regulatory matters; and

WHEREAS, by Motion M-04-803 and the terms of the Request For Qualifications issued on June 11, 2004, the Council is authorized to renew and extend its existing contract with the Firm of The Washington Utility Group to provide consulting services to the City Council in electric and gas utility regulatory matters; and

WHEREAS, by Motion M-04-803 the Council further authorized negotiation of contracts with a scope of work consistent with the request for qualifications and the Council's electric and gas Utility regulatory needs with each of the firms to be retained by the Council; and

WHEREAS, The Washington Utility Group was retained primarily to assist legal counsel in specialized accounting issues associated with SEC matters and the Public Utility Holding Company Act (“PUCHA”) related issues; and

WHEREAS, in 2007 subsequent to the repeal of PUHCA, The Washington Utility Group has done limited work and it is anticipated that any future work will be limited in nature, but residual PUHCA issues could still arise; and

WHEREAS, according to the “City of New Orleans Report on Outside Services for the quarter ending December 31, 2007” submitted by Tracie Boutte on January 30, 2008 states that ENO spent \$8,981,436.59 on legal, accounting, and other outside services in addition to their existing in-house legal, accounting, and other resources; and

WHEREAS, according to the “City of New Orleans Report on Outside Services for the quarter ending December 31, 2007” submitted by T. Michael Twomey on January 30, 2008 states that ELL spent \$7,062,130.48 on legal, accounting, and other outside services in addition to their existing in-house legal, accounting, and other resources; and

WHEREAS, in approving these contract extensions and amendments, the New Orleans City Council is conscious of its responsibility to pursue its regulatory responsibility over gas and electric utilities in a cost-effective manner which nonetheless does not compromise the interests of ratepayers in the high stakes proceedings and others matters which the Council must address on behalf of the City and its ratepayers; and

WHEREAS, over the next two years the Council fully intends to undertake a thorough analysis of the allocation of its utility regulation resources to ensure that these resources are used in a cost-effective manner that protects the interest of rate payers; and

WHEREAS, the Council will evaluate and incorporate recommendations of such analysis into the next RFQ process, as appropriate; and

WHEREAS, given the immediate needs of this Council relative to its regulatory responsibility the Council desires to authorize an appropriate contract and/or contract amendment(s) with The Washington Utility Group to assist in meeting the Council's regulatory responsibility to the City and its ratepayers; now, therefore

BE IT MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, that the President of the Council is hereby requested and authorized to sign a contract amendment with The Washington Utility Group extending the contract through 2008.

BE IT FURTHER MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, that the contract amendment shall add a statement that pursuant to Chapter 2, Article XVIII of the City Code relative to the office of Inspector General that the contractor understands and will abide by all provisions of that Chapter.

BE IT FURTHER MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, that the contract and/or contract amendment(s) shall be circulated in accordance with normal process and the City Council Rules.

THE FOREGOING MOTION WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION THEREOF AND RESULTED AS FOLLOWS:

YEAS: Carter, Clarkson, Fielkow, Head, Hedge-Morrell, Midura, Willard-Lewis - 7

NAYS: 0

ABSENT: 0

AND THE MOTION WAS ADOPTED.

G:\CCUTIL\MOTIONS2007\07-washington

THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY


CLERK OF COUNCIL