



RFP Scope and Requirements for Contract Life-Cycle Management_6-26_NK

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1. General Information

1.1. Request for Proposal (RFP) Objective

The objective of ERCOT is to identify and contract with a qualified vendor to employ a new Contract Life-Cycle Management (CLM) solution which will replace the current solution.

ERCOT seeks proposals for the purchase, testing and deployment of the solution to achieve the following objectives:

- Serve as a centralized, searchable and easily accessible repository for contracts
- Centralize contract creation using standardized templates and clause libraries
- Streamline internal approval workflows including integrated electronic signature capabilities
- Automate obligation tracking, milestone alerts, and contract renewal notifications
- Maintain a comprehensive compliance and audit trail to support data visibility, reporting and board oversight
- Leverage AI-assisted contract review to identify risks, flag non-standard clauses, and accelerate review cycles
- Reduce administrative burden on legal, finance, and program staff

Electric Reliability Council of Texas (ERCOT) will be using Workday Strategic Sourcing (WSS) to manage the submission process for this RFQ. To participate, each respondent is required to create a free supplier account with Workday Strategic Sourcing by accessing the following link and following the instructions for new account creation:

<https://ercot.us.workdayspend.com/rfps/public/1262560>

Once registered, you can view details and ask questions (via the WSS message center) to ERCOT within the WSS platform. You will also be able to invite additional team members to collaborate and submit your RFP response.

1.2. Contract Term

ERCOT intends to award a contract resulting from this solicitation for an initial term from date of award over a three-year period, or as necessary to fulfill the goals of this Request for Proposal.

Any contract issued as a result of this solicitation will be subject to cancellation, without penalty, either in whole or in part, for breach of contract. Such a contract must also include provision to be canceled by ERCOT for convenience upon a thirty (30) day written notice.

1.3. ERCOT Point of Contact

The sole point of contact for inquiries concerning this RFP is:

Nick Kimmel
 ERCOT
 2705 West Lake Drive
 Taylor, Texas 76574
Nicholas.Kimmel@ercot.com

All communication relating to this RFP must be directed to the specified ERCOT Point of Contact through Workday Strategic Sourcing or email at the address above. All other communications between a Respondent and ERCOT staff concerning this RFP are prohibited. Failure to comply with this section may result in ERCOT's disqualification of the proposal.

1.4. Procurement Timeline

Procurement Timeline		
Date	Title	Deliverables Due
08/26/2026	RFP Release Date	
09/02/2026	Notice of Intent to Propose Due	Signed ERCOT Non-Disclosure Agreement (pdf)
09/08/2026	Respondent Questions Due via WSS	
09/18/2026	Response to Respondent Questions Sent	
10/02/2026	Respondent Proposals Due	See Section 2.8
10/05/2026 - 10/16/2026	Respondent Presentations (as needed)	
10/23/2026	Anticipated Contract Award	
TBD	Anticipated Contract Start Date	

1.5. Attachments

Documents attached to this RFP solicitation:

- ERCOT Mutual Non-Disclosure Agreement (pdf)
- Capabilities Workbook (xlsx)
- RFP Terms and Conditions

2. Scope and Requirements

2.1. Project Scope Overview

The primary functions of the following departments as they relate to this project are as follows:

- Contract Administration and Procurement Department
 - Contract drafting and execution
 - Contract administration and archival
- Legal
 - Contract review and drafting support
 - Contract approval prior to execution

The selected CLM solution must support the following functional areas (as further described in section 2.4):

- Contract Generation & Templates
- Contract Approval Workflows & E Signatures
- Obligation & Renewal Tracking
- Repository & Search
- Reporting and Dashboards
- Compliance & Audit Trail
- AI-Assisted Review & Risk Flagging

2.2. Current Environment

Current Contracting Process:	Contracts are managed primarily through the incumbent CLM solution, email, and manual tracking spreadsheets.
Volume:	Approximately 1,000 active contracts at any time; 800 new contracts and amendments executed per year. ERCOT currently manages approximately 1,100 active vendors. On average, ERCOT processes 800 contracts per year (new contracts, amendments and review of terms). The current contract management repository houses over 18,000 contract related documents. ERCOT issues approximately 1,100 purchase orders per year. Replacing the ERP system is out of scope for this project.
Contract Types:	Professional and Vendor Service Agreements (PSA/VSA), Statements of Work (SOWs), Memorandums of Understanding (MOU)s, Software License Agreements, Lease Agreements, Non-Disclosure Agreements (NDAs), Engagement Letters
Current Users:	Core users – 12 Contract Approvers – 75

	Administrators – 4 Viewers – 100
Existing Systems:	List will be made available once ERCOT receives a signed MNDA
IT Resources:	Limited internal IT staff with limited support capacity, drives; preference for cloud-hosted SaaS solutions with low administrative overhead.

2.3. General Requirements

- Respondents must describe in detail the methodology and approach to meeting the requirements of this RFP.
- Respondents must include a high-level project schedule for completing each set of scope requirement described herein.
- Respondents must describe their test methodology and authorize ERCOT to test and approve all system functionality prior to implementation of the CLM system.
- Respondents must provide a roadmap outlining typical implementation methodology and deployment, including a projection on how existing contracting data is imported into the CLM solution.
- Respondents must provide a rate card by resource title to be used as needed for future implementation or integration work. ERCOT's internal IT team will lead ongoing implementation and support, but extra capacity and subject matter expertise may be required.
- Respondents must provide a description of their support model including any applicable levels of support options with relevant pricing.
- Respondents must provide the standard SLAs of their solution as laid out in section 2.8 below.
- Respondents must include any relevant license agreements with their proposal response for the current scope and volume-based tiered pricing for any potential future expansion or reduction of users on the platform.
- Respondents presenting a SaaS solution must identify the types of audits performed on their system (SOC 2 Type II, etc.), the frequency audits are performed and be prepared to provide copies of the reports upon request by ERCOT.
- The awarded supplier must provide a project manager or lead with decision-making authority who will assume responsibility for coordination, control, and performance of this effort. Any changes to key personnel associated with the subsequent contract must be submitted in writing and approved in writing by ERCOT.
- The awarded supplier must provide an organizational chart and list of the supplier's corporate chain-of-command, as well as any established procedures for contacting individuals within that chain-of-command.
- ERCOT data and third-party confidential, proprietary, or licensed information processed by AI systems shall not be used by AI service providers for model training, model improvement, fine-tuning, or other secondary purposes unless expressly authorized by contract and approved through ERCOT governance processes.

2.4. Functional Requirements

Each requirement has been prioritized using the following codes:

- Must Have – Required for contract award
- Should Have – Strongly preferred; absence must be explained
- Nice to Have – Valued but not required

2.4.1. Contract Generation & Templates

The Contract Drafting process is the process of identifying a business unit's need in terms of scope, specification, milestones, deliverables, commercial terms, as well as ERCOT legal terms and conditions. The process is generally a collaborative effort between Legal, Procurement, and an ERCOT Business User. The process is currently a manual process except for a Contract Request Form consisting of a SharePoint form with workflow and automated email notifications.

Functional requirements include the following:

Requirement	Priority
Maintain a library of pre-built contract templates (e.g., Professional Services Agreement, Vendor Services Agreement, Statement of Work). Legal must be able to create, version, and retire templates.	Must Have
Maintain a clause library, with fallback language, that can be associated with specific templates and reused across contract types.	Must Have
Support rule-based clause selection based on contract attributes such as duration, monetary value, or user-defined fields.	Must Have
Support version control for templates, automatically flagging prior versions as obsolete when a new version is approved, and redlining with tracked changes.	Must Have
Support for external party redlines (Word import/export)	Should Have

2.4.2. Contract Approval Workflows & E-Signatures

The Contract Approval process is the process of obtaining contract approval in accordance with the ERCOT Delegation of Authority Corporate Standard. This includes internal contract approval and execution of a contract. In the event an approving manager is not available, the contract approval process defines how such manager can delegate his/her authority to a peer.

Functional requirements include the following:

Requirement	Priority
Configurable multi-step approval workflows based on contract attributes (value, type, business unit, commodity, etc.).	Must Have
Align approval routing to ERCOT's organizational hierarchy and delegation of authority thresholds	Must Have
Allow users to delegate approval authority to a peer with equivalent authority during periods of absence.	Must Have
Provide a controlled approval override capability for designated Procurement administrators.	Must Have

Email notifications and in-app alerts for pending approvals	Must Have
E-signature capability or integration with existing DocuSign functionality.	Must Have
Mobile-friendly approval interface	Should Have
Parallel and sequential approval routing options	Should Have
Automated escalation for overdue approvals	Should Have

2.4.3. Obligation & Renewal Tracking

Currently payment dates and milestone obligations are tracked manually with no centralized solution.

Functional requirements include the following:

Requirement	Priority
Automated extraction or manual entry of key dates and obligations including milestone status for ongoing projects.	Must Have
Configurable advance notification for renewals, expirations, and deadlines	Must Have
Obligation task assignment to responsible parties with status tracking	Must Have
Calendar integration (Outlook)	Should Have
Auto-renewal prevention alerts	Must Have
Reporting on upcoming expirations within a configurable window	Should Have

2.4.4. Repository & Search

The new solution will provide a single repository that captures enough data for needed contracts to be easily searchable.

Functional requirements include the following:

Requirement	Priority
Ability to support different types of contracts (Internal Standard Templates and external supplier templates) and file types (pdf, .doc, .ppt, .xls, etc.).	Must Have
Centralized searchable contract repository	Must Have
Full-text search across contract documents and metadata	Must Have
Custom metadata tagging and categorization	Must Have
Bulk import of existing contracts (PDF, Word)	Must Have
Optical Character Recognition (OCR) capability for scanned documents	Should Have
AI enabled natural language search	Nice to Have

2.4.5. Reporting & Dashboards

The system must provide robust reporting capabilities accessible to authorized users. Current state has metrics, projects and deliverables tracked manually (typically via Excel).

Functional requirements include the following:

Requirement	Priority
Provide a library of standard out-of-the-box reports relevant to contract management (list all available reports in your response).	Must Have
Support ad hoc reporting on all contract data fields, filterable by user-defined parameters.	Must Have
Allow reports to be exported in CSV, PDF, and Excel formats.	Must Have
Provide automated contract expiration notifications to contract owners at configurable intervals with access to contract documents.	Must Have
Support report subscriptions with configurable schedules (weekly, monthly).	Must Have
Support role-based access to reports, including read-only access for audit and compliance groups.	Must Have
Provide customizable dashboards or data visualization capabilities (charts, drill-down views).	Should Have

2.4.6. Compliance & Audit Trail

Solution should automatically capture necessary data to enable compliance controls and auditability.

Functional requirements include the following:

Requirement	Priority
Immutable audit log of all contract actions (view, export, edit, approve, sign)	Must Have
Role-based access controls and permission management	Must Have
Data retention and archival policies configurable by contract type	Must Have
Support for SOC 2 Type II or equivalent security certification	Must Have
Export of audit logs for external reporting	Must Have

2.4.7. AI-Assisted Review & Risk Flagging

AI enabled capabilities are expected to be integrated into the overall solution to improve efficiency and accuracy.

Functional requirements include the following:

Requirement	Priority
AI-powered identification of non-standard or high-risk clauses	Must Have
Risk scoring and categorization by contract attributes	Must Have
AI-generated redline suggestions against playbook standards	Should Have
Plain-language contract summaries for non-legal reviewers	Should Have
Vendor/counterparty risk data integration	Nice to Have
AI model transparency and explainability documentation	Should Have
Ability to train or fine-tune AI on organization-specific playbooks	Nice to Have

2.5. Technical Requirements

Requirement	Priority
Describe your hosting model (SaaS, on-premise, hybrid) and any data residency considerations.	Must Have
API access for integration with third-party systems	Must Have
Data encrypted at rest (AES-256) and in transit (TLS 1.2+)	Must Have
Multi-factor authentication (MFA) support	Must Have
99.9% uptime SLA with documented maintenance windows	Must Have
Data residency in the United States	Must Have
Regular automated backups with documented recovery objectives (RTO/RPO)	Must Have
Configurable data retention and deletion policies	Must Have

2.6. Integrations with Existing Systems

Will be provided after receipt of signed MNDA.

2.7. Qualifications

To be considered for award, vendors must be prepared to show documentation to demonstrate the following minimum qualifications:

- Minimum five (5) years of experience providing CLM software solutions
- At least five (5) current customers in the nonprofit, education, or public sector with comparable contract volumes
- SOC 2 Type II certification (current report required)
- Demonstrated financial stability (audited financials or equivalent documentation available upon request)
- Dedicated customer support and an assigned implementation/success manager
- Clear product roadmap and evidence of continued investment in platform development

2.8. Service Level Agreements

A Service-Level Agreement (SLA) is defined as an official commitment that prevails between a service provider and ERCOT. Aspects of the service quality, availability, responsibilities and remedies should be identified during the RFP process and agreed to and documented as part of the Scope of Work and contracting process. Respondents are to provide their SLA levels as relates to the scope included in their Proposal.

For reference below are the **minimum** SLA requirements for a SaaS solution:

Category	Service Level
Change Control	Procedures in place outlining change control process and responsibilities.
Service Level	Business hours with Extended Support based upon mutual agreement.

Category	Service Level
RTO	Less than 24 hours.
RPO	Less than 24 hours.
Data Integrity	Both off and Onsite Backup
Data Center	T/B
Business Continuity	Redundant systems in each data center
Monitoring	The end-to-end business transactions of a system are monitored for throughput, success rate and cycle time. Transaction performance outside of defined performance ranges will issue warnings to the IT service desk and alarms to the Service Desk and IT Operations teams based upon predefined criteria.
Resiliency	Sufficient infrastructure reserve capacity in the active data center to recover from a limited failure of the environment's infrastructure.

2.9. Final Deliverables

To be considered for award, vendors must submit all documents requested through WSS.