

**PacifiCorp 2017S RFP Questions and Answers
November 30, 2017**

The following are questions and answers provided since issuance of the PacifiCorp 2017S RFP on Wednesday, November 15, 2017.

For additional questions, please submit them to the 2017S RFP mailbox at:

RFP_2017S@pacificorp.com

Additional information regarding the 2017S RFP is provided at the follow link which will be updated throughout the 2017S RFP process:

<http://www.pacificorp.com/sup/rfps/2017S-RFP.html>

Question and Answers Submitted via Email between November 30, 2017 and December 3, 2017

1. Please confirm the amount of bid fees for six bid alternatives (a base bid plus five alternatives)

Six bid alternatives sums to 19,000. The base bid plus 2 alternatives is 10,000. Each of the three additional alternatives is 3,000 each.

2. The bid is due in hard copy format on Monday 12/11, and also email version. Would it be acceptable to deliver an email version on 12/11 and overnight our hard copy bid to arrive on Tuesday 12/12?

No, this is not consistent with the RFP requirements. We expect the hard copies to be delivered by Monday 12/11 along with the email version.

3. We believe that there is a critical issue with cell “C43” on Tab 1 (Bid Summary and PPA Term) of Appendix C-1 Bid Summary PPA. It appears that the formula in the box is incorrect.
 - a. Original cell C43 on Tab 1: =C42*C2~~3~~
 - b. Recommended correction to cell C43 on Tab 1: =C42*C2~~2~~

Thank you for the email. You are correct. It appears that there is a spreadsheet error. We have updated the formula, have re-posted the corrected C-1 excel file, and we are notifying the RFP bidders today:

http://www.pacificorp.com/sup/rfps/2017S-RFP/2017S_RFP_Doc_and_Appendices.html

4. Since build transfer agreements are not allowed under the RFP, are bidders required to complete the Division of Responsibilities Excel sheet?

No.

5. Would a project delivering in NM be a qualifying project?

Please see the RFP main document, page 9, Section H “Minimum Eligibility Requirements for Bidders,” number 10. Eligible projects must “directly interconnect with Company’s network transmission system in its PACW and PACE balancing areas.” PacifiCorp out-of-state transmission lines are not in the balancing area.

6. Regarding an independent third-party verification of expected output via PVsyst software, would a letter of confirmation/verification of a Developer created output file from an Independent Professional Engineering services firm be sufficient?

A third party energy analysis is not required.

Question and Answers Submitted via Email between November 21, 2017 and November 30, 2017

1. I am wondering if a feasibility study for interconnection must be initiated in order to bid? [Note this question is a duplication from the previous Q&A with an updated response]

The requirement to bid is that Bidder must have signed an interconnection study agreement with PacifiCorp Transmission and have a queue number. PacifiCorp will require a signed copy of the feasibility study agreement with the transmission provider. We will not require the finished study, only the signed agreement to conduct the study.

2. Is a fully executed Feasibility Study the requirement to enter this RFP, or is an Interconnection Request deemed complete with a Queue number assigned sufficient? And furthermore, by what date would the applicable item need to be completed by?

Please see the RFP main document, page 9, Section H “Minimum Eligibility Requirements for Bidders,” number 11. The bidder should have either “(1) requested a direct interconnection with PacifiCorp’s system and executed an interconnection feasibility study agreement with PacifiCorp’s transmission function; or (2) requested interconnection with a third party’s system, executed an interconnection feasibility study agreement with the third party transmission provider, and requested long-term, firm third-party transmission service from the resource’s point of interconnection with the third party’s system to the proposed point of delivery on PacifiCorp’s system.” Bidder should have signed the study agreement prior to the bid deadline.

3. In Appendix C-1, you're asking for a third party energy analysis. We do all our assessment in house. Is the third party energy analysis a requirement for submission??

A third party energy analysis is not required.

4. Is a project that interconnects to the PAC Transmission system, but not located in one of the 5 listed states (Wyoming, Utah, Idaho, Washington, and Oregon) eligible for this RFP?

Please see the RFP main document, page 9, Section H "Minimum Eligibility Requirements for Bidders," number 10. Eligible projects must "directly interconnect with Company's network transmission system in its PACW and PACE balancing areas." PacifiCorp out-of-state transmission lines are not in the balancing area.

5. The RFP and PPA describes acceptable forms of credit assurance as a guaranty or a Letter of Credit. Is cash also an acceptable form??

Yes. PacifiCorp will also accept a cash deposit as a form of credit assurance.

6. Is the 10MW min size measured at the POI or by the total count of the inverters?

10 MW measured at the POI.

7. Can we bid these projects as part of a larger must-take-all portfolio to meet the minimum sizing requirement?

PacifiCorp will not accept aggregated projects to meet 10 MW threshold; we are only accepting bids for single project sites that are greater than or equal to 10 MW site and less than or equal to 300 MW.

8. Are projects in this bid being evaluated on a state by state basis, or across the system entirely? For instance, will Washington assets be evaluated against only other Washington assets, or will a Washington asset compete with a Utah asset?

Please refer to Section 6 in the Main RFP document, "Bid Evaluation and Selection." PacifiCorp's bid evaluation and selection process is designed to identify the combination and amount of new solar PV projects bid into the 2017S RFP that will maximize customer benefits.

9. Would PacifiCorp be open to executing the Confidentiality Agreement prior to bid submission?

Yes. Please sign and email it to RFP_2017S RFP_2017S@pacificorp.com with a copy to the IE at pacificorpsolarrrfp@londoneconomics.com. So long as there are no changes to the document, we will promptly countersign and send it back to you.

10. Would it be possible to provide a searchable PDF version of the main RFP document?

The main RFP document that was posted to the RFP website is searchable:
www.pacificorp.com/sup/rfps/2017s-rfp.html.

11. Are you able to provide the word version of the main RFP document?

We are not able to provide a word version of the main RFP document.

12. What is the driver behind this COD?

The main driver is to align with the COD date established in the 2017R WIND RFP so that we have an apples to apples comparison of the wind and solar at the same COD. The solar RFP is being done in response to a suggestion by the Utah PSC to add solar to the wind RFP however, the schedule of the wind RFP is fixed to meet specific regulatory milestones and those not able to be extended to accommodate the addition of solar to the wind RFP. Therefore, the company ran a separate solar RFP which attempts to show results within the same timeframe of the wind RFP.

13. If the driver is ITC qualification, would PacifiCorp accept later CODs if bidder is willing to guarantee full ITC qualification and/or assume tax credit qualification risk?

Bidders are not required to guarantee their ITC level or qualification to submit a bid. As these are PPAs, it is assumed that the bidder is assuming all risks associated with development, construction and operation of the project. While the December 31, 2020 date is a minimum requirement, the company is still seeking projects with the best economic benefit to its customers, and therefore, PacifiCorp will not preclude bidders offering either earlier or later CODs than the December 31, 2020 date requested in the main RFP document.

14. Are there any circumstances under which PacifiCorp would accept later CODs, and, if so, would these be viewed less favorably than projects with CODs before 12/31/2020?

PacifiCorp will not preclude from bidding projects with either earlier or later CODs than the December 31, 2020 date. As noted above, the RFP is seeking projects that deliver the most economic benefits to its customers. Therefore, a project will be evaluated according to Section 6 in the Main RFP document, "Bid Evaluation and Selection." PacifiCorp's bid evaluation and selection process is designed to identify the combination and amount of new solar PV projects bid into the 2017S RFP that will maximize customer benefits.

15. We have a question regarding the interpretation of this paragraph: "PacifiCorp will accept offers that include several different alternatives under the same proposal. For each bid proposal, bidders must submit a bid fee of \$10,000 which allows a bidder to submit a base proposal and two (2) alternatives for the same \$10,000 bid fee. Bidders will also be allowed to offer up to three (3) additional alternatives to the base proposal at a fee of \$3,000 per alternative." If we submit multiple projects, at different locations, would we

pay a separate \$10,000 per project, a \$3,000 per project, or would they qualify as "alternatives for the same \$10,000" fee?

Different projects at different locations would pay separate bid fee of 10,000. For each project at its specific location, the project could have a base bid and two alternatives. For example, if you bid a 100 MW solar project with a fixed price PPA for 20 year and 25 year terms and also submitted that same project with an escalating price PPA for the two same term options, that would be a total of four – a base bid and 3 alternatives. The bid fee would be \$10,000 for the base bid and two alternatives and then an additional \$3,000 for the 3rd alternative for a total of \$13,000.

Question and Answers Prior to 2017S RFP Bidder Workshop, November 21, 2017

1. Is the NOI binding in terms of projects, sizes, configurations? Or can the final proposal submission vary from the NOI?

The NOI is only to provide an indicator of number of bids and size plus the credit information in Appendix D. NOI project info is non-binding.

Question and Answers from 2017S RFP Bidder Workshop, November 21, 2017

1. Several Renewable Northwest clients had concern about the tight timeline. Would PacifiCorp consider an extension?

We understand the concern about tight timelines but are unable to extend the deadline. The Utah Commission recommended the solar RFP and we are trying to align the Initial Shortlist deadline for the solar RFP with the Final Shortlist deadline for the wind RFP.

2. When was the Utah order issued regarding the need for solar RFP?

September 22, 2017: Docket 17-035-23. The docket proceedings can be accessed on the Utah Public Service Commission website.

3. Regarding the tax treatment you mentioned, what public precedence that this should be part of the consideration or has it been an issue in other projects for previous wind?

So far it has not been an issue but PacifiCorp has received advice from our tax department as well as our accounting department to be considerate of this issue and treatment. The 2017S RFP main document contains a specific foot note reference on page 17. Developers should review the references in the footnotes and seek counsel for themselves on the tax and accounting treatment.

4. Are you looking for a statement saying Bidder is bound by costs or are you looking for an estimate of those costs?

We are looking for an estimate of the costs but the bidder should consider that the bid they submit is binding. From the System Impact Study, PacifiCorp need to review the estimated Direct Assigned Costs and any network upgrades associated with the interconnection. We are not looking for the deliverability / network upgrades cost estimate that would come out of any transmission service request, which PacifiCorp's merchant business would request later if a bidder was awarded a PPA. Instead, PacifiCorp only wants the bidder to provide the costs for the Direct Assigned Costs and any other costs required for the bidder's project to clamp onto PacifiCorp's system.

5. You mentioned transmission issues for parts of the system for PacifiCorp? Are you recommending we don't bid in projects that would interconnection for example below the cut plain in Utah? Are you not going to review them?

PacifiCorp is not restricting projects from any locations. Bidders may propose system wide projects. In the evaluation, PacifiCorp will consider transmission constraints. If, for example, it comes back and PacifiCorp Transmission estimates that interconnection will take ten years to get built then it will create an issue with the Bidder to meet the milestones within the RFP

6. Will there be a signed NDA as part of this process?

Yes, there is both a mutual confidentiality agreement and non-reliance letter form provided in Appendix G. The confidentiality agreement is to be signed at the time of Initial Shortlist and a Non-reliance letter to be signed at the time of Final Shortlist. PacifiCorp is willing to sign the MCA immediately if requested by the Bidder. Some bidders prefer to have MCAs signed earlier than later – if so, go ahead sign and send them over and we will counter sign. If you have proposed edits then send a redline of the draft and we will consider the requested change but the MCA is generally not negotiated.

7. Do you want two sets of forms signed if there are two separate projects (two Base bids)?

Yes, we prefer that Bidders submitting two different Base bids provide two separate Bid responses. Bidders can save both sets of Bid responses on the same USB but please separate them into distinct folders

8. Can you use other software besides PV Syst to complete your resource analysis?

You can, but PacifiCorp requests an explanation of what it is and its basis for modeling. PacifiCorp will validate the solar generation using the PV Syst model.

9. Can an LOI be used as land control?

Bidders should submit what evidence of land control they have. You can bid with an LOI, but when we make our evaluations, we will be looking for control. An LOI is not as certain as having a lease executed.

10. Is the 12-31-2020 COD a firm requirement?

It is a firm requirement with respect to the requirements we've placed on wind and it is critical to have an apples-for-apples comparison to solar. We realize that the ITC does not have a 2020 cliff. We will focus on what maximizes the benefit to the customer on a benefits minus costs calculation.

11. Are early CODs looked on favorably?

If you have ability to come online earlier, then feel free to bid it. There's no preference. We will focus on what maximizes the benefit to the customer on a benefits minus costs calculation.

12. Addressing Suniva, do you want anything in our bids addressing the solar module trade cases?

Yes. We are looking for Bidders to explain reason and background to bid. One of the bid requirements is to provide a major components procurement strategy. We are looking for firm bids, so Bidders should explain how they will accomplish that goal.

13. When we get to the Final Shortlist, is that when our projects get compared with wind projects?

If you look at the timing of the wind RFP versus the solar RFP, the wind RFP will have its final shortlist done at the time the initial shortlist is completed for solar. Solar projects will be compared against solar projects in the initial shortlist. In the final shortlist process, we run individual and portfolios of projects through our IRP models (SO and PaR) at which time the solar projects are measured for customer benefit in light of all of the other resources in the overall system.

14. Do you have a target for the rate of getting to the 2000 MW? Do you have a see through rate for what you expect or what you are looking for?

No, our goal is to provide the best project portfolio that provides customer benefits to our customers. The final portfolio could be greater than or less than 2000 MW.

Question and Answers Post 2017S RFP Bidder Workshop, November 21, 2017

1. Does PacifiCorp have a preference for projects that have submitted for Network Resource Interconnection Service vs Energy Resource Interconnection Service?

An Energy Resource Interconnection is preferred. PacifiCorp will need to see both direct and network upgrade costs associated with the interconnection through the ER studies.

2. Can projects of capacity greater than 300 MW submit proposals as long as only 300 MW will be delivered to PacifiCorp or covered under the PPA?

PacifiCorp will accept a bid up to 300 MW from a project, however PacifiCorp would reserve its rights on review of the project supporting the bid to determine if it was in compliance with the RFP including the project's site control, permits, and interconnection and relationship to any other transaction on MWs outside of the 300 MW if from the same project.

3. I am wondering if a feasibility study for interconnection must be initiated in order to bid?

REVISED:

The requirement to bid is that Bidder must have signed an interconnection study agreement with PacifiCorp Transmission and have a queue number. PacifiCorp will require a signed copy of the feasibility study agreement with the transmission provider. We will not require the finished study, only the signed agreement to conduct the study.