

**PacifiCorp 2018OCS RFP Questions and Answers**  
**August 22, 2018**

The following are questions and answers provided since issuance of the PacifiCorp 2018OCS RFP on July 27, 2018.

For additional questions, please submit them to the 2018OCS RFP mailbox at:

[RFP\\_2018OCS@pacificorp.com](mailto:RFP_2018OCS@pacificorp.com)

Additional information regarding the 2018OCS RFP is provided at the follow link which will be updated throughout the 2018OCS RFP process:

[www.pacificorp.com/sup/rfps/2018OCS-rfp.html](http://www.pacificorp.com/sup/rfps/2018OCS-rfp.html)

**Question and Answers as of August 22, 2018**

1. Question: RFP(Main Document) §5.F- Basis of evaluating proposals is fixed PPA pricing, but stipulates utility may need system accounted as a capital and operating lease. These are entirely different financial products and for tax benefits by utility, it would be the principal, underwritten borrower or financial indemnity. Given utility has experience with Schedule 37 & 38 PPA of 15year, extendable, a lease, if desired is in the context of an exercised purchase option leased by utility from their lender. Correct?

Response: So long as you are conforming to the requirements of the RFP and bidding a 20-Year PPA with no automatic extension provisions, then PacifiCorp does not have any concerns, because the 20-year PPA meets the IRS safe harbor 20% residual life on a 25 year book life solar facility. With respect to your comment about a 15-year extendable lease, we have requested bidders provide pricing for a purchase option and not a lease.

2. Question: Bidders shall pay a non-refundable fee (Bid Fee) of \$1,000 for each base proposal and up to two (2) alternatives submitted.” But does not state when fee required for acceptable bid. Please advise?

Response: Bid fees should be submitted by end of day Friday August 24, 2018.

3. Question: In relation to the Q&A response #11 below, as stated, the min eligibility requirements for a RFP respondent is a signed study. A study turnaround is 30days so a signed study would not have known interconnection costs, which could run \$40M dollars in net-generation service areas as a mandatory QF project. Therefore, how will the 70% pricing scoring be applied to those proposals were any assumptions highly volatile interconnection costs are unknown, but essential to determine pricing or meaningful credit support?

Response: PacifiCorp will evaluate short list bids using the estimates provided by the Bidders. Prior to making a final award, a System Impact Study must be completed. PacifiCorp may ask short list bidders to extend their bid validity date out beyond November 28, 2018. PacifiCorp reserves the right to request that short list bidders sign a waiver allowing PacifiCorp RFP evaluators to discuss bidder's projects with PacifiCorp's Transmission group.

4. Question: In response to the Q&A response #6, prior to CS Program Pre-certification, developments are not determinable co-located projects. According to 860-088-0070(2), co-location of a single development, are not met according to certain legislative tests. Also, 860-088-0070(2) expressly allows exceptions, including "(b) The co-located projects are all sited within a single municipality... . None of the above codified rules were diluted in OPUC AR603 Order 17-232 on June 29, 2017. Where is Co-location limitations otherwise imputed in the RFP?

Response: The OR RFP 2018 OCS Main Document summarizes the co-location rules in 860-088-0070; it does not expressly prohibit developers from proposing co-located projects. PacifiCorp intends to follow the program rules with respect to co-location. Bidders may submit bids in accordance with their interpretation of the current rules at Bidder's risk, recognizing final award will be subject to the rules adopted by the Program Administrator and Commission with respect to co-location.

**Question and Answers as of August 10, 2018 (includes emailed questions to the RFP inbox and also questions during the bidder conference) – with updates highlighted in yellow**

1. Question: Are proposals due Tuesday August 21, 2018 or Thursday August 23, 2018? The RFP states Tuesday August 23, 2018.

Response: Proposals are due Thursday August 23, 2018. An updated RFP will be has been posted to the RFP website with the correct day of week.

2. Question: Appendix C-1 requires bidder to list system losses, but the categories of losses don't match PV Syst. Can bidder massage losses so long as final NCF is the same?

Response: Yes.

3. Question: What additional submittal requirements, as mentioned during bidder conference, are listed in Appendix E-1 in addition to the requirements in Appendix B?

Response: Legal site description and critical path schedule:

Legal Description of Site: Bidder should provide a legal description of the site as well as conditional use permits, endangered species studies, historical artifacts reports and environmental assessments.

Critical Path Schedule: Bidder should provide a preliminary critical path schedule.

4. Question: Appendix B, Section 6, Interconnection states “the minimum eligibility requirements for bidders include the provision of evidence that the proposed project has requested interconnection service as a QF with PacifiCorp’s transmission or distribution system. Although not required for initial bidding eligibility, PacifiCorp will ultimately require a completed interconnection feasibility study or system impact study for network resource interconnection service.” Appendix B does not say that the executed study agreement with PacifiCorp’s transmission function is required. Is it?

Response: An executed study agreement with PacifiCorp’s transmission function is required per the OR RFP 2018 OCS Main Document, Section 3.G.9 and also Section 5.B. An updated Appendix B ~~will has been~~ posted to the RFP website clarifying that the bidder is this required to have an executed study agreement prior to the RFP response due date of Thursday August 23, 2018.

5. Question: Is PUC approval required for PacifiCorp to execute this PPA?

Response: PacifiCorp’s understanding is that PUC approval is not required prior to signing of the PPA. PacifiCorp has asked the Commission to confirm this understanding.

6. Question: Is the non-price evaluation criteria limited to the items listed in the bidder conference power point slides? Will PacifiCorp consider the project’s location within their service territory or proximity to customers while evaluating the RFP responses?

Response: PacifiCorp will use the non-price evaluation criteria listed in the OR RFP 2018 OCS Main Document Section 6. Location within the service territory and proximity to customers are not listed criteria.

7. Question: Will PacifiCorp consider projects that are co-located within five miles of one another if they have different owners? Will PacifiCorp consider bids from developers who have developed additional projects within five miles of the proposed site?

Response: PacifiCorp intends to follow the program rules with respect to co-location. PacifiCorp will not consider bids totaling more than 3.0 MW within a five mile radius proposed by a single developer. PacifiCorp intends to select multiple bids from different developers for the initial short list, and those bids may exceed 3.0 MW within a five mile radius. [Note: refer to Question #4 as of August 22, 2018 for updated response]

8. Question: By the August 23, 2018 bid deadline, we would have submitted an interconnection application but we would not have an executed System Impact Study prior to the RFP bid deadline. Would we be disqualified?

Response: So long as you have an executed Interconnection Study Agreement, you would not be disqualified for not having a completed System Impact Study prior to the August 23<sup>rd</sup> deadline. There is a difference between having a completed System Impact Study and an executed Study Agreement. The RFP requirement is that if selected, you have a completed System Impact Study prior to executing the PPA. Contact the Transmission Group if you have additional questions related to the interconnection process.

9. Question: I missed the deadline for submit a notice of interest for your RFP. Can I still submit or is it too late?

Response: We are still accepting notices of interest for the RFP. The NOI is not an RFP requirement but it is important so we can notify interested parties of any changes or updates to the RFP.

10. Question: Please clarify where Appendix D is located in the RFP documents?

Response: It is located in the Appendices A-O document located here:

[http://www.pacificorp.com/content/dam/pacificorp/doc/Suppliers/RFPs/2018\\_OCS\\_RFP/Appendices\\_A-O/OR\\_2018OCS\\_SOLAR\\_APPENDICES\\_A-O.docx](http://www.pacificorp.com/content/dam/pacificorp/doc/Suppliers/RFPs/2018_OCS_RFP/Appendices_A-O/OR_2018OCS_SOLAR_APPENDICES_A-O.docx)

11. Question: Where will this project take place?

Response: Oregon.

12. Question: There have been several questions to clarify the Minimum Eligibility Requirement and interconnection service.

Response: The requirement is to have a fully executed study agreement with PacifiCorp's interconnection group, which means you will have paid for the study and both parties will have signed the agreement before the RFP deadline.

PacifiCorp's Generation Interconnection Process is located here:

<http://www.pacificorp.com/tran/ts/gip.html>

The application process for Oregon Qualifying Facilities up to 10 MWs can be found here: <http://www.pacificorp.com/tran/ts/gip/qf/oregon.html>

13. Question: The bid document states that, "Failure to provide evidence that the proposed project has sought interconnection service with PacifiCorp's system as a qualifying facility, which shall include at a minimum an executed interconnection feasibility study agreement or system impact study agreement with PacifiCorp's transmission function." We are interpreting this requirement to mean that the "Application for Small Generator Facility Interconnection" has been submitted and deemed complete by PacifiCorp and that the "Interconnection Feasibility Study Form Agreement" has been executed by PacifiCorp and the Developer.

Response: This is a correct interpretation.

14. Question: Where is the application for the Interconnection feasibility study agreement?

Response: See the attached link which is on the PacifiCorp Website:

<http://www.pacificorp.com/tran/ts/gip.html>