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**PacifiCorp**  
**All Source Request for Proposals**

**Appendices, Attachments  
and Forms**

**Issued - December 2, 2009**  
**Responses Due - March 1, 2010**

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PacifiCorp – Request For Proposals  
RFP Responses due March 1, 2010

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# **APPENDICES**

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Intent to Bid Responses due December 22, 2009

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# **Intent to Bid Form for Request for Proposal**

## **Due December 22, 2009**

**Complete Appendices A and B**

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PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010  
Intent to Bid Responses due December 22, 2009

## **Intent to Bid Form for RFP**

This Intent to Bid Form is comprised of Appendices A and B which both must be fully completed and submitted by December 22, 2009 to the Independent Evaluators (“IEs”) in order to participate in PacifiCorp’s RFP. For those bidders who have already provided this information and have not withdrawn their proposal they may either 1) not submit the Intent to Bid Form or they may 2) update their previously filed Intent to Bid Form. To the extent that you have already provided an Intent to Bid Form please indicate that you still want PacifiCorp to include your proposal and include any updates to the original Intent to Bid Form.

This is to declare that the undersigned intends to respond to PacifiCorp’s Request for Proposals in the All Source RFP (“RFP”).

Please include:

|                       |  |
|-----------------------|--|
| Company:              |  |
| Mailing Address:      |  |
| Phone:                |  |
| Fax:                  |  |
| Email:                |  |
| Contact Person:       |  |
| Authorized Signature: |  |
| Date:                 |  |

PacifiCorp – Request for Proposals  
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Intent to Bid Responses due December 22, 2009

Return five (5) copies of all completed Intent to Bid forms by express mail, registered or certified mail, or hand delivery by December 22, **2009** to both addresses:

**Utah Independent Evaluator**  
Merrimack Energy Group, Inc.  
c/o Utah Division of Public Utilities  
Heber M Wells Bldg, 4<sup>th</sup> Floor  
160 East 300 South  
Box 146751  
Salt Lake City, Utah 84114-6751

**and**

**Oregon Independent Evaluator**  
Accion Group and Boston Pacific Company, Inc.  
c/o Pacific Power Legal Department  
Attention: Jordan White  
825 NE Multnomah, Suite 1800  
Portland, Oregon 97232

The Intent to Bid Form consists of Appendices A and B. Both Appendices **must be completed in their entirety**. Bidders must complete both Appendices A and B in order to qualify to submit a proposal in the RFP. If a Bidder makes the Initial shortlist the Bidder must be able to demonstrate within 20 business days their ability to satisfy their credit, capability, experience and qualification to deliver, along with specific references for each and every selected Resource Alternative being submitted in response to the RFP.

PacifiCorp reserves the right, following consultation with the IEs, to reject as non-responsive any, all, or portions of bid proposals received for failure to complete Appendix A and Appendix B in full. PacifiCorp also reserves the right to request that the IEs contact any Bidder for additional information. PacifiCorp further reserves the right without qualification and in their sole discretion to decline to enter into any Agreement with any Bidder for any reason.

PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010  
Intent to Bid Responses due December 22, 2009

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## **Intent to Bid Form**

### **Appendix A: Bidder's Qualification Capability and Experience**

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## 1. RESOURCE ALTERNATIVES

Bidder must submit a separate form for each Resource Alternative it plans to submit. Each Resource Alternative will be assigned a separate bid number by the IEs. Bidder must select by marking with an “X” only one of the following Resource Alternatives as described in Section C.1 of the RFP. To the extent the Bidder submits a proposal that is different than the one checked in the Intent to Bid Form, PacifiCorp reserves the right to reject the RFP bid proposal.

- Power Purchase Agreement
  - Asset Backed       Not Asset Backed
- Tolling Agreement
  - Asset Backed       Not Asset Backed
- Asset Purchase and Sale Agreement on Bidder’s Site
- Asset Purchase and Sale Agreement on PacifiCorp’s Site
  - Currant Creek       Lake Side
- Purchase of an existing facility
- Purchase of a portion of a facility, jointly owned or operated by PacifiCorp
- Restructure of an existing Power Purchase Agreement
- Restructure of an existing Exchange Agreement
- Buyback of an existing Sales Agreement
- Load Curtailment
- Qualifying Facility
  - Asset Backed       Not Asset Backed
- Renewable Resources
  - Asset Backed       Not Asset Backed

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|                                      |  |
|--------------------------------------|--|
| <b>Full Legal Name of Seller:</b>    |  |
| <b>Full Legal Name of Guarantor:</b> |  |
| <b>Commercial Contact:</b>           |  |
| Title:                               |  |
| Office Phone:                        |  |
| Cell Phone:                          |  |
| Email Address:                       |  |
| <b>Credit Contact:</b>               |  |
| Title:                               |  |
| Office Phone:                        |  |
| Cell Phone:                          |  |
| Email Address:                       |  |
| <b>Legal Contact:</b>                |  |
| Title:                               |  |
| Office Phone:                        |  |
| Cell Phone:                          |  |
| Email Address:                       |  |

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|   |  |
|---|--|
| <p><b>Proposed Project</b></p> <p>(As applicable but not limited to the project submitted.)</p> | <ul style="list-style-type: none"> <li>• Commercial Operation Date _____</li> <li>• Eligible Online Date _____</li> <li>• Bid Category _____</li> <li>• Size _____</li> <li>• Location and Delivery Point _____</li> <li>• Fuel _____</li> <li>• Technology (e.g. simple cycle gas-fired, combined cycle gas-fired) _____</li> <li>• New, Repowered or Relocated _____</li> <li>• Status of Project Development and Engineering _____</li> <li>• Status of Construction and Air Applications and Permits _____</li> <li>• Status of Electric Interconnection Request and Studies _____</li> <li>• Status of Gas System Interconnection Agreements _____</li> <li>• Is PPA/TSA backed by an Asset?* _____</li> <li>• Is PPA/TSA backed by market purchases other than coal? _____</li> <li>• Other Information _____</li> </ul> |
|---|--|

\*For Power Purchase Agreements and Tolling Service Agreements to be backed by its respective physical asset, the agreements by their terms must put that physical resource behind the agreement, which may include, but not be limited to, the following: allowing the Company meaningful and actual exercise of step-in rights and a second lien (behind only the project lenders) on the assets and the special purpose entity equity, establishing a cap on the debt to equity ratio, and other financial covenants for the life of the Power Purchase Agreements or Tolling Service Agreements.

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## **2. BIDDER QUALIFICATIONS**

**Please complete and/or provide documentation on the following sections listed below**

1. Corporate structure and primary and secondary businesses
  
2. Location of offices
  
3. Provide a list of the officers of the company and provide the biographies of key officers
  
4. Please provide documentation of your company's previous experience developing/operating the proposed Resource Alternative over the last three (3) to five (5) years. Please provide a list of all projects developed, operated and/or financed during this same timeframe including the name of the project, location of each project, the project type and technology, project size, fuel source(s), commercial operation date, date financed, project partners and power purchasers.

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5. Please provide at least one reference or contact (name and telephone number) for each project or power supply venture (for reference purposes) the Bidder has entered into as identified in item 4 above.
  
  
  
  
  
  
  
  
  
  
6. Please provide a description of any current or previous contract dispute(s) involving similar projects in which the Bidder is or was involved during the last five (5) years.
  
  
  
  
  
  
  
  
  
  
7. Please provide a list of the members of the project team for the projects identified in item 4 above. For each project, please briefly describe the role and responsibilities of the Bidder along with the roles and responsibilities of other project partners or team members.
  
  
  
  
  
  
  
  
  
  
8. For the project proposed, please provide an organizational chart for the project which lists the project participants and consultants and identifies the management structure and responsibilities.
  
  
  
  
  
  
  
  
  
  
9. Indicate if Bidder is an affiliate of the soliciting utility or will contract with an affiliate of the soliciting utility as part of the proposal being bid.

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### **3. BIDDER EXPERIENCE**

In the case where a bid contains a proposal to develop a new project or expand an existing project please describe the types of agreements necessary for successful project development and identify the status of all activities necessary to either fully develop and/or implement the project, such as negotiations for partnership agreements, equipment supplier agreements, and EPC agreements, fuel supply agreements, if applicable, permitting, financing, etc. Provide documentation regarding the contractual relationship between the Bidder and any vendor. Indicate the status of any arrangements between the Bidder and vendor regarding the above agreements or any other agreements. **Any and all contingencies must be described in detail.**

If the Bidder cannot demonstrate to the Company's reasonable satisfaction that the Bidder possesses the requisite expertise and experience in providing or operating the Resource Alternatives, proposed by the Bidder, the Company, after consultation with the IEs, reserves the right to exclude the Bidder from the RFP process.

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**Intent to Bid Form**  
**Appendix B: Bidder's Credit**  
**Information**

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**BIDDER’S CREDIT INFORMATION AND CREDIT MATRIX**

**Please provide the following information to enable PacifiCorp to evaluate the financial viability of the Bidder or any entity providing credit assurances on behalf of the Bidder.**

**Bidder’s Credit Information**

1. Credit information for Bidder

A. Exact legal name and address of Bidder:

B. Debt Ratings from S&P and/or Moody’s (please provide senior unsecured long term debt rating (or corporate rating if a debt rating is unavailable). Please indicate type of rating, rating, and source:

C. Please attach copies of audited financial statements (including balance sheet, income statement, and cash flow statement) for the three (3) most recent fiscal years.

Fiscal Year End:

D. Identify material pending legal disputes (describe):

E. Please state whether Bidder is or has within the past five (5) years been the debtor in any bankruptcy proceeding.

F. If Bidder is unable to provide audited financial statements or is relying upon another entity(ies) to provide credit assurances on its behalf, Bidder must indicate so here and complete the following section.

Is Bidder unable to provide audited financial statements?

Is Bidder relying upon another entity(ies) to provide credit assurances on Bidder’s



behalf?

G. Bidder should demonstrate their ability (and/or the ability of their credit support provider(s)) to provide the required security, including its plan for doing so (including type of security, sources of security, and a description of its credit support provider).

H. Bidder should provide a reasonable demonstration of their ability to finance the proposed project based on past experience and a sound financial plan identifying the proposed sources for debt and equity and evidence the project is financeable.

**2. Credit information for entity(ies) providing credit assurances on behalf of Bidder (if applicable)**

A. Exact legal name and address of entity(ies) providing credit assurances on behalf of Bidder:

B. Describe relationship to Bidder and describe type of credit assurances to be provided (e.g. parental guaranty, letter of credit, etc.) once notified that the Bidder has been selected for the final shortlist. Bidder must provide to Company a commitment letter(s) in a form acceptable to Company (see **Attachment 22**) from the entity(ies) providing the credit assurances on behalf of the Bidder executed by an authorized signatory and indicating the amount and form of credit assurances it will provide. It should be noted that more than one commitment letter, or more than one form of commitment letter, may be necessary.

C. Debt Ratings from S&P and/or Moody's (please provide senior unsecured long term debt rating (or corporate rating if a debt rating is unavailable). Please indicate type of rating, rating, and source:

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D. Please attach copies of audited financial statements (including balance sheet, income statement, and cash flow statement) for the three (3) most recent fiscal years.

Fiscal Year End:

E. Pending material legal disputes (describe):

F. Please state whether entity(ies) providing credit assurances on behalf of the Bidder is or has within the past five (5) years been the debtor in any bankruptcy proceeding.

## **CREDIT MATRIX**

The Bidder should utilize the Credit Matrix to determine the estimated amount of credit assurances required for each Resource Alternative bid in each Bid Category. The Bidder will be required to demonstrate the ability to post any required credit assurances in the form of a commitment letter(s) consistent with **Attachment 22** from a proposed guarantor(s) and/or from a financial institution(s) that would be issuing a Letter of Credit. The Company will require each Bidder to provide the Company with an acceptable commitment letter(s) (if applicable) twenty (20) business days after the Bidder is notified that the Bidder has been selected for the final shortlist.

The amount of any credit assurances to be provided will be determined based upon:

- a) the Credit Rating of the Bidder and the entity(ies) providing credit assurances on behalf of the Bidder, if applicable, b) the size of the project, c) the Eligible Online Date, d) the type of Resource Alternative, and e) the Bid Category. Please note that a financial institution providing credit assurances on behalf of the Bidder must have a Credit Rating of at least ‘A’ and ‘A2’ from S&P and Moody’s, respectively, and have assets (net of reserves) of at least \$10,000,000,000.

The Credit Rating is defined as the lower of: x) the most recently published senior, unsecured long term debt rating (or corporate rating if a debt rating is unavailable) from Standard & Poor’s (S&P) or y) the most recently published senior, unsecured debt rating (or corporate rating if a debt rating is unavailable) from Moody’s Investor Services. If option x) or y) is not available, the Credit Rating will be determined by the Company through an internal process review utilizing a proprietary credit scoring model developed in conjunction with a third party.

All Bidders will receive a Credit Rating which will be used in determining the amount of any credit assurances to be posted. Please note that should a Bidder be an existing counterparty with PacifiCorp, PacifiCorp reserves the right to protect itself from counterparty credit concentration risk and require credit assurances in addition to those outlined in the Credit Matrix.

The timing of when credit security must be posted is detailed in **Attachment 21**.

### Credit Matrices Notes

- Columns contain maximum value of credit assurances to be posted for each range of MW for a 2014-2016 resource
- Based on the Eligible Online Date, size and type of Resource Alternative bid and Bid Category
- For non asset-backed projects less than five (5) years, the amount of credit assurances required may be adjusted by multiplying the credit security amount for the appropriate Bid Category by the following adjustment factor:  
$$\text{Adjustment Factor} = \text{square root} (\text{project term in days}/1,825 \text{ days})$$

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- Credit Requirements for the Bid Categories other than the Base Load Bid Category will be determined based on a percentage of the amount contained in the Credit Matrix
  - For the Summer Peak Bid Category, the percentage of the amount contained in the Credit Matrix for Resource Alternatives backed by an asset is 66%; the percentage of the amount contained in the Credit Matrix for Resource Alternatives not backed by an asset is 31%.
  - For the Intermediate Load Bid Category, the percentage of the amount contained in the Credit Matrix is based on the following formula:

Percentage = Bidder’s capacity factor using the heat rate conversions in Table 1 divided by 60% Base Load Bid Category capacity factor

**Table 1**

| Heat Rate | Capacity Factor |
|-----------|-----------------|
| 8,900     | 60.0%           |
| 9,200     | 48.6%           |
| 9,500     | 43.7%           |
| 9,800     | 42.1%           |
| 10,100    | 42.1%           |
| 10,400    | 42.1%           |
| 10,700    | 35.2%           |
| 11,000    | 35.2%           |
| 11,300    | 35.2%           |
| 11,500+   | 27.9%           |

Note: Use the nearest heat rate when determining the appropriate capacity factor.

**EXAMPLE**

For a Bidder rated below ‘BBB-’ that bids in a 300 MW Intermediate Load power purchase agreement for Eligible Online Date of 2014 that is backed by an asset having a heat rate of 9,200, the amount of credit security required would be:

**\$25,932,960** = \$32,016,000 credit security amount from the Credit Matrix for a 300 MW Base Load power purchase agreement for 2014 backed by an asset multiplied by 81% [48.6% capacity factor from the conversion table divided by 60%]

# PacifiCorp – Request for Proposals RFP Responses due March 1, 2010

All Source RFP  
Credit Appendix B  
Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW for a 2014 Resource  
Based on Size and Type of Resource Alternative Bid

**For Resource Alternatives 3, 4, 5 and 6**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300      | 301-400      | 401-500      | 501-600      | 601-700      | 701-800      | 801-900      | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |              |              |              |              |              |              |              |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA+/Aa1                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA/Aa2                          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA-/Aa3                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A+/A1                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A/A2                            | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A-/A3                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| BBB+/Baa1                       | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$6,720,000   | \$17,392,000  | \$28,064,000  | \$38,736,000  | \$49,408,000  | \$60,080,000  |
| BBB/Baa2                        | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$10,376,000 | \$21,048,000 | \$31,720,000  | \$42,392,000  | \$53,064,000  | \$63,736,000  | \$74,408,000  | \$85,080,000  |
| BBB-/Baa3                       | \$0          | \$0          | \$0          | \$0          | \$3,360,000  | \$14,032,000 | \$24,704,000 | \$35,376,000 | \$46,048,000 | \$56,720,000  | \$67,392,000  | \$78,064,000  | \$88,736,000  | \$99,408,000  | \$110,080,000 |
| Below BBB-/Baa3                 | \$10,672,000 | \$21,344,000 | \$32,016,000 | \$42,688,000 | \$53,360,000 | \$64,032,000 | \$74,704,000 | \$85,376,000 | \$96,048,000 | \$106,720,000 | \$117,392,000 | \$128,064,000 | \$138,736,000 | \$149,408,000 | \$160,080,000 |

**For Resource Alternatives 1, 2, 7 and 8(b) (ASSET BACKED)**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300      | 301-400      | 401-500      | 501-600      | 601-700      | 701-800      | 801-900      | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |              |              |              |              |              |              |              |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA+/Aa1                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA/Aa2                          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA-/Aa3                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A+/A1                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A/A2                            | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A-/A3                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| BBB+/Baa1                       | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$6,720,000   | \$17,392,000  | \$28,064,000  | \$38,736,000  | \$49,408,000  | \$60,080,000  |
| BBB/Baa2                        | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$10,376,000 | \$21,048,000 | \$31,720,000  | \$42,392,000  | \$53,064,000  | \$63,736,000  | \$74,408,000  | \$85,080,000  |
| BBB-/Baa3                       | \$0          | \$0          | \$0          | \$0          | \$3,360,000  | \$14,032,000 | \$24,704,000 | \$35,376,000 | \$46,048,000 | \$56,720,000  | \$67,392,000  | \$78,064,000  | \$88,736,000  | \$99,408,000  | \$110,080,000 |
| Below BBB-/Baa3                 | \$10,672,000 | \$21,344,000 | \$32,016,000 | \$42,688,000 | \$53,360,000 | \$64,032,000 | \$74,704,000 | \$85,376,000 | \$96,048,000 | \$106,720,000 | \$117,392,000 | \$128,064,000 | \$138,736,000 | \$149,408,000 | \$160,080,000 |

**For Resource Alternatives 1, 2, 7, 8(a) and 8(b) (NON ASSET BACKED)-5YR**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300       | 301-400       | 401-500       | 501-600       | 601-700       | 701-800       | 801-900       | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |               |               |               |               |               |               |               |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA+/Aa1                         | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA/Aa2                          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA-/Aa3                         | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A+/A1                           | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A/A2                            | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A-/A3                           | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| BBB+/Baa1                       | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$9,938,400   | \$48,680,700  | \$87,423,000  | \$126,165,300 | \$164,907,600 | \$203,649,900 | \$242,392,200 | \$281,134,500 | \$319,876,800 |
| BBB/Baa2                        | \$0          | \$0          | \$0           | \$0           | \$7,453,800   | \$46,196,100  | \$84,938,400  | \$123,680,700 | \$162,423,000 | \$201,165,300 | \$239,907,600 | \$278,649,900 | \$317,392,200 | \$356,134,500 | \$394,876,800 |
| BBB-/Baa3                       | \$0          | \$0          | \$0           | \$4,969,200   | \$43,711,500  | \$82,453,800  | \$121,196,100 | \$159,938,400 | \$198,680,700 | \$237,423,000 | \$276,165,300 | \$314,907,600 | \$353,649,900 | \$392,392,200 | \$431,134,500 |
| Below BBB-/Baa3                 | \$38,742,300 | \$77,484,600 | \$116,226,900 | \$154,969,200 | \$193,711,500 | \$232,453,800 | \$271,196,100 | \$309,938,400 | \$348,680,700 | \$387,423,000 | \$426,165,300 | \$464,907,600 | \$503,649,900 | \$542,392,200 | \$581,134,500 |

**Note 1:** For Resource 8(a), the amount of credit assurances required in \$/kW equates to \$387/kW.  
Please note that the amount of credit assurances required for this resource type represents an "up to" amount depending on the terms of the curtailment and whether there is an acceptable physical asset behind the agreement.

**Note 2:** For projects less than 5 years, the amount of credit assurances required may be adjusted.

# PacifiCorp – Request for Proposals RFP Responses due March 1, 2010

All Source RFP  
Credit Appendix B  
Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW for a 2015 Resource  
Based on Size and Type of Resource Alternative Bid

**For Resource Alternatives 3, 4, 5, 6 and 7**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300      | 301-400      | 401-500      | 501-600      | 601-700      | 701-800      | 801-900       | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |              |              |              |              |              |              |               |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA+/Aa1                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA/Aa2                          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA-/Aa3                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A+/A1                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A/A2                            | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A-/A3                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| BBB+/Baa1                       | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$9,498,500   | \$21,665,000  | \$33,831,500  | \$45,998,000  | \$58,164,500  | \$70,331,000  | \$82,497,500  |
| BBB/Baa2                        | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$10,165,500 | \$22,332,000 | \$34,498,500  | \$46,665,000  | \$58,831,500  | \$70,998,000  | \$83,164,500  | \$95,331,000  | \$107,497,500 |
| BBB-/Baa3                       | \$0          | \$0          | \$0          | \$0          | \$10,832,500 | \$22,999,000 | \$35,165,500 | \$47,332,000 | \$59,498,500  | \$71,665,000  | \$83,831,500  | \$95,998,000  | \$108,164,500 | \$120,331,000 | \$132,497,500 |
| Below BBB-/Baa3                 | \$12,166,500 | \$24,333,000 | \$36,499,500 | \$48,666,000 | \$60,832,500 | \$72,999,000 | \$85,165,500 | \$97,332,000 | \$109,498,500 | \$121,665,000 | \$133,831,500 | \$145,998,000 | \$158,164,500 | \$170,331,000 | \$182,497,500 |

**For Resource Alternatives 1, 2, 7 and 8(b) (ASSET BACKED)**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300      | 301-400      | 401-500      | 501-600      | 601-700      | 701-800      | 801-900       | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |              |              |              |              |              |              |               |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA+/Aa1                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA/Aa2                          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| AA-/Aa3                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A+/A1                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A/A2                            | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| A-/A3                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           |
| BBB+/Baa1                       | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$9,498,500   | \$21,665,000  | \$33,831,500  | \$45,998,000  | \$58,164,500  | \$70,331,000  | \$82,497,500  |
| BBB/Baa2                        | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$10,165,500 | \$22,332,000 | \$34,498,500  | \$46,665,000  | \$58,831,500  | \$70,998,000  | \$83,164,500  | \$95,331,000  | \$107,497,500 |
| BBB-/Baa3                       | \$0          | \$0          | \$0          | \$0          | \$10,832,500 | \$22,999,000 | \$35,165,500 | \$47,332,000 | \$59,498,500  | \$71,665,000  | \$83,831,500  | \$95,998,000  | \$108,164,500 | \$120,331,000 | \$132,497,500 |
| Below BBB-/Baa3                 | \$12,166,500 | \$24,333,000 | \$36,499,500 | \$48,666,000 | \$60,832,500 | \$72,999,000 | \$85,165,500 | \$97,332,000 | \$109,498,500 | \$121,665,000 | \$133,831,500 | \$145,998,000 | \$158,164,500 | \$170,331,000 | \$182,497,500 |

**For Resource Alternatives 1, 2, 7, 8(a) and 8(b) (NON ASSET BACKED)-5YR**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300       | 301-400       | 401-500       | 501-600       | 601-700       | 701-800       | 801-900       | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |               |               |               |               |               |               |               |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$27,296,600  | \$72,103,500  |
| AA+/Aa1                         | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$27,296,600  | \$72,103,500  |
| AA/Aa2                          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$27,296,600  | \$72,103,500  |
| AA-/Aa3                         | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$27,296,600  | \$72,103,500  |
| A+/A1                           | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$27,296,600  | \$72,103,500  |
| A/A2                            | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$27,296,600  | \$72,103,500  |
| A-/A3                           | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$27,296,600  | \$72,103,500  |
| BBB+/Baa1                       | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$13,648,300  | \$58,455,200  | \$103,262,100 | \$148,069,000 | \$192,875,900 | \$237,682,800 | \$282,489,700 | \$327,296,600 | \$372,103,500 |
| BBB/Baa2                        | \$0          | \$0          | \$0           | \$0           | \$0           | \$43,841,400  | \$88,648,300  | \$133,455,200 | \$178,262,100 | \$223,069,000 | \$267,875,900 | \$312,682,800 | \$357,489,700 | \$402,296,600 | \$447,103,500 |
| BBB-/Baa3                       | \$0          | \$0          | \$0           | \$29,227,600  | \$74,034,500  | \$118,841,400 | \$163,648,300 | \$208,455,200 | \$253,262,100 | \$298,069,000 | \$342,875,900 | \$387,682,800 | \$432,489,700 | \$477,296,600 | \$522,103,500 |
| Below BBB-/Baa3                 | \$44,806,900 | \$89,613,800 | \$134,420,700 | \$179,227,600 | \$224,034,500 | \$268,841,400 | \$313,648,300 | \$358,455,200 | \$403,262,100 | \$448,069,000 | \$492,875,900 | \$537,682,800 | \$582,489,700 | \$627,296,600 | \$672,103,500 |

**Note 1:** For Resource 8(a), the amount of credit assurances required in \$/kW equates to \$448/kW.  
Please note that the amount of credit assurances required for this resource type represents an "up to" amount depending on the terms of the curtailment and whether there is an acceptable physical asset behind the agreement.

**Note 2:** For projects less than 5 years, the amount of credit assurances required may be adjusted.

# PacifiCorp – Request for Proposals RFP Responses due March 1, 2010

All Source RFP  
Credit Appendix B  
Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW for a 2016 Resource  
Based on Size and Type of Resource Alternative Bid

**For Resource Alternatives 3, 4, 5, 6 and 7**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300      | 301-400      | 401-500      | 501-600      | 601-700      | 701-800       | 801-900       | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |              |              |              |              |              |               |               |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| AA+/Aa1                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| AA/Aa2                          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| AA-/Aa3                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| A+/A1                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| A/A2                            | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| A-/A3                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| BBB+/Baa1                       | \$0          | \$0          | \$0          | \$0          | \$0          | \$9,067,200  | \$23,078,400 | \$37,089,600  | \$51,100,800  | \$65,112,000  | \$79,123,200  | \$93,134,400  | \$107,145,600 | \$121,156,800 | \$135,168,000 |
| BBB/Baa2                        | \$0          | \$0          | \$0          | \$0          | \$13,806,000 | \$27,817,200 | \$41,828,400 | \$55,839,600  | \$69,850,800  | \$83,862,000  | \$97,873,200  | \$111,884,400 | \$125,895,600 | \$139,906,800 | \$153,918,000 |
| BBB-/Baa3                       | \$0          | \$0          | \$4,533,600  | \$18,544,800 | \$32,556,000 | \$46,567,200 | \$60,578,400 | \$74,589,600  | \$88,600,800  | \$102,612,000 | \$116,623,200 | \$130,634,400 | \$144,645,600 | \$158,656,800 | \$172,668,000 |
| Below BBB-/Baa3                 | \$14,011,200 | \$28,022,400 | \$42,033,600 | \$56,044,800 | \$70,056,000 | \$84,067,200 | \$98,078,400 | \$112,089,600 | \$126,100,800 | \$140,112,000 | \$154,123,200 | \$168,134,400 | \$182,145,600 | \$196,156,800 | \$210,168,000 |

**For Resource Alternatives 1, 2, 7 and 8(b) (ASSET BACKED)**

| Size of Nameplate bid in MW ==> | 100          | 101-200      | 201-300      | 301-400      | 401-500      | 501-600      | 601-700      | 701-800       | 801-900       | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |              |              |              |              |              |              |               |               |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| AA+/Aa1                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| AA/Aa2                          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| AA-/Aa3                         | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| A+/A1                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| A/A2                            | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| A-/A3                           | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$2,145,600   | \$16,156,800  | \$30,168,000  |
| BBB+/Baa1                       | \$0          | \$0          | \$0          | \$0          | \$0          | \$9,067,200  | \$23,078,400 | \$37,089,600  | \$51,100,800  | \$65,112,000  | \$79,123,200  | \$93,134,400  | \$107,145,600 | \$121,156,800 | \$135,168,000 |
| BBB/Baa2                        | \$0          | \$0          | \$0          | \$0          | \$13,806,000 | \$27,817,200 | \$41,828,400 | \$55,839,600  | \$69,850,800  | \$83,862,000  | \$97,873,200  | \$111,884,400 | \$125,895,600 | \$139,906,800 | \$153,918,000 |
| BBB-/Baa3                       | \$0          | \$0          | \$4,533,600  | \$18,544,800 | \$32,556,000 | \$46,567,200 | \$60,578,400 | \$74,589,600  | \$88,600,800  | \$102,612,000 | \$116,623,200 | \$130,634,400 | \$144,645,600 | \$158,656,800 | \$172,668,000 |
| Below BBB-/Baa3                 | \$14,011,200 | \$28,022,400 | \$42,033,600 | \$56,044,800 | \$70,056,000 | \$84,067,200 | \$98,078,400 | \$112,089,600 | \$126,100,800 | \$140,112,000 | \$154,123,200 | \$168,134,400 | \$182,145,600 | \$196,156,800 | \$210,168,000 |

**For Resource Alternatives 1, 2, 7, 8(a) and 8(b) (NON ASSET BACKED)-5YR**

| Size of Nameplate bid in MW ==> | 100          | 101-200       | 201-300       | 301-400       | 401-500       | 501-600       | 601-700       | 701-800       | 801-900       | 901-1000      | 1001-1100     | 1101-1200     | 1201-1300     | 1301-1400     | 1401-1500     |
|---------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Credit Rating</b>            |              |               |               |               |               |               |               |               |               |               |               |               |               |               |               |
| AAA/Aaa and above               | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$13,605,800  | \$63,933,600  | \$114,261,400 | \$164,589,200 | \$214,917,000 |               |
| AA+/Aa1                         | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$13,605,800  | \$63,933,600  | \$114,261,400 | \$164,589,200 | \$214,917,000 |               |
| AA/Aa2                          | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$13,605,800  | \$63,933,600  | \$114,261,400 | \$164,589,200 | \$214,917,000 |               |
| AA-/Aa3                         | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$13,605,800  | \$63,933,600  | \$114,261,400 | \$164,589,200 | \$214,917,000 |               |
| A+/A1                           | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$13,605,800  | \$63,933,600  | \$114,261,400 | \$164,589,200 | \$214,917,000 |               |
| A/A2                            | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$13,605,800  | \$63,933,600  | \$114,261,400 | \$164,589,200 | \$214,917,000 |               |
| A-/A3                           | \$0          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$13,605,800  | \$63,933,600  | \$114,261,400 | \$164,589,200 | \$214,917,000 |               |
| BBB+/Baa1                       | \$0          | \$0           | \$0           | \$0           | \$26,639,000  | \$76,966,800  | \$127,294,600 | \$177,622,400 | \$227,950,200 | \$278,278,000 | \$328,605,800 | \$378,933,600 | \$429,261,400 | \$479,589,200 | \$529,917,000 |
| BBB/Baa2                        | \$0          | \$0           | \$0           | \$32,561,200  | \$82,889,000  | \$133,216,800 | \$183,544,600 | \$233,872,400 | \$284,200,200 | \$334,528,000 | \$384,855,800 | \$435,183,600 | \$485,511,400 | \$535,839,200 | \$586,167,000 |
| BBB-/Baa3                       | \$0          | \$0           | \$38,483,400  | \$88,811,200  | \$139,139,000 | \$189,466,800 | \$239,794,600 | \$290,122,400 | \$340,450,200 | \$390,778,000 | \$441,105,800 | \$491,433,600 | \$541,761,400 | \$592,089,200 | \$642,417,000 |
| Below BBB-/Baa3                 | \$50,327,800 | \$100,655,600 | \$150,983,400 | \$201,311,200 | \$251,639,000 | \$301,966,800 | \$352,294,600 | \$402,622,400 | \$452,950,200 | \$503,278,000 | \$553,605,800 | \$603,933,600 | \$654,261,400 | \$704,589,200 | \$754,917,000 |

**Note 1:** For Resource 8(a), the amount of credit assurances required in \$/kW equates to \$503/kW.  
Please note that the amount of credit assurances required for this resource type represents an "up to" amount depending on the terms of the curtailment and whether there is an acceptable physical asset behind the agreement.

**Note 2:** For projects less than 5 years, the amount of credit assurances required may be adjusted.

**RFP**

**Appendix C: Information Required in  
Bid Proposals for each Resource  
Alternative**

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## **Appendix C-1: Power Purchase Agreements and Tolling Service Agreements**

### **Information Required in Bid Proposals**

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. The RFP is seeking capacity and energy resources to serve PacifiCorp's entire system. Power Purchase Agreements and Tolling Service Agreements that are not backed by an asset cannot exceed a five (5) year term. In the event a Bidder is proposing a transaction that does not require the construction of a resource, much of the following information may not apply. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

**Impact of Temperature on Output** – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-1.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation, if applicable. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

**Impact of Other Factors on Output** – PacifiCorp prefers generation facilities designed, permitted, and operated so that, to the extent practicable, the proposed capacity and any related energy provided to PacifiCorp is not restricted by:

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Sales of capacity or energy to other parties
- Interruption of primary fuel supply
- Sale of thermal energy
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

**Siting** – Bidders are responsible for all construction and coordination with the applicable service provider(s) for any new electrical transmission and fuel transportation facilities required in response to this RFP. Bidders are responsible for satisfying all zoning and environmental requirements.

Bidders should provide the following information:

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- Address of the site where the Project will be located (the “Project Site”)
- Name of the existing facility at the Project site, if any
- Copies of maps showing the boundaries of the Project Site and key facilities, including any off-sites (fuel, water, wastewater, and electrical interconnection). List and provide a copy of documentation establishing that the Seller has and/or will have site control for the entire term of the Definitive Agreements.
- If Seller does not have site control as of the date of this Offer Sheet, Seller must describe in detail how it plans to obtain site control by the first date of the Term of the Definitive Agreements, including a description of the current status of any negotiations regarding the Project Site and a timeline of when Seller will have site control.
- Status of permits or process applicable to the Project. If the Bidder has not secured permits, the Bidder is required to provide a list of all permits required and a plan for securing the permits.
- Emissions offsets and credits required and how these will be obtained.
- Source and availability of water supply. Provide agreements for water rights if the Bidder has already obtained such rights. If the Bidder does not control water rights, provide a plan for securing such rights.
- Right-of-ways. Provide a list of any right-of-ways secured by the Bidder. If the Bidder has not secured right-of-ways, provide a list of the right-of-ways required and a plan for securing such right-of-ways.
- Critical Path Schedule. Provide a critical path schedule with important events and activities from the selection of the proposal to commercial operation date. Bidders should identify activities on the critical path along with the time required to complete each activity.
- Fuel Access. Provide a description of the fuel supply/transportation infrastructure accessible to the project site and provide a plan/strategy for securing and delivering the fuel from the source to the plant.

**Facility Information** – To the extent applicable, the Bidder should clarify the following information with respect to any proposed facility:

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.

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- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
- Proposed noise levels and description of noise baffles and stack silencing equipment.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.
- Characterization of the area surrounding the site, including a description of local zoning, flood plain information (100 yr. & 500 yr.), existing land use and setting (woodlands, grasslands, agriculture, etc.).
- Information of fish, wildlife and vegetation inhabiting the area of the Project.
- Proximity to nearest endangered or threatened species which could be potentially impacted.
- Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
- Location and distance to population centers which could be impacted.
- Expected site ambient temperature extremes and verification that freeze protection will be provided as necessary.

**Fuel Transportation Route Information** – To the extent applicable, the Bidder should clarify any relevant information with respect to fuel transportation route information for any proposed site:

- Proposed new fuel transportation route(s).
- Estimated impact on wetlands (e.g., length of route through wetland).
- Describe land use impacts.
- Descriptions of stream crossings.
- Characterization of the area encompassing the fuel transportation route, including a description of existing land use and setting.

**Proposal Format** – Bidders should conform to the following format for presenting their bid information:

**Section 1 – Executive Summary of Proposal** – The Executive Summary section should provide an overall description of the proposal and its key benefits and advantages to PacifiCorp. It should include a general description of the technology, location, and

business arrangement for the bid. Bidder shall state the period under which the terms and conditions of their Proposal will remain effective.

**Section 2 – Resource Description** – This section should include a description of the resource, including:

- Type of generation equipment and description including turbine, steam generator, emission control equipment, gasifier, cooling equipment, etc.
- Manufacturers of major equipment
- Model number, serial number and age of any previously owned/operated, or “grey market” equipment
- Type of heat rejection equipment (cooling towers, ponds, Air-Cooled Condenser, etc.)
- Project design elements that have been included for the separation and capture of carbon emissions. Identify feasible options if not included in project design
- Strategy for maintaining environmental compliance
- Source of process and/or cooling water
- Wastewater disposal plan
- Water balance
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-1.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Any limits on hours of operation in a particular mode (i.e., combined cycle, duct firing, power augmentation, or combination thereof)
- Any limits on emissions
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Guarantee and expected degradation curves (kW and heat rate)
- Guaranteed availability and reliability
- Long Term Outage Plan

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- Anticipated on-site gas compression, if applicable.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material balance
- Solid waste disposals.

**Section 3 – Pricing Proposal** – Describe in detail the pricing proposal, including the use of any index or escalation factors, as outlined in Section G. of the Request for Proposal. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required consistent with **Form 1** and **Form 2** in the Request for Proposal.

**Section 4 – Transmission** – Each Proposal must include a description of the location of its proposed transmission facilities, including proposed delivery points, and must specify the transmission provider and all applicable costs.

Owner or operator of generating facility must execute written agreement with utility stating at a minimum:

- Will construct and operate all interconnected generation facilities within its control in accordance with all applicable laws
- Will furnish, install, operate and maintain in good order and repair, and without cost to utility, relays, locks and seals, breakers, automatic synchronizers and other control and protective apparatus determined by the utility to be necessary for the safe and reliable operation of the facility in parallel with the utility's system; and
- Utility will be able to gain access at all times to switching equipment capable of isolating generation facility from utility's system
- Provide for provision of energy or capacity under system emergencies pursuant to agreement or as ordered under section 202(c) of the Federal Power Act; during emergency utility may discontinue or curtail purchases/sales if such purchases/sales would contribute to such emergency.

**Section 5 – Environmental and Siting** – The Bidder is exclusively and entirely responsible for meeting and satisfying all federal, state, and local permits, licenses, approvals and/or variances that are required to assure physical delivery of capacity and associated energy in accordance with any PPA or Tolling transaction. Bidder must furnish applicable detailed project site, electric transmission, and fuel transportation information, a description of all required permits, and a project timeline so PacifiCorp can assess site suitability, schedule risk and project viability. The proposed site(s) shall clearly be shown on a United States Geological Survey (USGS) 7.5-minute series map.

**Section 6 – Other Information**

**Fuel** – Bidders must provide fuel source type. Bidders should describe their fuel supply plan and the extent to which they desire to provide fuel and transportation and other fuel-related services, including fuel price management (hedging) or a tolling fee in which PacifiCorp will be responsible for all the fuel and fuel-related costs. PacifiCorp's preference is for proposals that address its need for reliability, management of price risk,

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and meeting the operations. If the energy cost portion of the Bidder's terms includes a fuel cost component, the Bidder shall explain its proposed fuel supply program.

**Dispatchability** – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

**Technical Data** – Technical data as requested in Exhibit 1 of this Appendix.

**Section 7 – Contract Terms** – Bidder shall provide a comprehensive listing/description of all material contract terms in the Proforma PPA or TSA, including appendices, that the Bidder would seek to modify during contract negotiations. Bidder shall identify any and all PacifiCorp obligations not specifically outlined in the referenced agreements.

**EXHIBIT 1 TO APPENDIX C-1**

**TECHNICAL DATA**

Site Location \_\_\_\_\_

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is \_\_\_\_\_ MW

Site Elevation: \_\_\_\_\_ Feet

Maximum water consumption is \_\_\_\_\_ gallons per minute.

Expected water consumption is \_\_\_\_\_ acre-feet per year.

Weighted Average Raw Water Consumption is \_\_\_\_\_ gallons per minute.

Minimum Sustainable Load at above conditions \_\_\_\_\_ MW

Automatic Generation Control (AGC) capable: Yes \_\_\_\_ No \_\_\_\_.

If yes then the AGC range at above conditions is \_\_\_\_\_ MW to \_\_\_\_\_ MW.

Maximum number of starts per day is \_\_\_\_\_, per month \_\_\_\_\_, per year \_\_\_\_\_.

If applicable, maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is \_\_\_\_\_ hours. This assumes the demineralized water system is operating at rated capacity.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define “cold”, “warm”, and “hot starts”, if not as stated above)

|                 | Min/Sust. | Full Load |
|-----------------|-----------|-----------|
| For Cold Start: | _____     | _____     |
| For Warm Start: | _____     | _____     |
| For Hot Start:  | _____     | _____     |

Expected startup fuel requirement (MMBtus/Start) for:

Cold Start: \_\_\_\_\_

Hot Start: \_\_\_\_\_

Minimum time on-line (hours from start initiation to stop initiation) \_\_\_\_\_

Minimum time off-line (hours from stop initiation to start initiation) \_\_\_\_\_

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Normal Ramp Rate within operating range: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

Emergency Ramp Rate: (MW/Minute) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

If applicable, time to transfer from combined cycle to duct firing \_\_\_\_\_ min.

If applicable, duct firing ramp rate: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

If applicable, time to transfer from combined cycle to power augmentation \_\_\_\_\_ min.

If applicable, power augmentation ramp rate: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): \_\_\_\_\_

Anticipated quantity of natural gas or fuel oil consumed through CO: \_\_\_\_\_ (gas, MMBtus; fuel oil, gallons).

***Additional Information***

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-1.1 below:



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**Table C-1.1**

| Temp in °F | % RH | Evap or Chiller | Duct Burners | Power Aug. | Heat Rate | Net Output | Min. Load |
|------------|------|-----------------|--------------|------------|-----------|------------|-----------|
| -10        | 100  |                 |              |            |           |            |           |
| -10        | 100  |                 | On           |            |           |            | NA        |
| 0          | 100  |                 |              |            |           |            |           |
| 10         | 100  |                 |              |            |           |            |           |
| 15         | 84   |                 |              |            |           |            |           |
| 20         | 86   |                 |              |            |           |            |           |
| 20         | 86   |                 | On           |            |           |            | NA        |
| 20         | 86   |                 |              | On         |           |            | NA        |
| 20         | 86   |                 | On           | On         |           |            | NA        |
| 30         | 75   |                 |              |            |           |            |           |
| 40         | 55   |                 |              |            |           |            |           |
| 50         | 49   |                 |              |            |           |            |           |
| 52         | 46   |                 |              |            |           |            |           |
| 52         | 46   | On              |              |            |           |            |           |
| 60         | 40   | On              |              |            |           |            |           |
| 60         | 40   |                 | On           |            |           |            | NA        |
| 60         | 40   |                 |              | On         |           |            | NA        |
| 60         | 40   |                 | On           | On         |           |            | NA        |
| 70         | 33   | On              |              |            |           |            |           |
| 75         | 29   | On              |              |            |           |            |           |
| 75         | 29   |                 | On           |            |           |            | NA        |
| 75         | 29   |                 |              | On         |           |            | NA        |
| 75         | 29   |                 | On           | On         |           |            | NA        |
| 80         | 25   | On              |              |            |           |            |           |
| 90         | 16   | On              |              |            |           |            |           |
| 95         | 15   | On              |              |            |           |            |           |
| 95         | 15   |                 | On           |            |           |            | NA        |
| 95         | 15   |                 |              | On         |           |            | NA        |
| 95         | 15   |                 | On           | On         |           |            | NA        |
| 105        | 11   |                 |              |            |           |            |           |
| 105        | 11   | On              | On           | On         |           |            | NA        |

## **Appendix C-2: Asset Purchase Sale Agreement (APSA) Bids**

### **Information Required in Bid Proposals**

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

**Impact of Temperature on Output** – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-2.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

**Impact of Other Factors on Output** – PacifiCorp prefers generation facilities designed, permitted, and operated so that, to the extent practicable, the proposed capacity and any related energy provided to PacifiCorp is not restricted by:

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

**Build Own Transfer (BOT) Option** – Bidders may propose a fixed-price, lump-sum sale of new generation assets to PacifiCorp, either at an existing PacifiCorp site or propose other sites. Such proposals must include the following information in addition to any technical information:

- Markup of Asset Purchase and Sale Agreement (APSA), including appendices.
- Markup of Operation & Maintenance (O&M) Term Sheet (or Bidder form of O&M Agreement)
- Amounts and dates of milestone-based payments, including descriptions, required of PacifiCorp.
- Information regarding location and transmission availability.
- Information regarding fuel and transportation availability.
- Capacity on summer design day in compliance with all regulatory requirements.

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- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Proposed facilities will only contain “OEM-certified new major equipment”. This being defined as OEM equipment that has not been previously installed or operated and has the same warranties and guarantees as equipment delivered directly from the OEM’s production line, and all reliability and design TILS and/or Service Bulletins have been implemented.

**Siting** – Bidders are responsible for all construction and coordination with the applicable service provider(s) for any new electrical transmission and fuel transportation facilities required in response to this RFP. Bidders are responsible for satisfying all zoning and environmental requirements.

**Facility Information** – To the extent applicable, the Bidder should clarify the following information with respect to any proposed facility:

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
- Proposed noise levels and description of noise baffles and stack silencing equipment.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.
- Characterization of the area surrounding the site, including a description of local zoning, flood plain information (100 yr. & 500 yr.), existing land use and setting (woodlands, grasslands, agriculture, etc.).
- Information regarding fish, wildlife and vegetation inhabiting the area of the Project.
- Proximity to nearest endangered or threatened species which could be potentially impacted.
- Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
- Location and distance to population centers which could be impacted.
- Expected site ambient temperature extremes and verification that freeze protection will be provided as necessary.

- If built on PacifiCorp sites, the projects must be built consistent with the Specifications for Currant Creek and or Lake Side provided in the Appendices.

**Fuel Transportation Route Information** – To the extent applicable, the Bidder should clarify any relevant information with respect to fuel transportation route information for any proposed site:

- Proposed new fuel transportation route(s).
- Estimated impact on any wetlands (e.g., length of route through wetlands or other sensitive lands).
- Describe land use impacts.
- Descriptions of stream crossings.
- Characterization of the area encompassing the fuel transportation route, including a description of existing land use and setting.

**Proposal Format** – Bidders should conform to the following format for presenting their bid information:

**Section 1 – Executive Summary of Proposal** – The Executive Summary section should provide an overall description of the proposal and its key benefits and advantages to PacifiCorp. It should include a general description of the technology, location, and business arrangement for the bid. Bidder shall state the period under which the terms and conditions of their Proposal will remain effective.

**Section 2 – Resource Description** – This section should include a description of the resource, including:

- Type of generation equipment and description
- Manufacturers of major equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-2.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer

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- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material balance
- Solid waste disposals.

**Section 3** – Describe in detail the pricing proposal, including the use of any index or escalation factors, as outlined in Section G. of the Request for Proposal. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required consistent with **Form 1** and **Form 2** in the Request for Proposal.

**Section 4 – Transmission** – Each Proposal must include a description of the location of its proposed transmission facilities, including proposed delivery points, and must specify the transmission provider and all applicable costs.

Owner or operator of generating facility must execute written agreement with utility stating at a minimum:

- Will construct and operate all interconnected generation facilities within its control in accordance with all applicable laws
- Will furnish, install, operate and maintain in good order and repair, and without cost to utility, relays, locks and seals, breakers, automatic synchronizers and other control and protective apparatus determined by the utility to be necessary for the safe and reliable operation of the facility in parallel with the utility's system; and
- Utility will be able to gain access at all times to switching equipment capable of isolating generation facility from utility's system
- Provide for provision of energy or capacity under system emergencies pursuant to agreement or as ordered under section 202(c) of the Federal Power Act; during emergency utility may discontinue or curtail purchases/sales if such purchases/sales would contribute to such emergency.

**Section 5 – Environmental and Siting** – The Bidder is exclusively and entirely responsible for meeting and satisfying all federal, state, and local permits, licenses, approvals and/or variances that are required to assure physical delivery of capacity and associated energy in accordance with any BOT transaction. Bidder must furnish applicable detailed project site, electric transmission, and fuel transportation information, a description of all required permits, and a project timeline so PacifiCorp can assess site

suitability, schedule risk and project viability. The proposed site(s) shall clearly be shown on a United States Geological Survey (USGS) 7.5-minute series map.

**Section 6 – Other Information –**

**Fuel** – Bidders must provide fuel source type. Bidders should describe their fuel supply plan and the extent to which they desire to provide fuel and transportation and other fuel-related services, including fuel price management (hedging) or a tolling fee in which PacifiCorp will be responsible for all the fuel and fuel-related costs. PacifiCorp's preference is for proposals that address its need for reliability, management of price risk, and meeting the Base Load operations. If the energy cost portion of the Bidder's terms includes a fuel cost component, the Bidder shall explain its proposed fuel supply program.

**Dispatchability** – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

**Technical Data** – Technical data as requested in Exhibit 1 of this Appendix.

**Section 7 – Contract Terms** – The Bidder will provide a comprehensive listing/description of all material modifications to the APSA terms and conditions, including the appendices, and O&M terms and conditions which the Bidder would seek during contract negotiations.

These may include, but are not limited to:

- Items to be provided by the Owner, including a schedule of timing for the provision of these items and impact on Bidder of any delays.
- Land requirements for construction of the facility, including laydown areas
- Laydown plan for construction.
- Commissioning & Startup Plan with Owner's requirements.

**EXHIBIT 1 TO APPENDIX C-2**

**TECHNICAL DATA**

Site Location \_\_\_\_\_

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is \_\_\_\_\_ MW

Site Elevation: \_\_\_\_\_ Feet

Maximum water consumption is \_\_\_\_\_ gallons per minute.

Expected water consumption is \_\_\_\_\_ acre-feet per year.

Weighted Average Raw Water Consumption is \_\_\_\_\_ gallons per minute.

Minimum Sustainable Load at above conditions \_\_\_\_\_ MW

Automatic Generation Control (AGC) capable: Yes \_\_\_\_\_ No \_\_\_\_\_.

If yes, then the AGC range at above conditions is \_\_\_\_\_ MW to \_\_\_\_\_ MW.

Maximum number of starts per day is \_\_\_\_\_, per month \_\_\_\_\_, per year \_\_\_\_\_.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is \_\_\_\_\_ hours. This assumes the demineralized water system is operating at rated capacity.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define “cold”, “warm”, and “hot starts”, if not as stated above)

|                 | Min/Sust. | Full Load |
|-----------------|-----------|-----------|
| For Cold Start: | _____     | _____     |
| For Warm Start: | _____     | _____     |
| For Hot Start:  | _____     | _____     |

Minimum time on-line (hours from start initiation to stop initiation) \_\_\_\_\_

Minimum time off-line (hours from stop initiation to start initiation) \_\_\_\_\_

Normal Ramp Rate within operating range: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

Emergency Ramp Rate: (MW/Minute) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

If applicable, time to transfer from combined cycle to duct firing \_\_\_\_\_ min.

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If applicable, duct firing ramp rate: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_.

If applicable, time to transfer from combined cycle to power augmentation \_\_\_\_\_ min.

If applicable, power augmentation ramp rate: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_.

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): \_\_\_\_\_.

Anticipated quantity of natural gas or fuel oil consumed through CO: \_\_\_\_\_ (gas, MMBtus; fuel oil, gallons).

***Additional Information***

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-2.1 below:



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**Table C-2.1**

| Temp in °F | % RH | Evap or Chiller | Duct Burners | Power Aug. | Heat Rate | Net Output | Min. Load |
|------------|------|-----------------|--------------|------------|-----------|------------|-----------|
| -10        | 100  |                 |              |            |           |            |           |
| -10        | 100  |                 | On           |            |           |            | NA        |
| 0          | 100  |                 |              |            |           |            |           |
| 10         | 100  |                 |              |            |           |            |           |
| 15         | 84   |                 |              |            |           |            |           |
| 20*        | 86   |                 |              |            |           |            |           |
| 20         | 86   |                 | On           |            |           |            | NA        |
| 20         | 86   |                 |              | On         |           |            | NA        |
| 20*        | 86   |                 | On           | On         |           |            | NA        |
| 30         | 75   |                 |              |            |           |            |           |
| 40         | 55   |                 |              |            |           |            |           |
| 50         | 49   |                 |              |            |           |            |           |
| 52         | 46   |                 |              |            |           |            |           |
| 52         | 46   | On              |              |            |           |            |           |
| 60         | 40   | On              |              |            |           |            |           |
| 60         | 40   |                 | On           |            |           |            | NA        |
| 60         | 40   |                 |              | On         |           |            | NA        |
| 60         | 40   |                 | On           | On         |           |            | NA        |
| 70         | 33   | On              |              |            |           |            |           |
| 75*        | 29   | On              |              |            |           |            |           |
| 75         | 29   |                 | On           |            |           |            | NA        |
| 75         | 29   |                 |              | On         |           |            | NA        |
| 75*        | 29   |                 | On           | On         |           |            | NA        |
| 80         | 25   | On              |              |            |           |            |           |
| 90         | 16   | On              |              |            |           |            |           |
| 95*        | 15   | On              |              |            |           |            |           |
| 95         | 15   |                 | On           |            |           |            | NA        |
| 95         | 15   |                 |              | On         |           |            | NA        |
| 95*        | 15   |                 | On           | On         |           |            | NA        |
| 105        | 11   |                 |              |            |           |            |           |
| 105        | 11   | On              | On           | On         |           |            | NA        |

Indicates Water Balance Sheet Required

### **Appendix C-3: Existing Asset Purchase (in whole or in part)**

#### **Information Required in Bid Proposals**

If the Bidder's Proposal is for an interest in an existing facility where PacifiCorp holds an interest, or operates the facility, any information requested under this RFP that would reasonably be expected to already be in the possession of PacifiCorp, may be so stated in the Bidder's response package. If the Bidder's asset is not currently involved with PacifiCorp, the below requirements are to be met as outlined.

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, output capability or performance of a resource. PacifiCorp believes these resource attributes largely consist, but may not be limited to, the following information categories:

**Impact of Temperature on Output** – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-4.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

**Impact of Other Factors on Output** – PacifiCorp prefers generation facilities designed, permitted, and operated so that, to the extent practicable, the proposed capacity and any related energy provided to PacifiCorp is not restricted by:

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Sales of capacity or energy to other parties
- Interruption of primary fuel supply
- Sale of thermal energy
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

**Ownership Purchase Option** – Bidders may propose a sale, either whole or in part, of existing generation assets to PacifiCorp. Such proposals must include the following information in addition to any technical information:

- Ownership percentage and whether a divided or undivided interest
- Amounts and dates of payments required of PacifiCorp.

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- Current and projected annual fixed and variable O&M costs associated with the generation facility.
- Any long term service or maintenance agreements, including scope and costs that are in excess of \$25,000 in annual costs. (i.e. CTs, water, O&M, parts, inspections, ash disposal, CEMs)
- Startup costs (i.e., the period of time from when a start is initiated to the time the unit reaches minimum sustainable load)
- Operating Limits – Any limits imposed on the number of startups that may be performed per year or per unit of time. Any limits on the number of hours that a unit may per operated per year or per unit of time. Any annual limits on the number of hours of duct firing or power augmentation.
- Emissions (air, liquid and solid wastes) in pounds per hour per pollutant and/or waste product at 100% load and tons per year of pollutant and/or waste product at a specified capacity factor as selected by the Bidder.
- Annual unit availability and any guaranteed minimum annual availability.
- Information regarding location and transmission.
- Information regarding fuel and transportation.
- Capacity on summer design day in compliance with all regulatory requirements.
- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Terms of remaining warranties and/or guarantees on major equipment.
- Costs to incorporate into PacifiCorp Fleet (Future capital or maintenance).

Significant due diligence may be necessary prior to finalizing any acquisition by PacifiCorp. A list of due diligence items will be provided to a Bidder should they be short-listed.

**Siting** – Not Applicable to this Appendix.

**Facility Information** – To the extent applicable, the Bidder should clarify the following information with respect to the facility:

- Air emissions (all criteria pollutants and air toxics), description of emission controls and existing emission offsets
- List of environmental and other regulatory permits
- Water usage quantity, quality and source(s).
- Water discharge quantity and quality, plus water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity and uses.
- Site plans, layouts, elevations and other aspects of the facility.

**Fuel Transportation Route Information** – To the extent applicable, the Bidder should clarify any relevant information with respect to fuel transportation route information for the site.

**Proposal Format** – Bidders should conform to the following format for presenting their bid information:

**Section 1 – Executive Summary of Proposal** – The Executive Summary section should provide an overall description of the proposal and its key benefits and advantages to PacifiCorp. It should include a general description of the technology, location, and business arrangement for the bid. Bidder shall state the period under which the terms and conditions of their Proposal will remain effective.

**Section 2 – Resource Description** – This section should include a description of the resource, including:

- Type of generation equipment and description
- Manufacturers of major equipment
- Model number, serial number and age of any previously owned/operated equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-4.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Any limits on hours of operation in a particular mode (i.e., combined cycle, duct firing, power augmentation, or combination thereof)
- Any limits on emissions
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal.
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource

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- Material balance
- Solid waste disposals.

**Section 3 – Pricing Proposal** – Describe in detail the pricing proposal, also required is a detailed accounting of ownership interest, whether divided or undivided, in the facility, inventory, spare parts, ongoing agreements, or any continuing obligations resulting from PacifiCorp’s ownership, or acquisition of an interest in the asset. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

**Section 4 – Transmission** – Each Proposal must include a description of the location of its transmission facilities, including delivery points, and must specify the transmission provider and all applicable costs.

**Section 5 – Environmental and Siting** –Bidder must furnish applicable detailed project site, electric transmission, and fuel transportation information, and a description of all permits, so PacifiCorp can assess site suitability and project viability. The site shall clearly be shown on a United States Geological Survey (USGS) 7.5-minute series map.

**Section 6 – Other Information** –

**Dispatchability** – Describe any constraints and/or limitations on PacifiCorp’s ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

**Technical Data** – Technical data as requested in Exhibit 1 of this Appendix.

**Section 7 – Contract Terms** – Bidder shall provide a sample purchase and sale agreement outlining the terms and conditions of the proposed acquisition.

**EXHIBIT 1 TO APPENDIX C-3**

**TECHNICAL DATA**

Site Location \_\_\_\_\_

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is \_\_\_\_\_ MW

Site Elevation: \_\_\_\_\_ Feet

Maximum water consumption is \_\_\_\_\_ gallons per minute.

Expected water consumption is \_\_\_\_\_ acre-feet per year.

Weighted Average Raw Water Consumption is \_\_\_\_\_ gallons per minute.

Minimum Sustainable Load at above conditions \_\_\_\_\_ MW

Automatic Generation Control (AGC) capable: Yes \_\_\_\_\_ No \_\_\_\_\_.

If yes then the AGC range at above conditions is \_\_\_\_\_ MW to \_\_\_\_\_ MW.

Maximum number of starts per day is \_\_\_\_\_, per month \_\_\_\_\_, per year \_\_\_\_\_.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is \_\_\_\_\_ hours. This assumes the demineralized water system is operating at rated capacity.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define “cold”, “warm”, and “hot starts”, if not as stated above)

|                 | Min/Sust. | Full Load |
|-----------------|-----------|-----------|
| For Cold Start: | _____     | _____     |
| For Warm Start: | _____     | _____     |
| For Hot Start:  | _____     | _____     |

Minimum time on-line (hours from start initiation to stop initiation) \_\_\_\_\_

Minimum time off-line (hours from stop initiation to start initiation) \_\_\_\_\_

Normal Ramp Rate within operating range: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

Emergency Ramp Rate: (MW/Minute) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

If applicable, time to transfer from combined cycle to duct firing \_\_\_\_\_ min.

If applicable, duct firing ramp rate: (MW/Min.) Increase: \_\_\_\_\_ Decrease: \_\_\_\_\_

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If applicable, time to transfer from combined cycle to power augmentation \_\_\_\_\_  
min.

If applicable, power augmentation ramp rate: (MW/Min.) Increase: \_\_\_\_\_ Decrease:  
\_\_\_\_\_

***Additional Information***

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-4.1 below:

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**Table C-3.1**

| Temp in °F | % RH | Evap or Chiller | Duct Burners | Power Aug. | Heat Rate | Net Output | Min. Load |
|------------|------|-----------------|--------------|------------|-----------|------------|-----------|
| -10        | 100  |                 |              |            |           |            |           |
| -10        | 100  |                 | On           |            |           |            | NA        |
| 0          | 100  |                 |              |            |           |            |           |
| 10         | 100  |                 |              |            |           |            |           |
| 15         | 84   |                 |              |            |           |            |           |
| 20*        | 86   |                 |              |            |           |            |           |
| 20         | 86   |                 | On           |            |           |            | NA        |
| 20         | 86   |                 |              | On         |           |            | NA        |
| 20*        | 86   |                 | On           | On         |           |            | NA        |
| 30         | 75   |                 |              |            |           |            |           |
| 40         | 55   |                 |              |            |           |            |           |
| 50         | 49   |                 |              |            |           |            |           |
| 52         | 46   |                 |              |            |           |            |           |
| 52         | 46   | On              |              |            |           |            |           |
| 60         | 40   | On              |              |            |           |            |           |
| 60         | 40   |                 | On           |            |           |            | NA        |
| 60         | 40   |                 |              | On         |           |            | NA        |
| 60         | 40   |                 | On           | On         |           |            | NA        |
| 70         | 33   | On              |              |            |           |            |           |
| 75*        | 29   | On              |              |            |           |            |           |
| 75         | 29   |                 | On           |            |           |            | NA        |
| 75         | 29   |                 |              | On         |           |            | NA        |
| 75*        | 29   |                 | On           | On         |           |            | NA        |
| 80         | 25   | On              |              |            |           |            |           |
| 90         | 16   | On              |              |            |           |            |           |
| 95*        | 15   | On              |              |            |           |            |           |
| 95         | 15   |                 | On           |            |           |            | NA        |
| 95         | 15   |                 |              | On         |           |            | NA        |
| 95*        | 15   |                 | On           | On         |           |            | NA        |
| 105        | 11   |                 |              |            |           |            |           |
| 105        | 11   | On              | On           | On         |           |            | NA        |

Indicates Water Balance Sheet Required



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**RFP**  
**Appendix D: Fuel Supply Form**

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**Appendix D: Fuel Supply Form**

Site Location \_\_\_\_\_

Primary Type of Fuel (Natural Gas, Other) \_\_\_\_\_

Primary Source of Fuel \_\_\_\_\_

Secondary Source of Fuel (if any) \_\_\_\_\_

Supplier(s) of Primary Fuel \_\_\_\_\_

Firm Supply Contract Anticipated? In Place? (Yes) (No) Term \_\_\_\_\_ years

If yes, please attach the agreements or the general terms and conditions for all fuel source(s).

If no, please provide a detailed plan on how all fuel source(s) will be acquired.

Supplier of Secondary Fuel (if any) \_\_\_\_\_

Supply Contract Anticipated? (Yes) (No) Term \_\_\_\_\_ years

Contemplated Natural Gas Transportation:

LDC (if necessary) \_\_\_\_\_ Firm Transport? (Yes) (No)  
Quantity \_\_\_\_\_ decatherms (mmBtu) Term \_\_\_\_\_

Pipeline 1 \_\_\_\_\_ Firm Transport? (Yes) (No)  
Quantity \_\_\_\_\_ decatherms (mmBtu) Term \_\_\_\_\_

Pipeline 2 \_\_\_\_\_ Firm Transport? (Yes) (No)  
Quantity \_\_\_\_\_ decatherms (mmBtu) Term \_\_\_\_\_

Please provide plan to support any and all rail arrangements in quantities sufficient to operate the facility at its maximum capacity.

If transportation is not firm, please clarify the contemplated terms for transport.

Lime and/or Limestone for Air Quality Control System provided. (Yes) (No)

Provide any additional relevant information on the Proposal.

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**RFP**  
**Appendix E: Officer Certification**  
**Form**

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**Appendix E: Officer Certification Form**

The undersigned Bidder executes and submits this form with each Proposal it submits in PacifiCorp's RFP, and hereby certifies in each instance that all of the statements and representations made by it in its proposal are true to the best of the Bidder's knowledge, and agrees to be bound by the representations, terms, and conditions contained in the RFP. The Bidder accepts the contract attached to the RFP and indicated therein as applicable to its Proposal, except as specifically noted in writing by Bidder. This proposal is firm and will remain in effect until the later of February 28, 2011 or that date which is 300 days after the proposal due date provided in the RFP, as such due date may be extended from time to time by PacifiCorp, unless earlier released in writing by the Company or if the Bidder's proposal does not make the short list.

Submitted by: \_\_\_\_\_  
(Exact legal name of the entity submitting Proposal)

Signature of an authorized officer: \_\_\_\_\_

Print or type name of officer: \_\_\_\_\_

Title: \_\_\_\_\_

Date signed: \_\_\_\_\_

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**RFP**  
**Appendix F: [Intentionally Left**  
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**RFP**  
**Appendix G: Bidder Site Control**  
**Form**

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**Appendix G: Bidder Site Control Form**

Project Name: \_\_\_\_\_

Site Location: \_\_\_\_\_

Street Address or Nearest Intersection: \_\_\_\_\_

Acres: \_\_\_\_\_

Distance to Fuel Supply: \_\_\_\_\_

Distance to Water Supply (if not using ACC): \_\_\_\_\_

Check items that are applicable:

- Property is owned by Bidder.
- Property is leased by Bidder, with an Option to buy.
  - Lease/Option Expires: \_\_\_\_\_
- Property is Optioned by Bidder through (date): \_\_\_\_\_
  - Option is Exclusive \_\_\_\_\_ or Non-Exclusive \_\_\_\_\_
  - Option is to Purchase \_\_\_\_\_ or Lease \_\_\_\_\_
- Site is selected, but not formally secured.
- Site will require zoning change as part of permitting process.

## APPENDIX G

### **Bidder Site Control Form Submittals**

Bidder shall submit to Buyer drawings, plans, specifications, and other documents necessary to document the design engineering and construction of the Plant and the content of the Work, including but not limited to those items herein listed below. Additionally, Bidder shall submit to the Buyer those drawings, plans, specifications, and other documents as required by the State of Utah or any other regulatory body or agency having authority over the Plant.

Ninety (90) days after the Notice To Proceed, the Bidder shall provide to Buyer a schedule for submittal of such documents, which schedule shall (1) be consistent with the schedule for the Project and (2) provide Buyer with the greatest practicable opportunity to review such documents and make comments thereon within fourteen (14) days from the transmittal date or as mutually agreed upon provided that the comment period does not unduly affect the progress of the Work. Submittals shall be in duplicate.

### ***Engineering Lists***

- Equipment List

#### **Engineering Specifications and Drawings**

- Plot/Site Plan
- Switchyard Single Line, Three Line and Metering and Protection Design

#### **Construction**

- Site Utilization Plan, including laydown

#### **Commissioning and Startup**

- System Descriptions
- Performance and Emissions Test Procedures
- Performance Test Results
- Reports Required for Regulatory Compliance

#### **Plans, Manuals, & Reports**

- Level 2 Schedule
- Commissioning Schedule
- Monthly Progress Reports



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All specifications and drawings for the Project and submitted by Bidder or Subcontractor to Bidder hereunder shall include the following data:

|   |                                    |
|---|------------------------------------|
| Name:                                   | PacifiCorp                         |
| Project Name:                           | Buyer's Power Plant                |
| Spec. or drawing number, if applicable: | Bidder or Subcontractor to Provide |
| Bidder or Subcontractor's name:         | Bidder or Subcontractor            |
| Revision Number and Date                | Bidder or Subcontractor to Provide |

Buyer shall have the right to reasonably request other information and Bidder shall use reasonable efforts to supply this information.

Documents submitted to Buyer are provided for information only. However, if Buyer identifies discrepancies or areas of non-conformance with the Agreement requirements, Buyer has the right to notify Bidder of the discrepancy/non-conformance and require that the document be revised and resubmitted.

#### Monthly Progress Report

The Monthly Progress Report shall address all aspects of the Plant through Commercial Operation and shall include, but not be limited to the following:

- (a) An "Executive Summary" containing:
  - A written summary of events and progress accomplished during the previous reporting period.
  - Unresolved Changes.
  - Critical Concerns and Intended Actions.
- (b) A "Schedule Section":
  - Will be updated on a monthly basis and will consider the aforementioned item b. An updated Level 2-time schedule will be provided (paper/electronic). Critical path analysis will also be provided.
- (c) A list of the status of Bidder permits

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**RFP**  
**Appendix H: Construction**  
**Coordination Agreement**

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PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

**CONSTRUCTION COORDINATION AGREEMENT**

**BETWEEN**

**PACIFICORP**

**AND**

**BIDDER**

## CONSTRUCTION COORDINATION AGREEMENT

This Construction Coordination Agreement (the “Agreement”) is made and entered into as of the Effective Date (as defined below), by and between PacifiCorp, an Oregon corporation (“PacifiCorp”), and \_\_\_\_\_, a \_\_\_\_\_ [limited liability company] (“[NAME]”) (PacifiCorp and [NAME] are individually referred to herein as a “Party” and collectively as the “Parties”).

### RECITALS

WHEREAS, PacifiCorp is an investor owned electric utility company subject to regulation by the Public Service Commission of Utah;

WHEREAS, PacifiCorp owns, operates and maintains Unit 1 at its generation facility located in \_\_\_\_\_, Utah.

WHEREAS, [NAME] desires to construct Unit 2, to be located adjacent to Unit 1 at the Facility;

WHEREAS, PacifiCorp and [NAME] have entered into a [Power Purchase Agreement (“PPA”) / Tolling Services Agreement (“TSA”)] providing for the purchase by PacifiCorp of certain of the energy and capacity generated by Unit 2 following Unit 2’s reaching Commercial Operation;

WHEREAS, there is a need to coordinate the activities of [NAME] and its contractor(s) and subcontractors during construction, testing and commissioning of Unit 2 to avoid potential interference with the operation of Unit 1;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties hereto agree as follows:

### ARTICLE I Definitions; Headings

#### 1.1 Definitions

Unless the context shall otherwise require, capitalized terms used in this Agreement shall have the meanings assigned to them in the Glossary of Defined Terms attached hereto as Exhibit “A”, which also contains rules as to usage that shall be applicable herein.

### ARTICLE II Term and Governing Provisions

#### 2.1 Term.

The Term of this Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to provisions hereof, shall continue in effect until PacifiCorp has accepted the [PPA/TSA] or has achieved Commercial Operation.

## 2.2 Governing Provisions.

As a matter of general priority, in the event of any conflict between the provisions of this Agreement or the [PPA/TSA], the provisions of this Agreement shall govern. Disputes related to the matters to be performed pursuant to this Agreement and not involving the [PPA/TSA] or work performed by or at the direction of the [PPA/TSA], shall nonetheless be governed by Section 15 (“Disagreements”) in the [PPA/TSA].

## **ARTICLE III** **Construction Interfaces**

### 3.1 Construction Control.

[NAME] and its contractors shall be responsible for and have sole control over the construction of Unit 2, except for interconnections with the Common Facilities. [NAME] shall coordinate with PacifiCorp all activities to be performed in connection with the construction, testing and commissioning of Unit 2 pursuant to this Agreement, particularly if such activities may require taking Unit 1 off-line or have a substantial possibility of causing an outage at Unit 1.

[NAME] shall be responsible for erecting a temporary and movable construction fence (the “Construction Fence”) on the Site for the purpose of separating the Unit 2 construction area (the “Construction Area”), which is initially depicted by the cross-hatched area on Exhibit “C” attached hereto, from the rest of the Facility, including Unit 1, the switchyard and the Common Facilities. The Construction Fence may be moved and relocated as necessary with the prior written consent of PacifiCorp following the completion of certain phases of construction for the purpose of accessing other areas of the Facility, all as set out in the Project Schedule. During the Term, [NAME] will be in control of the Construction Area and will maintain a separate gate for access to the Construction Area. Prior to the Commercial Operation Date, the Construction Area will be reduced to [NAME]’s staging and laydown area and separate gate, and shall not include any Facilities necessary for operation of Unit 1, Unit 2 or the Common Facilities. Following the Commercial Operation Date [NAME] shall, and shall cause its contractors and subcontractors to, promptly remove all construction materials and equipment from the staging and laydown area, to remove the Construction Fence, and to erect suitable permanent fencing and related access roads to separate PacifiCorp’s facilities from [NAME]’s facilities, all as approved in writing by PacifiCorp.

[NAME] shall at all times utilize and cause its contractors, subcontractors, personnel and other persons allowed at any part of the Facility by [NAME] to utilize only [NAME]’s separate gate to the Construction Area.

### 3.2 [NAME]’s Access to PacifiCorp’s Area.

[NAME] shall provide PacifiCorp with reasonable notice of its need to access PacifiCorp’s Area for performance of work activities associated with the Common Facilities. [NAME] and PacifiCorp shall agree on a schedule for the performance of all

work activities in PacifiCorp's Area consistent with the Project Schedule. PacifiCorp shall arrange for any safety instruction and workplace policy training deemed appropriate by PacifiCorp for [NAME]'s personnel prior to [NAME]'s personnel being allowed in PacifiCorp's Area. PacifiCorp shall arrange for escorts for [NAME]'s personnel accessing PacifiCorp's Area to the extent PacifiCorp reasonably deems such escorts necessary. In the event [NAME] needs to work on a system that could be used by PacifiCorp for the operation of Unit 1, [NAME] shall provide PacifiCorp with written notice and receive authorization from PacifiCorp that the system has been deactivated before commencing work on the system and [NAME] shall notify PacifiCorp once it completes work on the system so PacifiCorp can inspect and reactivate the system in accordance with PacifiCorp's Tagging and Safety Program.

### 3.3 PacifiCorp Access to the Construction Area.

At all times prior to the Commercial Operation Date [NAME] shall provide PacifiCorp and PacifiCorp's personnel access to the Construction Area upon PacifiCorp's request. [NAME] and PacifiCorp shall agree on a schedule for the performance of work activities by PacifiCorp's personnel in the Construction Area. PacifiCorp's personnel shall comply with [NAME]'s published safety program requirements while in the Construction Area. [NAME] may arrange for escorts for any PacifiCorp personnel accessing the Construction Area to the extent [NAME] reasonably deems such escorts necessary. The above notwithstanding, PacifiCorp may access the Construction Area without notice for the purpose of carrying out activities required for the operation of Unit 1 or responding to an Emergency.

### 3.4 Project Schedule and Coordination of PacifiCorp Support.

[NAME] shall (a) schedule all activities that will require or may result in the shutdown of or inability to dispatch Unit 1, and all work activities performed on or affecting the Common Facilities in accordance with the Project Schedule, (b) notify PacifiCorp in writing of such schedule(s) at the earliest practicable time, and (c) update such schedules in writing as necessary. [NAME] shall not undertake the foregoing Work activities until PacifiCorp has agreed in writing with such schedule and plan for performing the identified work.

### 3.5 Unit 1 and PacifiCorp's Area Control.

PacifiCorp shall have sole control over the operation of Unit 1 and the remainder of PacifiCorp's Area at all times.

### 3.6 Restrictions During Construction.

- (a) Except as otherwise provided in this Agreement, [NAME] shall perform or cause to be performed all construction activities with respect to Unit 2 in a manner that will avoid interference with PacifiCorp's operation of Unit 1.

- (b) [NAME] shall restrict construction workers and other personnel not employed by PacifiCorp from access to PacifiCorp's Area except as authorized in advance by PacifiCorp's Representative. Upon the reasonable request of [NAME], PacifiCorp shall authorize access to PacifiCorp's Area for the purpose of undertaking activities necessary to integrate Unit 2 into the Common Facilities, and after the Substantial Completion Date to perform any work activities required under the [PPA/TSA], in accordance with the Project Schedule and the work plan required under Section 3.4 above.

### 3.7 Transportation Routes and Lay-Down Areas.

[NAME] shall designate adequate transportation routes and lay-down areas for the construction work and materials for Unit 2, and, prior to commencing construction obtain PacifiCorp's written approval of all such proposed routes and laydown areas. In granting its approval PacifiCorp shall not be deemed to have recommended or confirmed the adequacy or suitability of such routes and laydown areas, and shall have no liability with respect to [NAME]'s selection of, use of or inability to use such routes and laydown areas.

### 3.8 Employee Discipline.

[NAME] shall adopt and enforce policies for disciplining construction employees if the employees' actions affect or are likely to affect Unit 1 or the Common Facilities other than as provided in the work plan and in Section 3.4 above. Any construction employee found to have violated PacifiCorp's security requirements regarding escorting and physical access to certain PacifiCorp's Areas described in the attached Exhibit "D" shall, at the request of PacifiCorp be assigned to work outside PacifiCorp's Area and shall be disciplined to the full extent permissible under [NAME]'s project labor agreement (if any), including without limitation terminated at PacifiCorp's request.

### 3.9 Security and Safety Requirements.

In addition to the requirements of [PPA/TSA] [NAME] shall, consistent with good and generally accepted construction practices and Prudent Industry Practice, undertake all commercially reasonable efforts to protect any and all parallel, converging and intersecting electric lines and poles, telephone lines and poles, highways, waterways, railroads, sewer lines, natural gas pipelines, drainage ditches, culverts, Unit 1 facilities and any and all property of others related to the Facility, and shall indemnify PacifiCorp from any and all Claims with respect to [NAME]'s actions or failures to act in connection with such facilities and property in connection with the Work.

### 3.8 Transition from Construction to Operation.

PacifiCorp shall provide oversight and consent of activities necessary for the connection of the Unit 2 systems with the Common Facilities. PacifiCorp shall provide [NAME] and its employees and contractors with reasonable controlled access to all Common Facilities,

to enable [NAME] and its contractors to interconnect Unit 2 with the Common Facilities, all in accordance with the Project Schedule provided pursuant to Section 3.4 above, and upon receipt of notice from [NAME].

#### **ARTICLE IV Construction Damage**

##### 4.1 Construction Damage.

In the event any activities undertaken in connection with the development, construction, commissioning or testing of Unit 2 cause any physical damage (“Construction Damage”) to Unit 1, to the Common Facilities or to any portion of PacifiCorp’s Area:

- (a) [NAME] shall be responsible for the full cost of rebuilding, restoring and/or repairing all Construction Damage.
- (b) [NAME] shall promptly, and in any event no later than one (1) day after the date on which the Construction Damage occurred, consult with PacifiCorp regarding the extent of the Construction Damage and possible approaches to remedying the Construction Damage.
- (c) [NAME] shall promptly, and in any event no later than five (5) days after the date on which the Construction Damage occurred, submit to PacifiCorp a detailed written proposal for rebuilding, restoring or replacing, at [NAME]’s expense, such Construction Damage.
- (d) PacifiCorp shall promptly evaluate any proposal submitted by [NAME] for, rebuilding, restoring or replacing, at [NAME]’s expense, such Construction Damage.
- (e) If PacifiCorp determines that [NAME] possesses the demonstrated qualifications and capability to timely perform the remedial actions set out in the proposal, PacifiCorp will cooperate with [NAME] to promptly undertake the rebuilding, restoration or replacement of the Construction Damage set out in the proposal to PacifiCorp’s satisfaction, subject to such terms, conditions and restrictions as PacifiCorp may deem appropriate to ensure that the proposed activities comply with PacifiCorp’s safety programs and practices and that the remedial actions will not result in further damage or loss of generation with respect to Unit 1 operations.
- (f) If PacifiCorp concludes that [NAME] lacks the demonstrated qualifications and capability or otherwise is not in a position to timely perform the remedial actions set out in the proposal, if [NAME] does not agree with PacifiCorp’s terms, conditions and restrictions described in paragraph (d) above, or if [NAME] does not promptly undertake such remedial actions, then PacifiCorp shall be entitled to promptly commence



repairs to any Construction Damage to Unit 1, the Common Facilities or other portion of the PacifiCorp Area at [NAME]'s sole expense.

- (g) In the event that [NAME] does not reimburse PacifiCorp for any cost of rebuilding, restoration or replacement activities related to the Construction Damage incurred by PacifiCorp (including without limitation the reasonable cost of PacifiCorp's consultants and internal personnel and resources) within thirty (30) days of PacifiCorp's invoice for the same, then PacifiCorp may set off any amounts owing to PacifiCorp from [NAME] from any payments owed by PacifiCorp to [NAME] under the [PPA/TSA];
- (h) Nothing in this Article IV is intended to be nor shall operate as a limitation on PacifiCorp's right or ability to recover damages from [NAME] pursuant to the [PPA/TSA], this Agreement or otherwise at law or in equity.

## **ARTICLE V**

### **Shutdowns**

#### 5.1 Scheduled Shutdowns of Unit 1.

The Parties recognize that Unit 1 must be temporarily shut down for interconnection of Unit 2 to the Common Facilities and for other defined construction-related activities as identified in the Project Schedule. All scheduled shutdowns shall be scheduled, to the extent possible, during weekends and holiday periods.

IN NO EVENT SHALL ANY SCHEDULED SHUTDOWNS BE SCHEDULED DURING THE MONTHS OF JUNE, JULY, AUGUST OR SEPTEMBER, except and to the extent that Unit 1 has scheduled maintenance outages scheduled during such period.

[NAME] shall schedule and provide to PacifiCorp, at least seven (7) days prior to any necessary shutdown, written notice of the next upcoming outage and of any proposed changes to the outage periods set out in the Project Schedule.

[NAME] shall coordinate with PacifiCorp to balance the need to reduce these shutdown periods and to utilize other times of economic shutdown of Unit 1 to perform the required work under the [PPA/TSA] with the need to utilize these shutdown periods to perform work activities that have a reasonable probability of causing an unplanned shutdown of Unit 1.

If the Scheduled Shutdown of Unit 1 occurs at a time when Unit 1 is not otherwise scheduled by PacifiCorp to be shutdown and non-dispatchable, then [NAME] shall pay to PacifiCorp Replacement Power Costs calculated in the same manner as set forth in Section 5.2(c) as though the Scheduled Shutdown were an Unscheduled Shutdown.

5.2 Unscheduled Shutdowns of Unit 1.

- (a) [NAME] shall be responsible for conducting its development, construction, commissioning, testing and startup activities in a manner that minimizes the impact of Unit 2 construction on the operation of Unit 1.
- (b) In the event activities performed by [NAME] or its contractors causes Unit 1 to experience an unscheduled shutdown or loss of power generation capability (each an “Unscheduled Shutdown”), [NAME] shall be liable to PacifiCorp for all damages incurred by PacifiCorp in connection with such Unscheduled Shutdown. Damages associated with an Unscheduled Shutdown shall include, without limitation, (i) \$12,000, multiplied by the Unit 1 OEM’s equivalent start ratio for the affected unit(s) per Unscheduled Shutdown occurrence, (ii) the cost of all physical damage to any Unit 1 equipment that is demonstrated to have occurred due to the Unscheduled Shutdown, and (iii) the cost of replacement power (“Replacement Power Costs”) for the period of the Unscheduled Shutdown.
- (c) Replacement Power Costs shall be calculated as follows, and shall be payable whether or not PacifiCorp actually purchases replacement power for the applicable period as liquidated damages for the lost generation portion of damages only:
- (i) If an Unscheduled Shutdown occurs during work scheduled pursuant to Section 5.2(e)(i) while Unit 1 is operating, replacement power costs shall be calculated as the product of **(1) the ICE SP15 Daily Firm On-Peak Index for the day of delivery, expressed in \$/MWh, multiplied by (2) the provided Hourly Scalar for each hour, multiplied by (3) the loss factor of 1.112, plus (4) the basis of \$13/MWh** during each hour or portion of hour of the Unscheduled Shutdown, **minus** (5) Unit 1’s incremental cost of generating power (i.e., the product of a given plant’s then effective net heat rate multiplied by midpoint of the Kern River, Opal Plant Platt's Daily Gas Index at the time of the Unscheduled Shutdown expressed in units of \$/mmBtu)

\_\_\_\_\_ = Market Price – Incremental Cost

Replacement Power = (1x2x3+4)-5

- (d) After an Unscheduled Shutdown of Unit 1, any such future work that is to be performed by [NAME] or its contractors of the same or similar nature to that which caused the Unscheduled Shutdown shall proceed as follows:
  - (i) PacifiCorp and [NAME] shall develop a plan designed to accomplish the necessary work in a manner that will avoid reoccurrence of the Unscheduled Shutdown.
  - (ii) Such work plan shall provide that such work may, at PacifiCorp's election:
    - (1) be rescheduled to begin within, and end not less than five (5) hours before the end of, a subsequent Off-Peak Hourly Periods, during which Unit 1 may continue to operate; or
    - (2) PacifiCorp may elect to schedule a shutdown of Unit 1 during any subsequent Off-Peak Hourly Periods and such work may be performed during such shutdown beginning within, and ending no less than two (2) hours before the end of, such Off-Peak Hourly Periods.
- (e) PacifiCorp shall provide [NAME] with not less than eight (8) hours' advance notice (to be confirmed in writing) of any election to schedule a shutdown of Unit 1 pursuant to Section 5.2(d)(ii)(2).
- (f) Nothing in this Article V is intended to be nor shall operate as a limitation on PacifiCorp's right or ability to recover damages from [NAME] pursuant to the [PPA/TSA], this Agreement or otherwise at law or in equity.

### 5.3 Testing and Initial Firing of Combustion Turbines.

[NAME] shall conduct testing and initial firing of the Unit 2 combustion turbine generator during Off-Peak Hourly Periods.

## **ARTICLE VI**

### **Notices and Miscellaneous Provisions**

#### 6.1 Notices, Consents and Approvals

Contact information for notices, requests, demands and other communications required or permitted hereunder is as follows:

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**if to [NAME], to:**

with copies to:

or to such other person or address as [NAME] shall furnish to PacifiCorp;

**if to PacifiCorp, to:**

PacifiCorp  
825 NE Multnomah, Suite 600  
Portland, Oregon 97232-2315  
Attn: \_\_\_\_\_

Tel: \_\_\_\_\_

Fax: \_\_\_\_\_

with copies, in connection with default notices, to:

or to such other person(s) or address(es) as PacifiCorp furnishes to [NAME] from time to time.

All notices, including, acceptances, consents, approvals, agreements, deliveries of information, designations, requests, demands and other communications required or permitted hereunder shall be in writing, properly addressed as provided in paragraph (a) above, and given by (i) hand delivery, (ii) a national overnight courier service, (iii) confirmed facsimile transmission, followed by a hard copy, or (iv) certified or registered mail, return receipt requested, and postage prepaid. Any such notice or other communication shall be deemed to have been duly given as of the date delivered if by hand delivery, national overnight courier service or confirmed facsimile transmission (provided a hard copy promptly follows by other means provided herein), or five (5) calendar days after mailing if by certified or registered mail.

## 6.2 Entire Agreement

This Agreement contains the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, of the Parties relating to the subject matter hereof. Any oral or written

representation, warranty, course of dealing or trade usage not contained or referenced herein shall not be binding on either Party.

### 6.3 Amendment; Waiver

No amendment or other modification of any provision of this Agreement shall be valid or binding unless it is signed by each of the Parties. No waiver of any provision of this Agreement shall be valid or binding unless it signed by the Party waiving compliance with such provision. No delay on the part of either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver or any partial exercise of any such right, power or privilege preclude any further exercise thereof or the exercise of any other such right, power or privilege. No waiver of any breach, term or condition of this Agreement by any Party shall constitute a subsequent waiver of the same or any other breach, term or condition.

### 6.4 Successors and Assigns

Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the Parties hereto and, to the extent permitted by this Agreement, their respective successors and assigns.

### 6.5 Third Party Beneficiaries

The provisions of this Agreement shall only be for the benefit of, and enforceable by, the Parties hereto and shall not inure to the benefit of or be enforceable by any third party.

### 6.6 Severability

In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

### 6.7 Further Assurances

Each Party shall, at the request of the other, execute and deliver or cause to be executed and delivered such documents and instruments not otherwise specified herein, and take or cause to be taken all such other reasonable actions, as may be necessary or desirable to more fully and effectively carry out the intent and purposes of this Agreement.

### 6.8 Publicity

Except as required by law, [NAME] agrees that they will not issue or release for external publication any press release, article, advertising or other publicity matter in any form (including print, electronic, or interview) relating to the Project, or to this Agreement without first consulting with and obtaining the prior consent of PacifiCorp, which consent shall not be unreasonably withheld or delayed. Except as required by law, PacifiCorp agrees that it will not issue or release for external publication any press release, article, advertising or other publicity matter in any form (including print, electronic, or interview) relating to this Agreement without first consulting with and obtaining the prior consent of [NAME], which consent shall not be

unreasonably withheld or delayed. To the extent reasonably possible, the releasing Party will accommodate the concerns of the other Party. This requirement does not, however, restrict [NAME] from identifying its involvement in the Project in its marketing of products and services to others.

#### 6.9 Independent Contractor

[NAME] is an independent contractor with respect to the Work, and each part thereof, and in respect of all work to be performed hereunder. Neither [NAME], the contractor, nor any subcontractor, the employees of any of such entities, employed in connection with the work shall be deemed to be agents, representatives, joint ventures, employees or servants of PacifiCorp by reason of their performance hereunder or in any manner dealt with herein. Neither Party shall perform any act or make any representation to any Person to the effect that [NAME], nor any of its agents, representatives, the contractor or subcontractors, is the agent of PacifiCorp.

#### 6.10 Survival

The provisions of Article 4 (“Construction Damage”), Article 5 (“Shutdowns”), and Sections 2.2 (“Governing Provisions”), 3.1 (“Construction Control”), 3.3 (“PacifiCorp Access to the Construction Area”), 3.9 (“Security and Safety Requirements”), 6.9 (“Independent Contractor”) and 6.11 (“Governing Law; Waiver of Jury Trial”) of this Agreement shall survive the expiration or earlier termination of this Agreement indefinitely, provided that the foregoing enumeration shall not be interpreted to bar survival of any other provision hereof which would otherwise be deemed to survive by operation of law.

#### 6.11 Governing Law; Waiver of Jury Trial

**THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH (WITHOUT GIVING EFFECT TO THE PRINCIPLES THEREOF RELATING TO CONFLICTS OF LAW).**

**EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR ANY MATTER ARISING HEREUNDER OR THEREUNDER. EACH PARTY HEREBY WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR ANY MATTER ARISING HEREUNDER OR THEREUNDER IN WHICH A JURY TRIAL HAS NOT OR CANNOT BE WAIVED.**

#### 6.12 Counterparts

This Agreement may be executed by the Parties in two or more separate counterparts (including by facsimile transmission), each of which shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

### 6.13 Captions

The captions for Articles and Sections contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained herein.

### 6.14 Costs and Expenses.

All Parties have jointly drafted this Agreement. Presumptions regarding the interpretation of documents against the persons drafting same shall not apply to this Agreement. Each Party hereto will pay all costs and expenses incident to its negotiation and preparation of this Agreement and, except as set forth herein, to its performance and compliance with all agreements and conditions contained herein on its part to be performed or complied with, including the fees, expenses and disbursements of its counsel and accountants. In the event of default hereunder, the Parties agree that the defaulting Party shall pay the fees, expenses and disbursements of counsel for the non-defaulting Party in enforcing this Agreement.

### 6.14 No Waiver.

Except as otherwise provided herein, no provision of this Agreement may be waived except in writing. No failure by either Party to exercise, and no delay in exercising, any right, power, or remedy under this Agreement shall operate as a waiver thereof. Any waiver at any time by a Party of its right with respect to default under this Agreement, or the respect to other matter arising in connection therewith, shall not be deemed a waiver with respect to any subsequent default or matter.

### 6.15 Liquidated Damages.

TO THE EXTENT ANY PAYMENT REQUIRED TO BE MADE UNDER THIS AGREEMENT IS AGREED BY THE PARTIES TO CONSTITUTE LIQUIDATED DAMAGES, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE AND THAT SUCH PAYMENT CONSTITUTES A REASONABLE APPROXIMATION OF SUCH DAMAGES, AND NOT A PENALTY.

### 6.16 Limitation of Liability.

**BUYER SHALL NOT BE LIABLE TO SELLER FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE UNDER OR IN CONNECTION WITH THIS AGREEMENT.**

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IN WITNESS WHEREOF the parties hereto have executed this Agreement.

By [NAME]:

Title:

By:

Title:



**EXHIBIT A TO  
CONSTRUCTION COORDINATION AGREEMENT**

**Glossary of Defined Terms**

Except as otherwise defined in the body of this Agreement, of which this Exhibit A is a part, capitalized terms shall have the meanings set forth below:

- (1) “Action” shall mean any lawsuit, action, proceeding, investigation or complaint before any Governmental Authority, mediator or arbitrator.
- (2) “Agreement” shall have the meaning given to it in the Recitals of this Agreement.
- (3) “[PPA/TSA]” shall have the meaning set forth in the Recitals.
- (4) “PacifiCorp’s Area” means the entirety of the Site that is not included in the Construction Area, as the same may exist from time to time.
- (5) “Claims” means any liabilities, fines, penalties or assessments other damages at law or in equity for the payment of money or for specific performance by or on behalf of PacifiCorp, including without limitation claims for injury or death to persons or damage to property, together with costs and attorneys fees associated therewith.
- (6) “Commercial Operation Date” shall have the meaning set forth in the [PPA/TSA].
- (7) “Common Facilities” means those tangible assets, contracts, and permits owned by PacifiCorp in connection with Unit 1 and utilized in common by PacifiCorp and [NAME] for the construction, startup, commissioning and operation of Unit 2, identified on Exhibit “B”.
- (8) “Construction Area” shall have the meaning given to it in Section 3.2 of this Agreement
- (9) “Construction Damage” shall have the meaning given to it in Section 4.1 of this Agreement.
- (10) “Construction Fence” shall have the meaning given to it in Section 3.2 of this Agreement.
- (11) “Effective Date” has the meaning set forth in the [APSA / EPC Contract]
- (12) “Emergency” means any situation which is likely to impose an immediate threat of injury to any Person or of material property damage or material economic loss to all or any part of the Facility.
- (13) “Facility” or “Facilities” shall mean Unit 1, Unit 2 and the Common Facilities, and all energy producing equipment and auxiliary equipment, fuel storage and handling facilities and equipment, electrical transformers, interconnection facilities and metering facilities,

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- associated with Unit 1 or Unit 2 as may be required for receipt of fuel and for delivery of electricity, and all other improvements related solely to the Units and located on the Site.
- (14) “Governmental Authority” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county or other political subdivision.
- (15) “NERC” shall mean the North American Electric Reliability Council, and any successor entity.
- (16) “Off-Peak Hourly Period” means those periods of time measured by hours ending 0100 through 0600 and hours ending 2300 through 2400 Monday through Saturday, and all hours on Sunday and NERC Holidays.
- (17) “PacifiCorp” shall have the meaning set forth in the Recitals.
- (18) “PacifiCorp’s Area” shall have the meaning given to it in Section 3.2 of this Agreement.
- (19) “Party” shall have the meaning given to it in the Recitals of this Agreement.
- (20) “Performance Testing” shall have the meaning given to it in the [PPA/TSA].
- (21) “Person” means any individual, partnership, limited liability company, joint venture, corporation, trust, unincorporated organization or Governmental Authority.
- (22) “Prudent Industry Practice” shall have the meaning given to it in the [PPA/TSA].
- (23) “Project Schedule” shall mean a detailed schedule setting forth milestones for key stages of the construction, testing and commissioning of Unit 2, including without limitation provisions regarding necessary interfaces with the Common Facilities, provided by [NAME] to PacifiCorp and updated to reflect material changes in such schedule from time to time.
- (24) “Replacement Power Costs” shall have the meaning given to it in Section 5.2(b) of this Agreement.
- (25) “Shutdown Periods” shall have the meaning given to it in Section 6.1 of this Agreement.
- (26) “Site” means the real property on which the Facilities are located.
- (27) “Tagging and Safety Program” shall mean that tagging and safety program in effect and maintained by PacifiCorp at the Facility from time to time and provided to [NAME].
- (28) “Term” shall have the meaning given to it in Section 2.1 of this Agreement.
- (29) “Unit” shall mean an individual generating facility consisting of the gas turbine, heat recovery system generator, steam turbine, auxiliary boilers and other associated facilities

and equipment owned by individually by PacifiCorp or [NAME] not included as Common Facility.

- (30) “Unit 1” means the power plant located in \_\_\_\_\_, Utah, owned by PacifiCorp and the related facilities, real property and property rights related thereto including all necessary permits and licenses, but excluding the Common Facilities.
- (31) ”Unit 2” means the proposed power plant to be located in \_\_\_\_\_ under development by [NAME] adjacent to Unit 1 and the related facilities, real property and property rights related thereto including all necessary permits and licenses, but excluding the Common Facilities.
- (32) “Unscheduled Shutdown” shall have the meaning given to it in Section 6.2(b) of this Agreement.

### **Rules as to Usage**

1. The terms defined above have the meanings set forth above for all purposes, and such meanings are equally applicable to both the singular and plural forms of the terms defined.
  - (i) The singular includes the plural and vice versa;
  - (ii) Reference to any Person includes such Person’s successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement;
  - (iii) Reference to a Person in a particular capacity excludes such Person in any other capacity;
  - (iv) Any gender reference includes the other gender;
  - (v) Reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof;
  - (vi) References used in any Article, Section, Schedule, Exhibit or clause refer to this agreement;
  - (vii) “Hereunder,” “hereof,” “hereto,” “herein,” and words of similar import are references to this Agreement as a whole not any particular part of provision hereof or thereof;
  - (viii) “Including” (“include”) means including without limiting the generality of any description preceding such term;
  - (ix) Relative to any period of time, “from” means “from and including,” “to” means “to but not including,” and “through” means “through and including;” and

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- (x) Reference to any law (including statutes and ordinances) means such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated there under.

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**EXHIBIT B  
TO CONSTRUCTION COORDINATION AGREEMENT**

**Common Facilities**

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**EXHIBIT C**  
**CONSTRUCTION COORDINATION AGREEMENT**

**Site Plan Designation of Construction Area**

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**EXHIBIT D**  
**CONSTRUCTION COORDINATION AGREEMENT**

**Security Requirement**

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**RFP  
ATTACHMENTS**

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**RFP**  
**Attachment 1: Benchmark Resource**

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### **Lake Side Block 2 – Company Benchmark**

PacifiCorp Energy's planned benchmark is the addition of a second combined cycle block at PacifiCorp's Lake Side Plant and will have a nominal net rating, with duct firing capacity, of approximately 600 MW. The overall rating will depend on the selected combustion turbine type, configuration, and level of duct firing. The resource addition will be fired with natural gas.

The Lake Side Plant is situated on a 64 acre site located on the old Geneva Steel Mill property in Vineyard City Utah, approximately 40 miles south of Salt Lake City. The existing plant consists of two Siemens SGT6-5000F combustion turbines each with a dedicated heat recovery steam generator equipped with duct burners for production of supplementary steam, oxidation catalysts, selective catalytic reduction (SCR) systems, and combustion controls featuring dry-low nitrogen oxide (NOx) burners. The existing plant has a single condensing steam turbine generator, a de-aerating surface condenser; a bank of mechanical draft wet cooling towers; and associated support equipment.

Lake Side Block 2 will be based on the use of two advanced "F" class natural gas-fired combustion turbines in a combined cycle configuration. Block 2 will have additional power generation capability through the use of additional steam turbine capability. Duct burners in the heat recovery steam generator will have the capability to produce supplementary steam for use by the steam turbine generator.

Each combustion turbine will be enclosed in a dedicated weatherproof enclosures. The steam turbine will be located in a fully enclosed steam turbine building equipped with an overhead crane. The ends of the heat recovery steam generator steam drums will be fully enclosed in heated, ventilated rooms.

The combustion turbines will be equipped with inlet cooling to increase plant output during periods of high ambient temperatures. The combustion turbines will use low-NOx combustors designed to minimize NOx emissions from the combustion process; NOx emissions levels in the combustion turbine exhaust will be 25 parts per million (by volume) or less, depending on the manufacturer of the combustion turbine. Each combustion turbine will exhaust into a three-pressure heat recovery steam generator. High, medium, and low pressure steam from the heat recovery steam generator will be admitted to the steam turbine generator and exhaust to a water cooled surface condenser. Cooling water for the surface condenser will be provided by circulating water cooled by a cooling tower. The plant will be designed for 100% steam turbine bypass. Boiler feed pumps will be located in their own enclosed dedicated, heated and ventilated buildings equipped with overhead monorails for maintenance.

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The heat recovery steam generator will be equipped with an oxidation catalyst to oxidize any unburned hydrocarbons and carbon monoxide in the combustion turbine exhaust. The heat recovery steam generator will also be equipped with a selective catalytic reduction system to further reduce nitrogen oxides emissions before it is vented through the stack. The selective catalytic reduction system will use aqueous ammonia. Emissions limits and control technologies will be the best-available-combustion-technology that will meet or exceed Utah and federal environmental protection agency requirements. Air quality emissions reduction credits will be required as part of the permitting process.

Gas to the Lake Side plant is transported via a dedicated pipeline from Questar Gas feeder line 85 which connects to the Kern River Gas Transmission system main pipeline. The pipeline is pressurized at approximately 1,000 pound per square inch gauge and is capable of delivering 190,000 million Btu per day to the plant. This capacity is adequate to serve the needs of both the existing plant and the new addition.

The resource addition will include an auxiliary boiler that will be used to provide steam when the plant is not operational. The auxiliary boiler is used to supply steam to the steam turbine gland seals to maintain condenser vacuum and to the heat recovery steam generator drums to maintain temperatures to reduce the startup times. The new auxiliary boiler will be fired exclusively with natural gas.

Raw water required for the new block will be supplied by either local supplies or existing onsite and new wells. Acquisition of additional water either through contract or water rights will be necessary. A new raw water storage tank will be constructed. Blowdown from the combustion turbine evaporative coolers and heat recovery steam generators will be routed to the cooling tower basin. Cooling tower blowdown will be mixed with blowdown from the existing cooling tower, treated and discharged to the Lindon Hollow Creek.

The demineralized water system will be expanded to meet the needs of the second block which will include installation of a new 200,000 gallon demineralized water storage tank. The existing fire protection system will be extended and modified. New fire pumps are not currently expected. The existing potable water system will be extended. The existing sanitary wastewater will be used. The existing combined administration, control and warehouse building will be used. A new warehouse will be required. New compressors and air receivers will be installed to serve the new block.

The new block will be equipped with a dedicated digital control system, process information data historian, burner management controls, protection systems, and other controls as required. A new diesel generator will be installed to provide necessary backup power in the event of loss of power to ensure a safe shutdown and maintenance of key electrical equipment.

Lake Side Block 2 will include a new switchyard which will be located adjacent to the existing Dynamo Switchyard. The new addition will connect to PacifiCorp's transmission backbone at 345 kV.

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Site upgrades will include new and extended plant roads, site lighting, fencing, security, and communications equipment.

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**RFP**  
**Attachment 2: QF Bidder**  
**Information**

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**ELECTRIC SERVICE SCHEDULE NO. 38 - Continued**

**II. B. Procedures (continued)**

Generally, the interconnection process involves (1) initiating a request for interconnection, (2) completion of studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, (3) execution of an Interconnection Facilities Agreement to address facility construction, testing and acceptance and (4) execution of an Interconnection Operation and Maintenance Agreement to address ownership and operation and maintenance issues.

Consistent with PURPA, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis.

**ELECTRIC SERVICE SCHEDULE NO. 38 - Continued**

**II. Process for Negotiating Interconnection Agreements (continued)**

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's power delivery function.

**A. Communications**

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

Utah Power & Light Company  
Manager-QF Contracts  
825 NE Multnomah St, Suite 600  
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's power delivery function that will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

**B. Procedures**

The Company will follow the procedures for generation interconnection described in Part IV of the Company's Open Access Transmission Tariff (Tariff) on file with the Federal Regulatory Commission. A copy of the Tariff is available on-line at <http://www.oasis.pacificorp.com>

**ELECTRIC SERVICE SCHEDULE NO. 38 - Continued**

**B. Procedures**

1. The Company's proposed generic power purchase agreement may be obtained from the Company's website at [www.pacificorp.com](http://www.pacificorp.com), or if the owner is unable to obtain it from the website, the Company will send a copy within seven days of a written request."
2. To obtain an indicative pricing proposal with respect to a proposed project, the owner must provide in writing to the Company, general project information reasonably required for the development of indicative pricing, including, but not limited to:
  - a) generation technology and other related technology applicable to the site
  - b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system
  - c) quantity and timing of monthly power deliveries (including project ability to respond to dispatch orders from the Company)
  - d) proposed site location and electrical interconnection point
  - e) proposed on-line date and outstanding permitting requirements
  - f) demonstration of ability to obtain QF status
  - g) fuel type (s) and source (s)
  - h) plans for fuel and transportation agreements

- i) proposed contract term and pricing provisions (i.e., fixed, escalating, indexed)
  - j) status of interconnection arrangements
3. The Company shall not be obligated to provide an indicative pricing proposal until all information described in Paragraph 2 has been received in writing from the QF owner. Within 30 days following receipt of all information required in Paragraph 2, the Company will provide the owner with an indicative pricing proposal, which may

### **ELECTRIC SERVICE SCHEDULE NO. 38 - Continued**

#### **B. Procedures (continued)**

include other indicative terms and conditions, tailored to the individual characteristics of the proposed project. Such proposal may be used by the owner to make determinations regarding project planning, financing and feasibility. However, such prices are merely indicative and are not final and binding. Prices and other terms and conditions are only final and binding to the extent contained in a power purchase agreement executed by both parties and approved by the Commission. The Company will provide with the indicative prices a description of the methodology used to develop the prices.

4. If the owner desires to proceed forward with the project after reviewing the Company's indicative proposal, it may request in writing that the Company prepare a draft power purchase agreement to serve as the basis for negotiations between the parties. In connection with such request, the owner must provide the Company with any additional project information that the Company reasonably determines to be necessary for the preparation of a draft power purchase agreement, which may include, but shall not be limited to:
- a) updated information of the categories described in Paragraph B.2,
  - b) evidence of adequate control of proposed site
  - c) identification of, and timelines for obtaining any necessary governmental permits, approvals or authorizations



**ELECTRIC SERVICE SCHEDULE NO. 38 - Continued**

**B. Procedures (continued)**

- d) assurance of fuel supply or motive force
  - e) anticipated timelines for completion of key project milestones
  - f) evidence that any necessary interconnection studies have been completed and assurance that the necessary interconnection arrangements are being made in accordance with Part II.
5. The Company shall not be obligated to provide the owner with a draft power purchase agreement until all information required pursuant to Paragraph 4 has been received by the Company in writing. Within 30 days following receipt of all information required pursuant to paragraph 4, the Company shall provide the owner with a draft power purchase agreement containing a comprehensive set of proposed terms and conditions, including a specific pricing proposal for purchases from the project. Such draft shall serve as the basis for subsequent negotiations between the parties and, unless clearly indicated, shall not be construed as a binding proposal by the Company
6. After reviewing the draft power purchase agreement, the owner may prepare an initial set of written comments and proposals regarding the draft power purchase agreement and forward such comments and proposals to the Company. The Company shall not be obligated to commence negotiations with a QF owner until the Company has received an initial set of written comments and proposals from the QF owner. Following the Company's receipt of such comments and proposals, the owner may contact the Company to schedule contract negotiations at such times and places as are mutually agreeable to the parties. In connection with such negotiations, the Company:
- a) will not unreasonably delay negotiations and will respond in good faith to any additions, deletions or modifications to the draft power purchase agreement that are proposed by the owner

## **ELECTRIC SERVICE SCHEDULE NO. 38 - Continued**

### **B. Procedures (continued)**

- b) may request to visit the site of the proposed project if such a visit has not previously occurred
  - c) will update its pricing proposals at appropriate intervals to accommodate any changes to the Company's avoided-cost calculations, the proposed project or proposed terms of the draft power purchase agreement may request any additional information from the owner necessary to finalize the terms of the power purchase agreement and satisfy the Company's due diligence with respect to the Project.
7. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner a final, executable version of the agreement. The Company reserves the right to condition execution of the power purchase agreement upon simultaneous execution of an interconnection agreement between the owner and the Company's power delivery function, as discussed in Part II. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties and approved by the Commission.

## **II. Process for Negotiating Interconnection Agreements**

In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon all necessary interconnection arrangements being consummated.

It is recommended that the owner initiate its request for interconnection as early in the planning process as possible, to ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

## **ELECTRIC SERVICE SCHEDULE NO. 38 - Continued**

## **II. Process for Negotiating Interconnection Agreements (continued)**

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's power delivery function.

### **A. Communications**

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

Utah Power & Light Company  
Manager-QF Contracts  
825 NE Multnomah St, Suite 600  
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's power delivery function that will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

### **B. Procedures**

The Company will follow the procedures for generation interconnection described in Part IV of the Company's Open Access Transmission Tariff (Tariff) on file with the Federal Regulatory Commission. A copy of the Tariff is available on-line at <http://www.oasis.pacificorp.com>

**PACIFIC POWER & LIGHT COMPANY**  
AVOIDED COST PURCHASES FROM QUALIFYING  
FACILITIES OF GREATER THAN 10,000 KW

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**Available**

To owners of Qualifying Facilities (“QF”) making sales of electricity to the Company in the State of Oregon.

**Applicable**

For power purchased from Qualifying Facilities with a nameplate capacity greater than 10,000 kW. Owners of these Qualifying Facilities will be required to enter into a negotiated written power purchase agreement with the Company. Pursuant to Order No. 05-584 and 07-360, the pricing options specified in Schedule 37 should serve as a starting point for prices under a negotiated power purchase agreement.

**Definitions**

**Cogeneration Facility**

A facility which produces electric energy together with steam or other form of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes through the sequential use of energy.

**Qualifying Facilities**

Qualifying cogeneration facilities or qualifying small power production facilities within the meaning of section 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

**Small Power Production Facility**

A facility which produces electric energy using as a primary energy source biomass, waste, renewable resources or any combination thereof and has a power production capacity which, together with other facilities located at the same site, is not greater than 80 megawatts.

**On-Peak Hours or Peak Hours**

On-peak hours are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays.

Due to the expansions of Daylight Saving Time (DST) as adopted under Section 110 of the U.S. Energy Policy Act of 2005, the time periods shown above will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April and for the period between the last Sunday in October and the first Sunday in November.

**Off-Peak Hours**

All hours other than On-Peak.

**Excess Output**

Excess output shall mean any increment of Net Output delivered at a rate, on an hourly basis, exceeding either the Facility Capacity Rating or the amount committed to in the contract. PacifiCorp shall pay the Qualifying Facility the Non-Firm Market Index Avoided Cost Price for all Excess Output.

**Qualifying Facilities Contracting Procedure**

**A. Communications**

Unless otherwise directed by the Company, all communications to the Company regarding QF power purchase agreements should be directed in writing as follows:

Pacific Power & Light Company  
Manager-QF Contracts  
825 NE Multnomah St, Suite 600  
Portland, Oregon 97232

The Company will respond to all such communications in a timely manner. If the Company is unable to respond on the basis of incomplete or missing information from the QF owner, the Company shall indicate what additional information is required. Thereafter, the Company will respond in a timely manner following receipt of all required information.

**B. Procedures**

8. To obtain an indicative pricing proposal with respect to a proposed project, the owner must provide in writing to the Company, general project information reasonably required for the development of indicative pricing, including, but not limited to:
  - a) generation technology and other related technology applicable to the site
  - b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system
  - c) quantity, firmness, and timing of daily and monthly power deliveries (including project ability to respond to dispatch orders from the Company and maintenance schedule)
  - d) proposed site location and electrical interconnection point
  - e) proposed on-line date and outstanding permitting requirements
  - f) demonstration of ability to obtain QF status

- g) fuel type (s) and source (s)
- h) plans for fuel and transportation agreements
- i) proposed contract term and pricing provisions (i.e., fixed, deadband, electric or gas market indexed)
- j) status of interconnection arrangements

**B. Procedures (Continued)**

2. The Company shall not be obligated to provide an indicative pricing proposal until all information described in Paragraph 1 has been received in writing from the Qualifying Facility owner. Within 30 days following receipt of all information required in Paragraph 1, the Company will provide the owner with an indicative pricing proposal, which may include other indicative contract terms and conditions as allowed under federal law, state law, and per Order 07-360, tailored to the individual characteristics of the proposed project. Such proposal may be used by the owner to make determinations regarding project planning, financing and feasibility. However, such prices are merely indicative and are not final and binding. Prices and other terms and conditions are only final and binding to the extent contained in a power purchase agreement executed by both parties. The Company will provide with the indicative prices a description of the allowed price adjustments and the methodology used to develop the prices. Prices specified in Schedule 37 will provide a starting point for negotiated prices, and will be modified to address specific factors or adjustments as allowed under federal law and per Order 07-36. Any adjustments other than those listed in Order 07-360 must first be approved by the Commission.

The following factors or adjustments, to the extent practicable will be included in the price delivered in the indicative pricing proposal.

- a. Dispatchability – Adjustment will reflect the ability of PacifiCorp to schedule and dispatch the Qualifying Facility as compared to the proxy resource on a forward, probabilistic basis. This adjustment will also account for the Company backing down more economic generating resources in lieu of wheeling the Qualifying Facility's power outside a load-constrained area.
- b. Reliability – Adjustment to be made based on the Qualifying Facility's demonstrated service quality and availability of its capacity and energy as compared to its contracted level of service quality and availability during

the Company's daily and seasonal peak periods. The value of the adjustment will reflect the Company's avoided resource in the Company's sufficiency and deficiency periods, as appropriate, and provide the Qualifying Facility an incentive for contracted performance and a disincentive for non-performance.

- c. Fossil Fuel Risk – Applicable only during the Company's resource deficiency period and if the Company's avoided resource is a fossil fuel plant. Adjustment will be based on the benefit of reduced fuel cost volatility of the Qualifying Facility compared to the avoided resource.
- d. Line Losses – Adjustment will be the costs or savings resulting from variations in line losses using a proximity-based approach to compare Qualifying Facility's location and the Company's proxy plant location relative the closest load area served by the Qualifying Facility.

**B. Procedures (Continued)**

- e. Transmission and Distribution System Upgrades – Adjustment will be based on the potential savings that can be achieved for transmission and distribution system upgrade deferrals or avoidance resulting from the Qualifying Facility's location relative to the Company's avoided resource. This adjustment does not include any costs associated with upgrades as part of the interconnection of the Qualifying Facility to PacifiCorp's system.
3. If the owner desires to proceed forward with the project after reviewing the Company's indicative pricing proposal, it may request in writing that the Company prepare a draft power purchase agreement to serve as the basis for negotiations between the parties. In connection with such request, the owner must provide the Company with any additional project information that the Company reasonably determines to be necessary for the preparation of a draft power purchase agreement, which may include, but shall not be limited to:
- a) updated information of the categories described in Paragraph B.1,
  - b) evidence of adequate control of proposed site
  - c) identification of, and timelines for obtaining any necessary governmental permits, approvals or authorizations
  - d) assurance of fuel supply or motive force
  - e) anticipated timelines for completion of key project milestones

- f) evidence that any necessary interconnection studies have been completed and assurance that the necessary interconnection arrangements are being made in accordance with Part II.
- 4. The Company shall not be obligated to provide the owner with a draft power purchase agreement until all information required pursuant to Paragraph 3 has been received by the Company in writing. Within 30 days following receipt of all information required pursuant to paragraph 3, the Company shall provide the owner with a draft power purchase agreement containing a comprehensive set of proposed terms and conditions, including specific pricing for purchases from the project. Such draft shall serve as the basis for subsequent negotiations between the parties and, unless clearly indicated, shall not be construed as a binding proposal by the Company.
  - 5. After reviewing the draft power purchase agreement, the owner may prepare an initial set of written comments and proposals regarding the draft power purchase agreement and forward such comments and proposals to the Company. The Company shall not be obligated to commence negotiations with a Qualifying Facility owner until the Company has received an initial set of written comments and proposals from the Qualifying Facility owner. Following the Company's receipt of such comments and proposals, the owner may contact the Company to schedule contract negotiations at such times and places as are mutually agreeable to the parties. In connection with such negotiations, the Company:

**B. Procedures (Continued)**

- a) will not unreasonably delay negotiations and will respond in good faith to any additions, deletions or modifications to the draft power purchase agreement that are proposed by the owner
- b) may request to visit the site of the proposed project if such a visit has not previously occurred
- c) will update its pricing proposals at appropriate intervals to accommodate any changes to the Company's avoided-cost calculations, the proposed project or proposed terms of the draft power purchase agreement
- d) may request any additional information from the owner necessary to finalize the terms of the power purchase agreement and satisfy the Company's due diligence with respect to the project.



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6. When both parties are in full agreement as to all terms and conditions of the power purchase agreement, the Company will prepare and forward to the owner a final, executable version of the agreement within 15 business days. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties.
7. At any time after 60 days from the date that Qualifying Facility has provided its written notification pursuant to Paragraph 5, the Qualifying Facility may file a complaint with the Commission asking the Commission to adjudicate any unresolved contract terms or conditions.

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**RFP**  
**Attachment 3: Power Purchase**  
**Agreement**

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**Due to the size of RFP Attachment 3, the  
Power Purchase Agreement is available on PacifiCorp's  
website as a separate document**

**[www.pacificorp.com](http://www.pacificorp.com)**

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**RFP**

**Attachment 4: Role And Function Of  
The Independent Evaluators And  
Communication Protocols**

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### **ROLE OF THE INDEPENDENT EVALUATOR**

- 1) The role and function of the Independent Evaluators (“IEs”) is outlined as follows:
  - a. Facilitate and monitor communications between the Soliciting Utility and Bidders.
  - b. Review and validate the assumptions and calculations of any Company Benchmarks.
  - c. Analyze the Company Benchmarks, for reasonableness and consistency with the Solicitation Process.
  - d. Access all important models in order to analyze, operate and validate all important models, modeling techniques, assumptions and inputs utilized by the Soliciting Utility in the Solicitation Process, including the evaluation of Bids.
  - f. Provide input to the Soliciting Utility on:
    - i. the development of screening and evaluation criteria, ranking factors and evaluation methodologies that are reasonably designed to ensure that the Solicitation Process is fair, reasonable and in the public interest in preparing a Solicitation and in evaluating Bids;
    - ii. the development of initial screening and evaluation criteria that take into consideration the assumptions included in the Soliciting Utility’s most recent IRP, any recently filed IRP Update, any Commission order on the IRP or IRP Update;
    - iii. whether a Bidder has met the criteria specified in any bidding process and whether to reject or accept non-conforming bid responses;
    - iv. whether and when data and information should be distributed to Bidders when it is necessary to facilitate a fair and reasonable competitive bidding process or has been reasonably requested by Bidders;
    - v. whether to reject non-conforming bids for any reason or accept conforming changes;
    - vi. whether to return bid fees.
  - g. Ensure that all Bids are treated in a fair and non-discriminatory manner.

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- h. Monitor, observe, validate and offer feedback to the Soliciting Utility and the regulators on all aspects of the Solicitation and Solicitation Process, including:
  - i. content of the Solicitation;
  - ii. evaluation and ranking of Bid responses;
  - iii. creation of a short list(s) of Bidders for more detailed analysis and negotiation;
  - iv. post-bid discussions and negotiations with, and evaluations of, shortlisted Bidders; and
  - v. negotiation of proposed contracts with successful Bidders.
- i. The IEs will evaluate the unique risks and advantages associated with any Company Benchmarks, including the regulatory treatment of costs or benefits related to actual construction cost and plant operation differing from what was projected for the RFP.
- j. Once the competing bids have been evaluated by the Soliciting Utility and the IEs, the Soliciting Utility and the IEs will compare results.
- k. Offer feedback to the Soliciting Utility on possible adjustments to the scope or nature of the Solicitation or requested resources in light of bid responses received.
- l. Solicit additional information on Bids necessary for screening and evaluation purposes.
- m. Advise the Commission at all stages of the process of any unresolved disputes or other issues or concerns that could affect the integrity or outcome of the Solicitation Process.
- n. Analyze and attempt to mediate disputes that arise in the Solicitation Process with the Soliciting Utility and/or Bidders, and present recommendations for resolution of unresolved disputes to the Commission.
- o. Participate in and testify at Commission hearings on approval of the Solicitation and Solicitation Process and/or approval of a Significant Energy Resource Decision and/or acknowledgement of the final shortlist.
- p. Coordinate as appropriate and as directed by the Commission with staff or evaluators designated by regulatory authorities from other states served by the Soliciting Utility.

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- q. Perform such other evaluations and tasks as the Commission may direct.
- 2) The Communications between the IEs, the Company and the Bidders shall be conducted in the following manner:
    - a. The Soliciting Utility may not communicate with any Bidder regarding the Solicitation Process, the content of the Solicitation or Solicitation documents, or the substance of any potential response by a Bidder to the Solicitation, except through or in the presence of the IEs.
    - b. The Soliciting Utility shall provide timely and accurate responses to any request from the IEs, including requests from Bidders submitted by the IEs, for information regarding any aspect of the Solicitation or the Solicitation Process.
  - 3) The IEs shall prepare at least the following confidential reports and provide them to the Regulators and the Soliciting Utility:
    - a. Monthly progress reports on all aspects of the Solicitation Process as it progresses;
    - b. Final Reports as soon as possible following the completion of the Solicitation Process. Final reports shall include analyses of the Solicitation, the Solicitation Process, the Soliciting Utility's evaluation and selection of Bids and resources, the final results and whether the selected resources are in the public interest.
  - 4) Communication between the Evaluation Team and the Company Benchmark Team:
    - a. The Evaluation Team, may not be members of the Company Benchmark Team, nor communicate with members of such team during the Solicitation Process about any aspect of the Solicitation Process, except that internal company attorneys and credit analysis personnel may deliver legal or credit advice, as applicable, to either or both teams, or except as authorized herein.
    - b. The IEs must participate in any communications between members of the Company Benchmark Team and Evaluation Team and must retain a copy of all such correspondence to be made available in future Commission proceedings.

**RFP**  
**Attachment 5: Tolling Service**  
**Agreement**

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**Due to the size of RFP Attachment 5, the  
Tolling Service Agreement is available on PacifiCorp's website  
as a separate document**

**[www.pacificorp.com](http://www.pacificorp.com)**

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**RFP**  
**Attachment 6: Asset Purchase And**  
**Sale Agreement (APSA) With**  
**Appendices**

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PacifiCorp – Request for Proposals  
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**Due to the size of RFP Attachment 6, the  
Asset Sale and Purchase Agreement (APSA) with Appendices  
is available on PacifiCorp's website as a separate document**

**[www.pacificorp.com](http://www.pacificorp.com)**

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**RFP**  
**Attachment 7: Lake Side APSA**  
**Rights And Facilities**

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**ATTACHMENT 7: LAKE SIDE RIGHTS AND FACILITIES  
PPA AND TSA BIDDERS ONLY**

Easements

PacifiCorp will grant a non-exclusive easement on PacifiCorp's property between Bidder's switchyard to the new high voltage interconnection substation serving Bidder's Facility. Easement will be determined based on Bidder's routing of Bidder's transmission line between Bidder's switchyard and the interconnection substation. e.

PacifiCorp will grant a non-exclusive easement to allow for the connection of Bidder's Facility to a natural gas supply line located on PacifiCorp property, if required. As an alternative, PacifiCorp, in its sole discretion, may convey such property as required for Bidder's natural gas pipeline and metering station to Bidder as part of the Site Purchase Agreement for Lake Side shown as **Attachment 16** to this RFP. Specific details of the interconnection are provided in **Appendix B** to the APSA.

Water Rights

PacifiCorp does not currently hold any Water Rights or water supply options that can be acquired by the Bidder. Bidder will be responsible for acquiring such rights.

Emission Reduction Credits (ERCs)

Bidder is responsible for obtaining all ERCs necessary for the operation of the Project.

Facilities Interconnections

Bidder will be entitled to connect, at its own expense with PacifiCorp's raw water connection as specified in Appendix B to the APSA. Supply is limited to water used for construction purposes.

Bidder will acquire under the Site Purchase Agreement for Lake Side (**Attachment 16**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.

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**RFP**  
**Attachment 8: Currant Creek APSA**  
**Rights And Facilities**

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**ATTACHMENT 8: CURRANT CREEK RIGHTS AND FACILITIES APSA  
BIDDERS ONLY**

Easements

PacifiCorp will grant a non-exclusive easement on PacifiCorp's property between Bidder's switchyard to the 345kV substation serving Bidder's Facility. Easement will be determined based on Bidder's routing of Bidder's transmission line between Bidder's switchyard and the interconnection substation.

PacifiCorp will grant a non-exclusive easement to allow for the connection of Bidder's Facility to a natural gas supply line located on PacifiCorp property, if required. As an alternative, PacifiCorp, in its sole discretion, may convey such property as required for Bidder's natural gas pipeline and metering station to Bidder as part of the Site Purchase Agreement for Currant Creek shown as **Attachment 17** to this RFP. Specific details of the interconnection are provided in **Appendix B** to the APSA.

Water Rights

PacifiCorp has Water Rights that can be acquired by the Bidder. Quantities and pricing are shown in the Site Purchase Agreement for Currant Creek shown as **Attachment 17** to this RFP.

Emission Reduction Credits (ERCs)

In the event Bidder's project is selected and Bidder's project requires Utah County ERCs for permitting purposes, PacifiCorp will make available the following Utah County ERCs. In no event shall any ERCs in any amount be provided in excess of that available from PacifiCorp or that required by the permit, whichever is less. If additional ERCs are required in excess of those quantities available from PacifiCorp in order to permit the project, the Bidder shall be responsible to obtain those ERCs.

|   |        |
|---|--------|
| Particulate Matter (10 Microns & Smaller) | 197.04 |
| Nitrogen Oxides (NOx)                     | 207.04 |
| Sulfur Dioxide (SO2)                      | 40.2   |

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Facilities Interconnections

Bidder will be entitled to connect, at its own expense with PacifiCorp's raw water connection as specified in **Appendix B** to the APSA.

Bidder will acquire, under the Site Purchase Agreement for Currant Creek (**Attachment 17**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.



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**RFP**  
**Attachment 9: Estimated Owner's**  
**Costs Under APSA**

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**ATTACHMENT 9: OWNER’S COST ASSUMPTIONS  
UNDER AN APSA**

**Costs for both Lake Side and Currant Creek:**

| <b>ESTIMATED OWNER COSTS</b>   | <b>CURRENT CREEK</b> | <b>LAKE SIDE</b>    |
|--|----------------------|---------------------|
| Project Management   | \$3,700,000          | \$3,700,000         |
| Plant Labor  | \$1,830,000          | \$1,830,000         |
| IT, Voice, Communications, Security and Data Historian                         | \$1,100,000          | \$1,100,000         |
| Misc. Consultants  | \$100,000            | \$100,000           |
| Owners’ Legal Counsel  | \$200,000            | \$200,000           |
| Regulation & Communication   | \$100,000            | \$200,000           |
| C&T Charges for PSC Hearings   | \$20,000             | \$20,000            |
| Legal Costs for PSC Hearings   | \$200,000            | \$200,000           |
| Permitting & License Fees  | \$200,000            | \$200,000           |
| Startup / Fuel and Testing <sup>1</sup>  | Bidder to Supply     | Bidder to Supply    |
| Site Surveys/Studies   | \$50,000             | \$50,000            |
| Site Security (in IT)  |                      |                     |
| Initial Capital Spares <sup>7</sup>  | \$2,900,000          | \$2,900,000         |
| Permanent Plant Equipment, Tools, & Furnishings                                | \$350,000            | \$350,000           |
| Training   | \$250,000            | \$250,000           |
| Escalation Owner’s Costs   | TBD                  | TBD                 |
| Sales Tax & Duties <sup>2</sup>  | Bidder to Supply     | Bidder to Supply    |
| Owner Contingency <sup>3</sup>   | TBD                  | TBD                 |
| Capital Surcharge  | \$500,000            | \$500,000           |
| Capitalized Property Taxes <sup>4</sup>  | TBD                  | TBD                 |
| Interest During Construction (AFUDC <sup>5</sup> ) (Based on payment schedule) | TBD                  | TBD                 |
| <b>PROJECT TOTALS</b>  | <b>\$11,500,000</b>  | <b>\$11,600,000</b> |

The above cost figures were developed by PacifiCorp as estimates to be used by PacifiCorp for its own purposes, including but not limited to evaluation of proposals submitted pursuant to the RFP. In no event shall PacifiCorp be responsible for errors or omissions in the above figures or any cost estimates developed by respondents to the RFP. The costs are shown in nominal dollars assuming an in service date to meet 2015 summer peak.

Notes:

1. Actual costs will depend on then current fuel costs and startup and commissioning schedule.
2. Costs over and above those stated in **Attachment 10** “Owner’s Development Costs”
3. Bidder shall divide proposal into taxable and non-taxable items.
4. Owner’s contingency will depend on the EPC contract structure.
5. Current Effective Rate for Currant Creek is 0.86%, for Lake Side, 1.10%. Both are subject to change.
6. The current projected 2010 AFUDC rate is 8.1%. This is subject to change.
7. These are non-combustion turbine initial capital shares for the combustion turbine depend on the final structure of the service agreement with the combustion turbine manufacturer for long term planned maintenance of the combustion turbines.

## **RFP Analysis Guidelines for AFUDC and Capitalized Property Tax**

For purposes of analyzing resource RFP responses which require PacifiCorp to assume a progress payment obligation during the construction phase for a resource that will be transferred to and owned by PacifiCorp, the total capitalized cost shall include:

- (1) a capitalized financing cost as applied through the application of Allowance for Funds Used During Construction (AFUDC), pursuant to Regulatory Commissions' guidelines, and
- (2) an amount for capitalized property taxes, pursuant to PacifiCorp's property tax capitalization policy.

### AFUDC

Monthly AFUDC shall be calculated by multiplying the average balance of Construction Work in Progress (CWIP) by the applicable projected AFUDC rate in use by PacifiCorp. CWIP shall include all applicable construction overheads, AFUDC from prior months, and capitalized property taxes that are associated with the final capitalized cost of such resource until such resource is projected to be placed in service.

This rate is currently projected to be 8.1% annually. The actual rate in effect at the time of the bid evaluation will be the one used.

### Property Tax

If the projected CWIP balance is greater than \$5 million as of the first day of each calendar year, the amount of capitalized property taxes that will be added to CWIP will be equal to each year's beginning CWIP balance multiplied by an estimated property tax rate applicable for the resource under consideration.

The standard (non-site specific) rate for PacifiCorp is currently 1.1% of the CWIP balance. The actual rate in effect when the final RFP is issued, will be the one used.

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**RFP**

**Attachment 10: Owner's Estimated  
Development Cost Assumptions**

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**ATTACHMENT 10: OWNER’S ESTIMATED DEVELOPMENT COST  
ASSUMPTIONS**

**Lake Side Development Costs:**

|                                   |                    |
|-----------------------------------|--------------------|
| Incurred Development              | \$1,153,000        |
| Internal Labor                    | \$400,000          |
| LGIA                              | \$100,000          |
| Permitting and License Fees       | \$259,000          |
| OE Services                       | \$205,000          |
| Regulation, PR and Communications | \$50,000           |
| Owner’s Legal Counsel             | \$100,000          |
| Surveys/Studies                   | \$50,000           |
| Water and Other Asset Options     | \$1,375,000        |
| Emission Reduction Credits        | \$2,300,000        |
| Miscellaneous Consultants         | \$100,000          |
|                                   |                    |
| <b>Total</b>                      | <b>\$6,092,000</b> |

The above development cost figures were developed by PacifiCorp as estimates to be used by PacifiCorp for its own purposes, including but not limited to evaluation of proposals submitted pursuant to the RFP. Each entity responding to the RFP shall not rely on these figures, and each respondent shall be solely responsible for developing its own estimates of development costs. In no event shall PacifiCorp be responsible for errors or omissions in the above figures or any development cost estimates developed by respondents to the RFP. The costs are shown in nominal dollars assuming an in-service date to meet the 2015 summer peak.

Notes:

<sup>1</sup> See Site Purchase Agreement for Lake Side for specific acreages and quantities

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**RFP**  
**Attachment 11: Requirements for a**  
**Letter Of Credit**

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**ATTACHMENT 11: REQUIREMENTS FOR A LETTER OF CREDIT**

A Letter of Credit means an irrevocable standby letter of credit in a form reasonably acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests there under, which letter(s) of credit:

(1) is issued by a U.S. commercial bank or a foreign bank with a U.S. branch, with such bank having assets (net of reserves) of at least \$10,000,000,000 and a credit rating on its senior unsecured debt of:

(a) “A2” or higher from Moody’s; and

(b) “A” or higher from S&P;

(2) on the terms provided in the letter(s) of credit, permits PacifiCorp to draw up to the face amount thereof for the purpose of paying any and all amounts owing by Seller hereunder.

(3) if a letter of credit is issued by a foreign bank with a U.S. branch, permits PacifiCorp to draw upon the U.S. branch;

(4) permits PacifiCorp to draw the entire amount available there under if such letter of credit is not renewed or replaced at least thirty (30) Business Days prior to its stated expiration date;

(5) permits PacifiCorp to draw the entire amount available there under if such letter(s) of credit are not increased, replaced or replenished as and when provided where applicable;

(6) is transferable by PacifiCorp to any party to which PacifiCorp may assign;

(7) shall remain in effect for at least ninety (90) days after the end of the Term.

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**RFP**  
**Attachment 12: Intentionally Left**  
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**RFP**  
**Attachment 13: PacifiCorp Costs**  
**Associated With Integration**

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**Preliminary Assessment of Transmission Impacts Associated with  
RFP Points of Delivery**

PacifiCorp may need to increase transmission import capability and upgrade its network system capacity in order to integrate a resource delivered to the preferred points of delivery. The table below indicates what possible additions might be necessary and the indicative cost associated with the upgrade. These indicative costs are based on assessments done by the PacifiCorp Transmission group for RFP 2003B, the 2004 Integrated Resource Plan and the 2008 All Source System Impact Studies. These cost estimates will be used for the purpose of evaluating bids and may be refined if better estimates are received prior to issuance of the RFP. See PacifiCorp Transmission website at [http://www.oasis.pacificorp.com/oasis/ppw/RFPAttachment13\\_Draft\\_20081105.doc](http://www.oasis.pacificorp.com/oasis/ppw/RFPAttachment13_Draft_20081105.doc)

| <b>East System</b>                   |  |  |                                   |   |
|--------------------------------------|--|--|-----------------------------------|---|
| <b>Point of Delivery</b>             | <b>Description of Possible Transmission Additions / Upgrades</b> | <b>Path(s) to Upgrade and Voltage Support</b>    | <b>Estimated Cost of Upgrades</b> | <b>Transmission In Service (estimate)</b> |
| Salt Lake Valley 138 kV<br>600 MW    | Upgrades to existing lines                                       | Unknown location                                 | \$100M                            | 2013-2014                                 |
| Lake Side 345 kV<br>600 MW           | Transmission line, substation                                    | Lake Side to Salt Lake Valley                    | \$66M                             | 2012                                      |
| Mona/ Currant Creek 345 kV<br>600 MW | Transmission line, substation                                    | Mona to PACE                                     | \$62M                             | 2012-2013                                 |
| Glen Canyon 345 kV<br>600 MW         | Transmission line(s), substation, phase shifter                  | Glen Canyon to Sigurd and Mona to PACE           | \$310M                            | 2014-2016                                 |
| Gonder 345 kV 600 MW                 | Transmission line(s), substation                                 | Gonder/Nev Border to Sigurd and Mona to PACE     | \$282M                            | 2014-2015                                 |
| NUB (Harry Allen 345 kV)<br>600 MW   | Transmission line, substation, phase shifter                     | H.Allen to RButte + RButte-Sigurd + Mona to PACE | \$73 M                            | 2014-2013                                 |
| Crystal 345 kV<br>600 MW             | Transmission line(s), substation, transformer, phase shifter     | Crystal to RButte + RButte-Sigurd + Mona to PACE | \$375M                            | 2014-2016                                 |

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| <b>Point of Delivery</b>  | <b>Description of Possible Transmission Additions / Upgrades</b> | <b>Path(s) to Upgrade and Voltage Support</b>                                   | <b>Estimated Cost of Upgrades</b>              | <b>Transmission In Service (estimate)</b> |
|---------------------------|--|---|--|---|
| Wyoming 400 MW            | Transmission line, substation                                    | Dave Johnston to Windstar line, Dave Johnston and Windstar substation additions | \$80 M   | 2014-2016                                 |
| Borah, Brady or Kinport   | No upgrades  | N/A   | No Additional Cost, assumes Path C is upgraded | 2011                                      |
| Four Corners 345kV 600 MW | New line, terminations, phase shifter                            | F.Corners to Mona + Mona to PACE  | \$738M   | 2014-2017                                 |

| <b>West System</b>              |  |  |   |   |
|---------------------------------|--|--|---|---|
| <b>Point of Delivery</b>        | <b>Description of Possible Transmission Additions / Upgrades</b> | <b>Path(s) to Upgrade and Voltage Support</b>                                  | <b>Estimated Cost of Upgrades</b>   | <b>Transmission in Service (estimate)</b> |
| Mid Columbia Paul 600 MW        | Delivered load to Yakima POD – of Wanapum and Vantage            | N/A  | No Cost – assumes the proposed 230 kV Vantage to Wannapum line is constructed | 2012                                      |
| California Oregon Border 600 MW | Delivered to southern Oregon load via Malin 230 kV               | 230 kV line Alvey to Dixonville substations, additions at Alvey and Dixonville | \$290 M   | 2014-2016                                 |
| Paul 500 kV up to 600 MW        | None   | N/A  | \$14 M/Yr for wheeling through a third party                                  | N/A                                       |

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| <b>West System</b>                            |  |  |                                   |   |
|---|--|--|-----------------------------------|---|
| <b>Point of Delivery</b>                      | <b>Description of Possible Transmission Additions / Upgrades</b> | <b>Path(s) to Upgrade and Voltage Support</b>                                    | <b>Estimated Cost of Upgrades</b> | <b>Transmission in Service (estimate)</b> |
| Portland Troutdale<br>400 MW                  | Transmission line, substation additions                          | 230 kV line Gresham to Bethel substations, additions at Gresham and Bethel       | \$140 M                           | 2014-2016                                 |
| Willamette Valley – Alvey<br>230 KV<br>400 MW | Transmission line, substation additions                          | 230 kV line Alvey to Dixonville substations, additions at Alvey and Dixonville   | \$290 M                           | 2014-2016                                 |
| Chiloquin Southern Oregon<br>400 MW           | Transmission line, substation additions                          | 230 kV line Chiloquin to Klamath substations, additions at Chiloquin and Klamath | \$70 M                            | 2014-2015                                 |

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**RFP**  
**Attachment 14: Confidentiality**  
**Agreement**

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## CONFIDENTIALITY AGREEMENT

This CONFIDENTIALITY AGREEMENT (this "Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2010, by and between PacifiCorp, an Oregon corporation ("PPW"), and \_\_\_\_\_ (collectively with all its subsidiaries, officers, directors, members, managers, employees, agents, accountants and attorneys, "Recipient"); with reference to the following:

WHEREAS, PPW and Recipient are discussing a potential transaction relating to PPW's Request for Proposals Base Load Resources ("RFP"), and in connection therewith Recipient wishes to receive certain Confidential Information (as hereinafter defined), but requires as a condition precedent Recipient's execution of this Agreement;

NOW, THEREFORE, in consideration of the above and the mutual promises herein contained, the parties hereto agree as follows:

1. Confidential Information. "Confidential Information" means any oral or written information which is made available to Recipient by PPW or any of its corporate affiliates or its or their officers, directors, employees, agents, accountants or attorneys (a "Disclosing Party") before or after the date hereof, regardless of the manner furnished, and includes without limitation: (i) compilations and analyses prepared by Recipient; (ii) names of current and potential manufacturers, suppliers, customers and marketing relationships of any Disclosing Party, (iii) the nature, terms, conditions or other facts respecting any discussions between PPW and Recipient (including their existence and status). Confidential Information does not include information which at the time of disclosure is generally available to the public (other than as a result of disclosure by Recipient) or was available to Recipient on a nonconfidential basis from a source other than a Disclosing Party not under a duty of confidentiality to a Disclosing Party.

2. Confidentiality; Disclosure. The Confidential Information will be kept confidential by each Recipient and will not be used for any purpose by its Recipient other than for the purpose set forth above. Recipient will be responsible for any breach of this Agreement by any of its officers, directors, employees, agents, accountants and attorneys. Recipient shall restrict the dissemination of the Confidential Information to its employees who have a need to see it, and shall cause any agent, accountant or other non-employee to whom it wishes to show the Confidential Information sign an agreement in the form hereof in advance thereof. Recipient will keep confidential any Confidential Information contained in any analyses, compilations, studies or other documents prepared by Recipient that contain or reflect any Confidential Information. Upon request from PPW, Recipient promptly will return all copies of the Confidential Information.

3. Protective Order. If Recipient becomes legally compelled to disclose any Confidential Information, it shall provide PPW with prompt prior written notice so that PPW may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained, Recipient shall (i) furnish only that portion of the Confidential Information which, in accordance with the advice of its own counsel, is

legally required to be furnished, and (ii) exercise reasonable efforts to obtain assurances that confidential treatment will be accorded the Confidential Information so furnished.

4. No Representation or Warranty. Recipient acknowledges that no Disclosing Party is making any representation or warranty as to the accuracy or completeness of any information furnished (except specifically to the extent and only to such extent as shall be expressly set forth in an executed and delivered definitive agreement). No Disclosing Party or any of its officers, directors, employees, agents or controlling persons (including, without limitation, parent and subsidiary companies) shall have any liability to a Recipient or any other person relating to or arising from the use of the Confidential Information provided by a Disclosing Party.

5. Conduct of Process. Except for any confidentiality agreements, none of PPW or any Disclosing Party is under any obligation to Recipient, and PPW is free to elect not to consummate an agreement or to furnish or receive information. Nothing contained in this Agreement shall prevent PPW from negotiating with or entering into a definitive agreement with any other person or entity without prior notice to Recipient. Until PPW and Recipient enter into a definitive agreement, no contract or agreement or other investment or relationship shall be deemed to exist between any Disclosing Party or any Recipient as a result of this Agreement, the issuance of a term sheet, the issuance, receipt, review or analysis of information, the negotiation of definitive documentation, or otherwise, and none of the foregoing shall be relied upon as the basis for an implied contract or a contract by estoppel.

6. Intellectual Property Rights. Nothing contained herein grants any rights respecting any intellectual property (whether or not trademarked, copyrighted or patented) or uses thereof.

7. Costs and Expenses. Except as otherwise provided in any other written agreement between the parties, the parties shall bear their own costs and expenses, including without limitation fees of counsel, accountants and other consultants and advisors.

8. Remedies. PPW shall be entitled to equitable relief, including injunction and specific performance, in the event of any breach hereof, in addition to all other remedies available to PPW at law or in equity. No failure or delay by PPW in exercising any right, power or privilege hereunder will operate as a waiver, nor will any single or partial exercise or waiver of a right, power or privilege preclude any other or further exercise thereof.

9. Venue and Choice of Law. This Agreement **is governed by the laws of the State of Oregon.** Any suit, action or proceeding arising out of the subject matter hereof, or the interpretation, performance or breach hereof, shall be instituted in any State or Federal Court in Multnomah County, Oregon (the "Acceptable Forums"). Each party agrees that the Acceptable Forums are convenient to it, and each party irrevocably submits to the jurisdiction of the Acceptable Forums, and waives any and all objections to jurisdiction or venue that it may have any such suit, action or proceeding.

PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

10. Miscellaneous. This Agreement constitutes the entire agreement of the parties relating to its subject matter, and supersedes all prior communications, representations, or agreements, verbal or written. This Agreement may only be waived or amended in writing. Notices hereunder shall be in writing and be effective when actually delivered. This Agreement may be executed in counterparts, each of which, when taken together, shall constitute one and the same original instrument. Neither party may assign or otherwise transfer its rights or delegate its duties hereunder without prior written consent, and any attempt to do so is void.

IN WITNESS WHEREOF, the undersigned parties have executed this Confidentiality Agreement as of the date first written above.

PACIFICORP  
an Oregon corporation

\_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_



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**RFP**  
**Attachment 15: Non-Reliance Letter**

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PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

825 N.E. Multnomah  
Portland, Oregon 97232  
(503) 813-5000

Date

[Name]

[Address]

Re: PacifiCorp's Request For Proposals Base Load Resources

Dear [\_\_\_\_\_]:

This letter clarifies PacifiCorp's rights relating to its further evaluation and discussion of your possible involvement with \_\_\_\_\_ ("Counterparty") proposal submitted in response to PacifiCorp's Request for Proposals ("RFP") (collectively with Counterparty's proposal and all matters relating thereto, the "Project") and any subsequent negotiations regarding the terms of any agreement or agreements entered into with you or any other party in connection with the Project. PacifiCorp will agree to enter into further discussions with you only upon your prior acknowledgement of these rights. "You" and similar words (whether or not capitalized) refer to the addressee of this letter, Counterparty, and any Project development entity or other affiliate of the addressee in any way involved in the Project.

PacifiCorp is committed to following a fair process in selecting the winning proposal. However, PacifiCorp reserves the right, in its sole discretion, to terminate the consideration of the Project and any discussions with you or any other parties (such as your lenders) relating to the Project at any time and for any reason without incurring any liability for costs or expenses incurred by you in the course of, or as a result of, your participation in the bidding process or negotiations respecting the Project, including but not limited to any costs or expenses related to or arising from the preparation or submission of your proposal, your legal fees, transmission or environmental studies or reviews, expenses of any third party incurred at your behest, your participation in discussions with PacifiCorp, the Project, or any development costs incurred by you in connection with this process. The submission of a proposal by [Counterparty] and PacifiCorp's decision to engage in further discussions with you does not constitute acceptance of the Project, and shall not obligate PacifiCorp to accept or to proceed further with the Project. The acceptance of any proposal and the commencement of the Project are contingent on a number of factors, including but not limited to financial and creditworthiness considerations, strategic decisions, resource planning, regulatory approvals, and the approval of PacifiCorp's board of directors and/or shareholders. PacifiCorp makes no representation as to the likelihood of [Counterparty]'s proposal being accepted or of the Project being commenced and, if PacifiCorp decides not to accept [Counterparty]'s proposal or the Project, you hereby fully

PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

and forever release and discharge PacifiCorp of all liability whatsoever, whether arising from your alleged reliance on PacifiCorp's acceptance of the Project or any part thereof or whether based upon any other action or claim in tort, contract, promissory estoppel, equity, negligence or intentional conduct, and PacifiCorp shall not be liable for any amount of liability or damages, including but not limited to any amounts for incidental, special, consequential or punitive damages.

PacifiCorp reserves the right to engage in discussions with multiple parties simultaneously with respect to this RFP or any other matter, and to accept or reject any type of proposal of any party in its sole discretion. PacifiCorp also reserves the rights to reject all proposals relating to this RFP, and to pursue any other course it deems appropriate, including without limitation the development of a cost-base self build alternative.

PacifiCorp shall have no obligations to you with respect to the Project unless and until the execution by all applicable parties of one or more definitive written agreements (the "Definitive Agreements") in form and substance satisfactory to the parties entering into such Definitive Agreements and then only to the extent stated therein. No contract will nor will be deemed to exist, whether by estoppel or otherwise, in any other way than execution and delivery (if ever) of the Definitive Agreements. The execution (if any) of any Definitive Agreements would be subject, among other things, to the satisfactory completion of due diligence by such parties as well as the satisfaction of applicable financial, environmental and other regulatory requirements as determined by PacifiCorp. If PacifiCorp selects the Project, then except as specifically set forth in the Definitive Agreements, PacifiCorp shall have no obligations to you in the event that the Project or any part thereof is discontinued, cancelled, stopped, or terminated for any reason whatsoever, including without limitation financial or creditworthiness considerations concerning you or any contemplated source of Project-related funds, third-party delay or failure (with PacifiCorp's transmission function constituting a third party for purposes hereof), regulatory restrictions, gas or transmission infrastructure restrictions, environmental or community challenges, or the Project is embargoed, restrained, subject to labor strike or lockout, destroyed, subject to terrorist attack or any other force beyond your control, is incapable of receiving required gas or electricity transmission or network service, or is otherwise rendered impossible to complete by the times set forth in the Definitive Agreements for any other reason, whether your fault or not.

Whether or not the Project is commenced and Definitive Agreements executed, you will be responsible to pay your own fees and expenses, including without limitation legal fees and expenses, incurred in connection with the preparation, discussion and negotiation of the Project as well as the preparation, negotiation, execution and delivery of the Definitive Agreements and any other agreements or documents contemplated thereby, and PacifiCorp will not be responsible for any of those fees and expenses.

If the foregoing is acceptable, please indicate so by executing and dating both originals of this letter in the space indicated below, returning one original to the undersigned within three days of the date hereof and retaining the other original for your files.

Sincerely,

PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

PacifiCorp

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

ACCEPTED AND AGREED:

*[Insert Name of Party]*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**RFP**  
**Attachment 16: Site Purchase**  
**Agreement For Lake Side**

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**AGREEMENT FOR SALE AND PURCHASE  
OF REAL PROPERTY**

This Agreement for Sale and Purchase of Real Estate (the “Agreement”) is entered into as of the \_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, by and between \_\_\_\_\_ (“Buyer”) and PacifiCorp, an Oregon corporation (“Seller”).

**RECITALS**

A. Seller is the owner of approximately \_\_\_\_\_ acres of real property situated within Utah County, \_\_\_\_\_ and more particularly described on the attached Exhibit “A” (the “Property”).

B. Buyer wishes to purchase the Property for;

C. Seller is willing to sell the Property on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the amounts to be paid and the mutual promises contained herein, Buyer and Seller agree as follows:

**ARTICLE I  
AGREEMENT TO PURCHASE AND SELL; PURCHASE PRICE**

1.1 Purchase and Sale. Upon the terms and conditions set forth in this Agreement, Seller agrees to convey to Buyer, and Buyer agrees to purchase and take from Seller, fee title interest in and to that certain parcel of real property, as more particularly described on Exhibit “A”, attached hereto and by this reference made part of this Agreement, together with all appurtenances, rights, privileges and easements belonging thereto (collectively referred to herein as the “Property”), unless otherwise expressly stated in this Agreement.

(a) The description of the Property contained in Exhibit “A” is approximate. The exact acreage of the Property will be determined by a survey (the “Survey”) to be prepared by Seller, at its sole cost, and provided to Buyer no later than ninety (90) days after the date of this Agreement. The Survey shall be attached to this Agreement as Exhibit “B” upon its completion.

(b) Any water rights associated with the Property are not included as part of this Agreement.

(c) Emissions Reduction Credits associated with the Property are included as part of this Agreement. Details of the Credits are provided in Exhibit “C”.

(d) An assignment and transfer from Seller to Buyer, and the acceptance and assumption by Buyer, of fifty percent (50%) of Seller's rights and obligations under that certain Agreement for Firm Transportation to PacifiCorp – Lakeside Generation Facilities dated February 4, 2005, as amended May 3, 2005 between Seller and Questar Gas Company is being entered into in connection with this Agreement. The terms of such assignment, transfer and assumption are included in a separate Assignment and Assumption Agreement between Seller and Buyer of even date herewith, and the effectiveness of such agreement constitutes an express condition for the effectiveness of this Agreement.

1.2 Purchase Price. The purchase price for the Property (the "Purchase Price") shall be \_\_\_\_\_ (\$\_\_\_\_\_).

1.3 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller in cash, by cashier's check, or other immediately available funds on the Closing Date, as adjusted for prorations on the Closing Date as provided herein.

## **ARTICLE II TITLE INSURANCE**

### 2.1 Commitment of Title Insurance.

(a) Within thirty (30) days after the date of this Agreement, Seller shall deliver to Buyer a commitment for title insurance covering the Property (the "Commitment"), issued by the Title Company and dated on or after the date of this Agreement.

(b) Buyer shall have ten (10) days following receipt of the Commitment to provide any written objections to any matter set forth on Schedule B of the Commitment. If Buyer does not timely deliver written notice of objection to Seller, Buyer shall be deemed to have approved of all matters set forth in the Commitment. Matters which Seller has agreed to discharge pursuant to Section 2.1 (c) and any encumbrances or other title exceptions to which Buyer does not object shall be deemed to be "Permitted Exceptions" and shall not be considered objections to any matter contained in the Commitment.

(c) If Buyer provides a written notice of objections in accordance with Section 2.1 (b), then Seller shall have the option to: (i) cure such objections at Seller's sole cost; or (ii) terminate this Agreement.

(d) Buyer's sole remedy for Seller's inability to convey title subject only to the Permitted Exceptions or to cure Buyer's objections in accordance with Section 2.1 (c) shall be to terminate this Agreement. In that case, Seller shall have no other obligation to Buyer in connection with this Agreement or the Property.

2.2 Delivery of Title Insurance. Except as otherwise stated in Section 2.1, Seller shall obtain and deliver to Buyer within ten (10) days after the Closing Date an ALTA Standard Owner's Policy of title insurance in the amount of the Purchase Price, effective as of the Closing Date and containing no exceptions other than the Permitted Exceptions.

### **ARTICLE III REPRESENTATIONS AND WARRANTIES**

3.1 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall extend beyond the Closing Date and delivery of the Special Warranty Deed.

(a) Seller has and on the Closing Date will have good and marketable fee simple title to the Property to be conveyed, free and clear of all encumbrances, liens, claims, or reservations, except as specifically approved by Buyer under this Agreement.

(b) Seller has the right, power and authority to execute, deliver, and perform this Agreement and the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Seller, and upon execution and delivery this Agreement shall constitute valid and binding obligations of Seller enforceable against Seller in accordance with its terms and except as enforceability may be limited by bankruptcy, insolvency, and other similar laws affecting claims and rights generally or be general equitable principles.

(c) Seller has not received written notice of any judgment, suit, claim, action, arbitration, legal, administrative, or other proceeding or governmental investigation pending or threatened with respect to any of the Property that would materially adversely affect the Property, and no activities or events have occurred on or in connection with the Property that could give rise to any such claims or proceedings.

(d) Seller has not received any written notices, demands or deficiency statements from any mortgagee of the Property or from any state, municipal or county government or agency or any insurer relating to the Property and which have not been cured or remedied except property valuation and tax notices issued by Utah County.

(e) Except as otherwise expressly disclosed in the Commitment, the Property is not subject to any proposed special assessment or to any existing special assessment lien arising as a result of any works or improvements completed, installed or contemplated at or before the Closing Date.

(f) Seller has paid and shall pay all liens, charges, taxes and assessments for the Property arising prior to the Closing Date.



(g) No person, broker or entity, whether or not affiliated with Seller, is entitled to a commission, finder's fee or other compensation arising from this Agreement, as regarding Seller. Seller shall indemnify defend and hold Buyer harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Seller.

3.2 Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall survive the Closing and delivery of the Special Warranty Deed.

(a) Buyer has the right, power and authority to execute, deliver and perform this Agreement.

(b) No person, broker or entity, whether or not affiliated with Buyer, is entitled to a commission, finder's fee or other compensation arising from this Agreement as regarding Buyer. Buyer shall indemnify, defend and hold Seller harmless form and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Buyer.

3.3 Acknowledgment by Buyer Regarding Seller's Representations and Warranties. Except as expressly set forth in other portions of this agreement, Buyer hereby affirms that neither Seller nor its agents, employees or attorneys have made, nor has Buyer relied upon any representation, warranty, or promise (either express or implied) with respect to the Property or any other subject matter of this Agreement including, without limitation:

(a) the general plan designation, zoning, value, use, tax status or physical condition of any part of the Property or the improvements to the Property;

(b) the flood elevations, drainage patterns and soil and subsoils composition and compaction levels and other conditions at the Property;

(c) the existence or nonexistence of any hazardous or toxic substance, waste or material (as defined or regulated by any federal, state or local law or regulation);

(d) the accuracy of any soils reports or any other plans or reports regarding the Property;

(e) the suitability of the Property for Buyer's intended purpose; or

(f) the status, suitability or sufficiency of any Emissions Reduction Credits associated with the Property.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING AND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER ACCEPTS THE PROPERTY FROM THE SELLER “AS IS”, SUBJECT TO “ALL FAULTS” INCLUDING, BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS, AND THE ENVIRONMENTAL CONDITION OR DEFECTS THEREOF. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER HEREBY WAIVES ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITIONS AND THE USE OF THE SUBJECT PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

#### **ARTICLE IV USE OF PROPERTY**

4.1 Seller’s Use of the Property Prior to Closing Date. From and after Seller’s execution of this Agreement and except in the ordinary course of administering its general mortgage, Seller shall not grant or convey any easement, lease, license, permit or any other legal or beneficial interest in or to the Property or engage in any contract with any party other than Buyer regarding the purchase or sale of the Property, without the prior written consent of Buyer. Further, except as otherwise provided for herein, Seller agrees to pay, as and when the same are due, all payments on any encumbrances presently affecting the Property and any and all taxes, assessments and levies in respect of the Property through the Closing Date.

4.2 Buyer’s Right to Enter Property Prior to the Closing Date. Buyer or its employees or agents may enter the Property at any time prior to the Closing Date upon twenty-four (24) hours notice to Seller to inspect the Property and perform surveys or tests as Buyer may elect; provided, however, that such entry shall not unreasonably interfere with the activities of Seller on the Property, and Buyer shall indemnify and hold Seller harmless from, all liabilities and all consequences of any interruption of Seller’s operation of Seller’s generation facilities located adjacent to the Property associated with Buyer’s activities on the Property.

#### **ARTICLE V EASEMENTS**

5.1 Seller’s Use of the Property After the Closing Date. Seller reserves the right to continue to use those portions of the Property identified in Attachment A for the purpose of owning, operating and maintaining electrical distribution and transmission lines and related facilities, including communications and other facilities, whether above or underground, and also for access to Seller’s existing substation located adjacent to the Property. On or before the Closing Date, Buyer shall grant to Seller one or more easements, in a form acceptable to Seller, which will allow for such continued use and access or future related uses and access by Seller.

5.2 Existing Easements. Buyer purchases the Property subject to all existing easements identified as Permitted Exceptions under Section 2 above.

5.3 New Easements. On or before the Closing Date, Seller shall grant to Buyer one or more easements for access to Seller's existing, or future, electrical and/or natural gas interconnection points (to be) located near the Property, which will allow for such continued use and access or future related uses and access by Buyer.

## **ARTICLE VI CLOSING**

6.1 Time and Place of Closing. The Purchase and sale transaction contemplated by this Agreement shall be consummated through a closing conference (the "Closing") which shall be held at the Title Company on or before \_\_\_\_\_, (the "Closing Date"), or at such earlier time and place as the parties may mutually agree in writing.

6.2 Actions at Closing. At the Closing, the following events shall occur and each being declared to have occurred simultaneously with the other:

(a) All documents to be recorded and funds to be delivered hereunder shall be delivered to the Title Company in escrow, to hold, deliver, record and disburse in accordance with supplemental escrow instructions, the form and content of which shall be agreed to by the parties prior to Closing.

(b) At the Closing or sooner as otherwise stated in the escrow instructions, the following shall occur:

(i) Seller shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) Special Warranty Deed conveying the Property to Buyer, duly executed and acknowledged by Seller and in proper form generally for recording in \_\_\_\_\_; and

(2) All other documents required to be executed by Seller pursuant to the terms of this Agreement.

(ii) Buyer shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) The Purchase Price to be; and

(2) All other documents required to be executed by Buyer pursuant to the terms so this Agreement.

(c) Buyer and Seller shall each deliver to the other, two executed copies of the Buyer's and Seller's Statement of Settlement setting forth all prorations, credits provided in this Agreement, disbursements of the purchase price, and expenses of the Closing.

(d) Seller shall bear any and all Closing or escrow charges of the Title Company.

6.3 Seller's Remedies. In the event this transaction fails to close due to Buyer's fault or inability to close, Seller may elect either to seek specific performance of this Agreement by suit in equity, to seek damages from Buyer.

6.4 Buyer's Remedies. In the event this transaction fails to close due to Seller's fault, this Agreement shall be declared void and of no effect.

## **ARTICLE VII PRORATIONS**

7.1 Prorations Between Seller and Buyer. The following prorations shall be made between Seller and Buyer as of the Closing Date:

(a) Real property taxes and assessments on the Property for the year of Closing shall be prorated between Seller and Buyer based on the number of days each owned the Property. In the event the Property constitutes some portion of a larger tract of land, such proration shall be based upon the average of the Property as a percentage of the acreage of the entire tract. If, as of the Closing Date, the actual tax bills for the year or years in question are not available and the amount of taxes to be prorated cannot be ascertained, then the most recent known rates, millages and assessed valuations (which amounts shall relate to the same tax year) shall be used, and such proration shall be repeated when the final tax bill is available and either Buyer and Seller, as the case may be, shall promptly pay to the other the net amount owing as a result of such redetermination.

(b) Other Closing costs shall be apportioned between the parties in accordance with the normal and customary practice of commercial real estate transactions in Utah County, Utah.

**ARTICLE VIII  
RELEASE, ASSUMPTION AND INDEMNITY**

8.1 Seller shall indemnify, hold harmless and defend Buyer against all claims, suits, losses and damages made against or incurred by Buyer relating to the condition of the Property prior to the Closing Date or any activity in connection with the Property which occurred prior to the Closing Date. Buyer shall indemnify, hold harmless and defend Seller against all claims, suits, losses and damages incurred by Seller relating to the condition of the Property after the Closing Date or any activity in connection with the Property which occurs after the Closing Date.

**ARTICLE IX  
MISCELLANEOUS**

9.1 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, which written or oral, between the parties respecting such matters. Any amendments or modifications hereto in order to be effective shall be in writing and executed by the parties hereto. Notwithstanding the foregoing, Buyer's use and occupancy of this Agreement shall be subject at all times to the terms and conditions of that certain Construction Coordination Agreement dated [DATE] between Seller and Buyer.

9.2 Amendments. This Agreement may be amended or modified only by mutual written agreement.

9.3 Survival. All warranties, representations, covenants and agreements contained in this Agreement shall survive the execution and delivery of this Agreement and all documents delivered in connection with this Agreement and shall survive the Closing of the transactions contemplated by this Agreement and all performances in accordance with this Agreement.

9.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators, and assigns; provided, however, that notwithstanding the foregoing, neither party's interest under this Agreement may be assigned, encumbered, or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise.

9.5 Notices. Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall be in writing, and may be personally delivered or given or made by recognized overnight courier service or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Seller:

To Buyer:

PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

Any party may designate a different address for itself by notice similarly given. Unless provided herein, any such notice, demand or document so given shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

9.6 Time of Essence. Time is of the essence in the performance of each and every term, condition, and covenant of this Agreement.

9.7 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the contract of the parties.

9.8 Paragraph Headings. The paragraph headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.

9.9 Attorneys' Fees. The prevailing party in any legal proceeding brought to enforce rights hereunder shall recover from the other party its reasonable attorneys' fees and costs. As used herein in the term "prevailing party" means the party entitled to recover the costs in any suit, whether or not brought to judgment, and whether or not incurred before or after the filing of suit.

9.10 Waiver. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or any warranty or representation under this Agreement by another party shall be deemed to be a waiver of any other breach of any kind or nature (whether preceding or succeeding and whether or not of the same or similar nature) and no acceptance of payment or performance by a party after any such breach by another party shall be deemed to be a waiver of any further breach of this Agreement or of any representation or warranty by such other party whether or not the first party knows of such a breach at the time it accepts such payment or performance. No failure on the part of a party to exercise any right it may have by the terms of this Agreement or by law upon the default of another party, and no delay in the exercise of any such right by the first party at any time when such other party may be in default, shall operate as a waiver of any default, or as a modification in any respect of the provision of this Agreement.

9.11 Exhibits. Any and all exhibits attached or to be attached hereto are hereby incorporated and made a party of this Agreement by reference.

9.12 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Utah.

9.13 No Recording. This Agreement shall not be recorded in the real property records.

9.14 Further Instruments. Each party hereto shall from time to time execute and deliver such further documents or instruments as the other party, its counsel or the Title Company may reasonably request to effectuate the intent of this Agreement, including without limitation documents necessary for compliance with the laws, ordinances, rules and regulations of any applicable governmental authorities.

PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

9.15 Confidentiality. The purchase price and terms of this Agreement are intended by both parties to be confidential. Therefore, except as directed by a court, administrative authority or required by subpoena, neither party shall disclose the purchase price or terms of this Agreement or any other non-public information related thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

PACIFICORP

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date Signed:

[BUYER]

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date Signed:

PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

**EXHIBIT A**

**PROPERTY DESCRIPTION TO BE COMPLETED  
PRIOR TO CLOSING**



PacifiCorp – Request for Proposals  
RFP Responses due March 1, 2010

## **EXHIBIT B**

### **SURVEY TO BE ATTACHED**

## **EXHIBIT C**

### **EMISSIONS REDUCTION CREDITS**

Buyer shall receive the following credits (in tons) as part of the transaction:

- PM-10           SO<sub>2</sub>
- NO<sub>x</sub>             22.4

Quantities are to be determined based on Project permit requirements.

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**RFP**  
**Attachment 17: Site Purchase**  
**Agreement For Currant Creek**

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**AGREEMENT FOR SALE AND PURCHASE  
OF REAL PROPERTY**

This Agreement for Sale and Purchase of Real Estate (the “Agreement”) is entered into as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ (“Buyer”) and PacifiCorp, an Oregon corporation (“Seller”).

**RECITALS**

- A. Seller is the owner of approximately \_\_\_\_\_ acres of real property situated within Juab County, \_\_\_\_\_ and more particularly described on the attached Exhibit “A” (the “Property”).
- B. Buyer wishes to purchase the Property for;
- C. Seller is willing to sell the Property on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the amounts to be paid and the mutual promises contained herein, Buyer and Seller agree as follows:

**ARTICLE I  
AGREEMENT TO PURCHASE AND SELL; PURCHASE PRICE**

1.1 Purchase and Sale. Upon the terms and conditions set forth in this Agreement, Seller agrees to convey to Buyer, and Buyer agrees to purchase and take from Seller, fee title interest in and to that certain parcel of real property, as more particularly described on Exhibit “A”, attached hereto and by this reference made part of this Agreement, together with all appurtenances, rights, privileges and easements belonging thereto (collectively referred to herein as the “Property”), unless otherwise expressly stated in this Agreement.

(a) The description of the Property contained in Exhibit “A” is approximate. The exact acreage of the Property will be determined by a survey (the “Survey”) to be prepared by Seller, at its sole cost, and provided to Buyer no later than ninety (90) days after the date of this Agreement. The Survey shall be attached to this Agreement as Exhibit “B” upon its completion.

(b) Water rights associated with the Property are included as part of this Agreement. These rights are defined in Exhibit “C” to this agreement.

(c) An assignment and transfer from Seller to Buyer, and the acceptance and assumption by Buyer, of fifty percent (50%) of Seller’s rights and obligations under that certain Firm Transportation Contract—Rate Schedule T-1 dated March 31, 2005, between Seller and Questar Pipeline Company is being entered into in

connection with this Agreement. The terms of such assignment, transfer and assumption are included in a separate Assignment and Assumption Agreement between Seller and Buyer of even date herewith, and the effectiveness of such agreement constitutes an express condition for the effectiveness of this Agreement.

1.2 Purchase Price. The purchase price for the Property (the “Purchase Price”) shall be \_\_\_\_\_ (\$ \_\_\_\_\_).

1.3 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller in cash, by cashier’s check, or other immediately available funds on the Closing Date, as adjusted for prorations on the Closing Date as provided herein.

## **ARTICLE II TITLE INSURANCE**

2.1 Commitment of Title Insurance.

(a) Within thirty (30) days after the date of this Agreement, Seller shall deliver to Buyer a commitment for title insurance covering the Property (the “Commitment”), issued by the Title Company and dated on or after the date of this Agreement.

(b) Buyer shall have ten (10) days following receipt of the Commitment to provide any written objections to any matter set forth on Schedule B of the Commitment. If Buyer does not timely deliver written notice of objection to Seller, Buyer shall be deemed to have approved of all matters set forth in the Commitment. Matters which Seller has agreed to discharge pursuant to Section 2.1 (c) and any encumbrances or other title exceptions to which Buyer does not object shall be deemed to be “Permitted Exceptions” and shall not be considered objections to any matter contained in the Commitment.

(c) If Buyer provides a written notice of objections in accordance with Section 2.1 (b), then Seller shall have the option to: (i) cure such objections at Seller’s sole cost; or (ii) terminate this Agreement.

(d) Buyer’s sole remedy for Seller’s inability to convey title subject only to the Permitted Exceptions or to cure Buyer’s objections in accordance with Section 2.1 (c) shall be to terminate this Agreement. In that case, Seller shall have no other obligation to Buyer in connection with this Agreement or the Property.

2.2 Delivery of Title Insurance. Except as otherwise stated in Section 2.1, Seller shall obtain and deliver to Buyer within ten (10) days after the Closing Date an ALTA Standard Owner’s Policy of title insurance in the amount of the Purchase Price, effective as of the Closing Date and containing no exceptions other than the Permitted Exceptions.

## **ARTICLE III REPRESENTATIONS AND WARRANTIES**

3.1 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall extend beyond the Closing Date and delivery of the Special Warranty Deed.

(a) Seller has and on the Closing Date will have good and marketable fee simple title to the Property to be conveyed, free and clear of all encumbrances, liens, claims, or reservations, except as specifically approved by Buyer under this Agreement.

(b) Seller has the right, power and authority to execute, deliver, and perform this Agreement and the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Seller, and upon execution and delivery this Agreement shall constitute valid and binding obligations of Seller enforceable against Seller in accordance with its terms and except as enforceability may be limited by bankruptcy, insolvency, and other similar laws affecting claims and rights generally or be general equitable principles.

(c) Seller has not received written notice of any judgment, suit, claim, action, arbitration, legal, administrative, or other proceeding or governmental investigation pending or threatened with respect to any of the Property that would materially adversely affect the Property, and no activities or events have occurred on or in connection with the Property that could give rise to any such claims or proceedings.

(d) Seller has not received any written notices, demands or deficiency statements from any mortgagee of the Property or from any state, municipal or county government or agency or any insurer relating to the Property and which have not been cured or remedied except property valuation and tax notices issued by Utah County.

(e) Except as otherwise expressly disclosed in the Commitment, the Property is not subject to any proposed special assessment or to any existing special assessment lien arising as a result of any works or improvements completed, installed or contemplated at or before the Closing Date.

(f) Seller has paid and shall pay all liens, charges, taxes and assessments for the Property arising prior to the Closing Date.

(g) No person, broker or entity, whether or not affiliated with Seller, is entitled to a commission, finder's fee or other compensation arising from this Agreement, as regarding Seller. Seller shall indemnify defend and hold Buyer harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Seller.

3.2 Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall survive the Closing and delivery of the Special Warranty Deed.

(a) Buyer has the right, power and authority to execute, deliver and perform this Agreement.

(b) No person, broker or entity, whether or not affiliated with Buyer, is entitled to a commission, finder's fee or other compensation arising from this Agreement as regarding Buyer. Buyer shall indemnify, defend and hold Seller harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Buyer.

3.3 Acknowledgment by Buyer Regarding Seller's Representations and Warranties. Except as expressly set forth in other portions of this agreement, Buyer hereby affirms that neither Seller nor its agents, employees or attorneys have made, nor has Buyer relied upon any representation, warranty, or promise (either express or implied) with respect to the Property or any other subject matter of this Agreement including, without limitation:

(a) the general plan designation, zoning, value, use, tax status or physical condition of any part of the Property or the improvements to the Property;

(b) the flood elevations, drainage patterns and soil and subsoils composition and compaction levels and other conditions at the Property;

(c) the existence or nonexistence of any hazardous or toxic substance, waste or material (as defined or regulated by any federal, state or local law or regulation);

(d) the accuracy of any soils reports or any other plans or reports regarding the Property;

(e) the suitability of the Property for Buyer's intended purpose; or

(f) the status, suitability or sufficiency of any water rights associated with the Property.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING AND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER ACCEPTS THE PROPERTY FROM THE SELLER "AS IS", SUBJECT TO "ALL FAULTS" INCLUDING, BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS, AND THE ENVIRONMENTAL CONDITION OR DEFECTS THEREOF. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER HEREBY WAIVES ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITIONS AND

THE USE OF THE SUBJECT PROPERTY, INCLUDING, BUT NOT LIMITED TO,  
ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

#### **ARTICLE IV USE OF PROPERTY**

4.1 Seller's Use of the Property Prior to Closing Date. From and after Seller's execution of this Agreement and except in the ordinary course of administering its general mortgage, Seller shall not grant or convey any easement, lease, license, permit or any other legal or beneficial interest in or to the Property or engage in any contract with any party other than Buyer regarding the purchase or sale of the Property, without the prior written consent of Buyer. Further, except as otherwise provided for herein, Seller agrees to pay, as and when the same are due, all payments on any encumbrances presently affecting the Property and any and all taxes, assessments and levies in respect of the Property through the Closing Date.

4.2 Buyer's Right to Enter Property Prior to the Closing Date. Buyer or its employees or agents may enter the Property at any time prior to the Closing Date upon twenty-four (24) hours notice to Seller to inspect the Property and perform surveys or tests as Buyer may elect; provided, however, that such entry shall not unreasonably interfere with the activities of Seller on the Property, and Buyer shall indemnify and hold Seller harmless from, all liabilities and all consequences of any interruption of Seller's operation of Seller's generation facilities located adjacent to the Property associated with Buyer's activities on the Property.

#### **ARTICLE V EASEMENTS**

5.1 Seller's Use of the Property After the Closing Date. Seller reserves the right to continue to use those portions of the Property identified in Attachment A for the purpose of owning, operating and maintaining electrical distribution and transmission lines and related facilities, including communications and other facilities, whether above or underground, and also for access to Seller's existing substation located adjacent to the Property. On or before the Closing Date, Buyer shall grant to Seller one or more easements, in a form acceptable to Seller, which will allow for such continued use and access or future related uses and access by Seller.

5.2 Existing Easements. Buyer purchases the Property subject to all existing easements identified as Permitted Exceptions under Section 2 above.

5.3 New Easements. On or before the Closing Date, Seller shall grant to Buyer one or more easements for access to Seller's existing, or future, electrical and/or natural gas interconnection points (to be) located near the Property, which will allow for such continued use and access or future related uses and access by Buyer.

#### **ARTICLE VI CLOSING**



6.1 Time and Place of Closing. The Purchase and sale transaction contemplated by this Agreement shall be consummated through a closing conference (the “Closing”) which shall be held at the Title Company on or before \_\_\_\_\_, (the “Closing Date”), or at such earlier time and place as the parties may mutually agree in writing.

6.2 Actions at Closing. At the Closing, the following events shall occur and each being declared to have occurred simultaneously with the other:

(a) All documents to be recorded and funds to be delivered hereunder shall be delivered to the Title Company in escrow, to hold, deliver, record and disburse in accordance with supplemental escrow instructions, the form and content of which shall be agreed to by the parties prior to Closing.

(b) At the Closing or sooner as otherwise stated in the escrow instructions, the following shall occur:

(i) Seller shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) Special Warranty Deed conveying the Property to Buyer, duly executed and acknowledged by Seller and in proper form generally for recording in \_\_\_\_\_; and

(2) All other documents required to be executed by Seller pursuant to the terms of this Agreement.

(ii) Buyer shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) The Purchase Price to be; and

(2) All other documents required to be executed by Buyer pursuant to the terms so this Agreement.

(c) Buyer and Seller shall each deliver to the other, two executed copies of the Buyer’s and Seller’s Statement of Settlement setting forth all prorations, credits provided in this Agreement, disbursements of the purchase price, and expenses of the Closing.

Seller shall bear any and all Closing or escrow charges of the Title Company.

6.3 Seller’s Remedies. In the event this transaction fails to close due to Buyer’s fault or inability to close, Seller may elect either to seek specific performance of this Agreement by suit in equity, to seek damages from Buyer.

6.4 Buyer's Remedies. In the event this transaction fails to close due to Seller's fault, this Agreement shall be declared void and of no effect.

## **ARTICLE VII PRORATIONS**

7.1 Prorations Between Seller and Buyer. The following prorations shall be made between Seller and Buyer as of the Closing Date:

(a) Real property taxes and assessments on the Property for the year of Closing shall be prorated between Seller and Buyer based on the number of days each owned the Property. In the event the Property constitutes some portion of a larger tract of land, such proration shall be based upon the average of the Property as a percentage of the acreage of the entire tract. If, as of the Closing Date, the actual tax bills for the year or years in question are not available and the amount of taxes to be prorated cannot be ascertained, then the most recent known rates, millages and assessed valuations (which amounts shall relate to the same tax year) shall be used, and such proration shall be repeated when the final tax bill is available and either Buyer and Seller, as the case may be, shall promptly pay to the other the net amount owing as a result of such redetermination.

(b) Other Closing costs shall be apportioned between the parties in accordance with the normal and customary practice of commercial real estate transactions in Utah County, Utah.

## **ARTICLE VIII RELEASE, ASSUMPTION AND INDEMNITY**

8.1 Seller shall indemnify, hold harmless and defend Buyer against all claims, suits, losses and damages made against or incurred by Buyer relating to the condition of the Property prior to the Closing Date or any activity in connection with the Property which occurred prior to the Closing Date. Buyer shall indemnify, hold harmless and defend Seller against all claims, suits, losses and damages incurred by Seller relating to the condition of the Property after the Closing Date or any activity in connection with the Property which occurs after the Closing Date.

**ARTICLE IX  
MISCELLANEOUS**

9.1 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, which written or oral, between the parties respecting such matters. Any amendments or modifications hereto in order to be effective shall be in writing and executed by the parties hereto. Notwithstanding the foregoing, Buyer's use and occupancy of this Agreement shall be subject at all times to the terms and conditions of that certain Construction Coordination Agreement dated [DATE] between Seller and Buyer.

9.2 Amendments. This Agreement may be amended or modified only by mutual written agreement.

9.3 Survival. All warranties, representations, covenants and agreements contained in this Agreement shall survive the execution and delivery of this Agreement and all documents delivered in connection with this Agreement and shall survive the Closing of the transactions contemplated by this Agreement and all performances in accordance with this Agreement.

9.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators, and assigns; provided, however, that notwithstanding the foregoing, neither party's interest under this Agreement may be assigned, encumbered, or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise.

9.5 Notices. Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall be in writing, and may be personally delivered or given or made by recognized overnight courier service or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Seller:

To Buyer:

Any party may designate a different address for itself by notice similarly given. Unless provided herein, any such notice, demand or document so given shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

9.6 Time of Essence. Time is of the essence in the performance of each and every term, condition, and covenant of this Agreement.

9.7 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the contract of the parties.

9.8 Paragraph Headings. The paragraph headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.

9.9 Attorneys' Fees. The prevailing party in any legal proceeding brought to enforce rights hereunder shall recover from the other party its reasonable attorneys; fees and costs. As used herein in the term “prevailing party” means the party entitled to recover the costs in any suit, whether or not brought to judgment, and whether or not incurred before or after the filing of suit.

9.10 Waiver. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or any warranty or representation under this Agreement by another party shall be deemed to be a waiver of any other breach of any kind or nature (whether preceding or succeeding and whether or not of the same or similar nature) and no acceptance of payment or performance by a party after any such breach by another party shall be deemed to be a waiver of any further breach of this Agreement or of any representation or warranty by such other party whether or not the first party knows of such a breach at the time it accepts such payment or performance. No failure on the part of a party to exercise any right it may have by the terms of this Agreement or by law upon the default of another party, and no delay in the exercise of any such right by the first party at any time when such other party may be in default, shall operate as a waiver of any default, or as a modification in any respect of the provision of this Agreement.

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9.12 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Utah.

9.13 No Recording. This Agreement shall not be recorded in the real property records.

9.14 Further Instruments. Each party hereto shall from time to time execute and deliver such further documents or instruments as the other party, its counsel or the Title Company may reasonably request to effectuate the intent of this Agreement, including without limitation documents necessary for compliance with the laws, ordinances, rules and regulations of any applicable governmental authorities.

9.15 Confidentiality. The purchase price and terms of this Agreement are intended by both parties to be confidential. Therefore, except as directed by a court, administrative authority or required by subpoena, neither party shall disclose the purchase price or terms of this Agreement or any other non-public information related thereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

PACIFICORP

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date Signed:

[BUYER]

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date Signed:

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## **EXHIBIT A**

### **PROPERTY DESCRIPTION TO BE COMPLETED PRIOR TO CLOSING**

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**EXHIBIT B**

**SURVEY TO BE ATTACHED**

## **EXHIBIT C**

### **WATER RIGHTS**

Buyer shall receive water rights to two hundred (200) acre-feet of ground water as part of this transaction.



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**RFP**  
**Attachment 18: [Intentionally Left**  
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**RFP**  
**Attachment 19: Due Diligence Items**  
**For The Acquisition Of An Existing**  
**Facility**

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## **DUE DILIGENCE ITEMS**

The following is not to be considered a complete listing of due diligence items. The final listing shall be determined, in PacifiCorp's sole discretion, based on the Facility offered by the Bidder.

- 1.0 Plant General
  - 1.1 Plant organization charts.
  - 1.2 Annual Plant Budget (total) Actual for 5 years. Projected for 5 years.
  - 1.3 Summary of the budget for last 5 years and next 5 years.
    - 1.3.1 Labor expenses.
    - 1.3.2 Maintenance expense.
    - 1.3.3 Equipment expense.
    - 1.3.4 Insurance expense.
    - 1.3.5 Operations expense.
    - 1.3.6 Administrative expense.
    - 1.3.7 Capital escrow.
    - 1.3.8 Major Maintenance Escrow.
    - 1.3.9 Inventory Purchase. Total Value of Inventory.
    - 1.3.10 Fuel by component.
  - 1.4 Summary of the maintenance expenses.
    - 1.4.1 Major Maintenance (annual).
    - 1.4.2 Consumables.
    - 1.4.3 Inventory draws.
    - 1.4.4 Maintenance contracts.
    - 1.4.5 Building and grounds.
    - 1.4.6 Other.

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- 1.5 Summary of equipment expenses.
  - 1.5.1 Shop equipment maintenance.
  - 1.5.2 Equipment rental.
  - 1.5.3 Rolling stock fuel.
  - 1.5.4 Rolling stock maintenance.
  - 1.5.5 Other.
- 1.6 Summary of insurance expenses.
  - 1.6.1 Business Interruption.
  - 1.6.2 Property.
  - 1.6.3 General liability.
  - 1.6.4 Vehicle liability.
- 1.7 Summary of operating expenses.
  - 1.7.1 Regeneration Cost.
  - 1.7.2 Clarifier Cost.
  - 1.7.3 Boiler water chemicals.
  - 1.7.4 Lubricants.
  - 1.7.5 Consumables.
  - 1.7.6 Electricity purchased.
  - 1.7.7 Hazardous material disposal.
  - 1.7.8 Discharge treatment chemicals
  - 1.7.9 Laboratory supplies.
  - 1.7.10 Emission testing.
  - 1.7.11 Hydrogen and CO<sub>2</sub> for generator.
  - 1.7.12 Ammonia, lime, limestone, other.
- 1.8 Summary of administrative expenses.
  - 1.8.1 Telephone expenses.

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- 1.8.2 Postage.
- 1.8.3 Computer hardware.
- 1.8.4 Computer software.
- 1.8.5 Office supplies.
- 1.8.6 Permits and licenses.
- 1.8.7 Professional Services.
- 1.9 Summary of capital escrow accounts.
  - 1.9.1 Equipment purchases.
  - 1.9.2 Balance of Plant capital.
  - 1.9.3 Dispersion schedule of escrow accounts.
- 2.0 Plant Personnel.
  - 2.1 Personnel roster and organization chart.
    - 2.1.1 Complete list of Classifications.
    - 2.1.2 Number in each classification. Remaining years before retirement.
    - 2.1.3 Annual base salary.
    - 2.1.4 Hourly wage rate.
    - 2.1.5 Straight time additions (%).
    - 2.1.6 Straight time hourly cost (Hourly rates + additions).
    - 2.1.7 Overtime hourly costs.
    - 2.1.8 Total overtime (% of annual base salary).
    - 2.1.9 Employee age demographics.
  - 2.2 Summary of payroll additions.
    - 2.2.1 Payroll taxes.
    - 2.2.2 Workman's compensation.
    - 2.2.3 Retirement Account.
    - 2.2.4 Insurance.

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- 2.2.5 Employee Savings.
- 2.2.6 Vacation and Sick Leave.
- 2.2.7 Indirect Additions.
- 2.2.8 Other (Pensions, benefits and welfare Plans).

3.0 Major maintenance.

3.1 Summary of maintenance costs and schedules.

3.1.1 Annual, major and frequency of major outages for:

- 3.1.1.1 Turbine valves.
- 3.1.1.3 Pulverizers.
- 3.1.1.4 Boiler pressure parts.
- 3.1.1.5 Boiler auxiliaries.
- 3.1.1.6 Boiler draft system.
- 3.1.1.7 Casing and ductwork.
- 3.1.1.8 Boiler insulation and lagging.
- 3.1.1.9 Main steam turbine.
- 3.1.1.10 Main condenser.
- 3.1.1.11 Generator (s).
- 3.1.1.12 Pumps.
- 3.1.1.13 Switchgear.
- 3.1.1.14 Water treatment system/Demineralizer.
- 3.1.1.15 Precipitators.
- 3.1.1.16 Flue Gas Desulphurization system.
- 3.1.1.17 Selective Catalytic Reduction System.
- 3.1.1.18 Gas Turbines.

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- 3.1.1.19 Cooling Tower or Air Cooled Condenser
- 3.1.1.20 Auxiliary Cooling Towers.
- 3.1.1.21 Step-up Transformers
- 3.1.1.22 Heat Recovery Steam Generator
- 3.2 Provide the latest overhaul inspection reports and summaries showing the condition of major equipment. These reports are required to show the “as-found” equipment condition, work performed during the overhaul, equipment settings, and test results after returning the equipment to service. Overhaul reports shall be provided for the following equipment:
  - 3.2.1 steam generators and fuel firing equipment
  - 3.2.2 steam turbine and/or combustion turbines
  - 3.3.3 generator(s) and excitation equipment
  - 3.3.4 all emissions control equipment
  - 3.3.5 all large transformers
  - 3.3.6 all large electric motors
  - 3.3.7 critical piping
- 3.3 Provide list of all OEM service bulletins for the following equipment. Identify correction action was taken in response to the service bulletin and who performed the corrective action:
  - 3.3.1 steam turbine and/or combustion turbines
  - 3.3.2 generator(s) and excitation equipment
  - 3.3.3 large transformers
- 4.0 Plant Performance:
  - 4.1 Provide the following for the design of the plant:
    - 4.4.1 Summary of plant design and operating conditions
    - 4.4.2 Piping & Instrument Diagrams for the plant

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- 4.4.3 Heat balance diagrams
- 4.4.4 Fuel specifications
- 4.4.5 Design parameters for emissions control equipment
- 4.4.6 Water balances
  
- 4.2 Provide the following actual performance data for the last five (5) years:
  - 4.2.1 Fuel consumed reports and analysis data
  - 4.2.2 Plant net full load and part load heat rate data
  - 4.2.3 Availability data per NERC GADS formulas and codes for calculations and identification of the types of equipment component failure mechanisms.
    - 4.2.3.1 Availability data for the unit
    - 4.2.3.2 Availability data for each piece of major equipment
  - 4.2.4 Generation summaries, net and gross
  - 4.2.5 Emission rates and tests reports
  - 4.2.6 Major equipment performance testing reports
  
- 5.0 Operations.
  - 5.1 Description of how efficiency is tracked.
  - 5.2 Description of how availability is determined.
  - 5.3 Identify the equipment that presents the most problems.
  
- 6.0 Maintenance
  - 6.1 Description on how major maintenance is scheduled.
  - 6.2 Evaluation on whether the inventory of spare parts is adequate.
  - 6.3 Are there contingency plans for equipment failure?
  - 6.4 Reports on any non-destructive tests performed on major steam generator parts and steam lines in the last 10 years.
  - 6.5 Reports on any comprehensive reviews of the HT/HP piping systems?



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- 6.6 Evaluation of the electrical switchgear.
  - 6.6.1 Schedule of regularly performed switchgear inspections.
- 6.7 Condition assessment of the water treatment plant.
- 7.0 Controls.
  - 7.1 Description of the type, age and condition of the control systems.
  - 7.2 Description of any plans to change out any of the control systems.
  - 7.3 Identify if plant is equipped for fire protection?
  - 7.4 Description of how injuries are handled.
  - 7.5 Identify any dangerous or hazardous chemicals or materials located on the plant site.
- 8.0 Safety
  - 8.1 Describe the on-going safety program.
  - 8.2 Description of the health and safety compliance program with respect to the Facility. Include a description of any safety management systems that have been put in place and any safety policies that have been implemented at the Facility.
  - 8.3 Provide copies of all OSHA citations or orders issued to the Facility, or settlements entered into by the Facility, in the last ten (10) years in each case with respect to the Facility.
  - 8.4 Provide all worker-related or third-party lawsuits or claims, including worker's compensation claims, filed within the last ten (10) years or now threatened, pending, or reasonably anticipated by the Facility regarding human exposure to toxic or carcinogenic substances or materials at the Facility.
  - 8.5 Provide all documents describing the Facility's current and past annual employee medical screening and monitoring programs at the Facility, including but not limited to, documents pertaining to current and former employees that have been diagnosed with: (a) asbestosis or any other lung related illness; (b) elevated blood lead levels; or (c) elevated blood PCB levels.
  - 8.6 Provide information on safety performance experienced at the Facility within the last five years. Include OSHA recordable, Lost Time Accident and Restricted Work Day statistics in this information.
- 9.0 Environmental
  - 9.1 Provide copies of any environmental audits that have been performed.

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- 9.2 Description of any known or suspected environmental contamination of the plant site.
- 9.3 Provide a record on any environmental exceedances for the last five (5) years.
- 9.4 Provide copies of all Phase I, Phase II and other environmental site assessments, risk assessments, site investigations, site remediation plans, closure reports, compliance audits, etc.
- 9.5 Provide copies of any environmental management systems (“EMS”) policies and procedures (including any documents pertaining to the implementation of the EMS at the facility), EHS compliance policy statement and implementation documents and voluntary disclosure policy statement and implementation documents.
- 9.6 Provide copies of all current Environmental Health and Safety permits, licenses, consents, registrations or approvals (collectively, “EHS Permits”) that are required by any governmental authorities and necessary ownership/operation of the Facility, including, but not limited to those associated with any types of air emissions, wastewater discharges, storm water runoff, water use, solid waste management, recycling, and/or hazardous materials generation, storage, treatment and/or disposal. In the event that there are applications (including notices/applications for permit renewals) pending for any EHS Permits, provide copies of such applications and any relevant correspondence.
- 9.7 Provide documents (including EHS Permits) pertaining to the use, development, conservation or disturbance of land, wetlands, natural resources, biota and/or ecologically sensitive receptors.
- 9.8 Provide a list and description of all landfills, disposal areas, surface impoundments, ponds, diversions, dams and other similar structures located at or related in any way to the Facility, together with copies of all associated EHS Permits.
- 9.9 Provide documents pertaining to compliance with applicable federal, state and local EHS laws and its EHS permits (including but not limited to emission statements, compliance monitoring data, compliance inspection reports, plans and correspondence with governmental authorities) and/or reports and submissions made pursuant to applicable federal, state and local EHS laws.
- 9.10 Provide documents identifying or describing anticipated capital expenditures required to control pollution, investigate/remediate any environmental conditions, manage waste or achieve/ensure compliance with applicable EHS permit conditions or EHS laws at the Facility.
- 9.11 Provide documentation of (1) hazardous waste generator status for the Facility; (2) the types(s) and amounts of waste generated; (3) a list and description of all solid waste and hazardous waste transporters used; (4) a list of all off-site treatment, storage or disposal facilities (“TSDFs”) that have received or are receiving solid and/or hazardous waste from the Facility; and (5) copies of all manifests for off-site hazardous waste disposal.

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- 9.12 Provide (1) A list and description of current and former surface impoundments, underground storage tanks (“USTs”) and above-ground storage tanks (“ASTs”) located on any properties used, owned or leased in connection with the Facility as well as any information concerning the size, content, age and compliance of such impoundments/tanks; (2) any reports prepared in connection with any leaks or releases from such impoundments or tanks; and (3) closure reports prepared in connection with any closure, removal or abandonment of such impoundments, USTs or ASTs.
- 9.13 Provide documents relating to: (1) the maintenance, handling, storage or disposal of mercury or mercury-containing equipment; or (2) the testing, disposal and/or abandonment of any pipes, transformers, structures or other PCB-containing equipment or materials, particularly as those relate to compliance with the PCB Mega Rule in connection with the Facility.
- 9.14 Provide incident reports, notifications and/or other documents relating to any spill or release of hazardous materials, wastes or chemicals at the Facility or as a result of operations at the Facility.
- 9.15 Provide documents pertaining to: (1) the indoor air quality of the Facility; or (2) the presence, management, removal or abatement of asbestos-containing materials or lead-based paint.
- 9.16 Provide a listing of hazardous and non-hazardous wastes which are stored on-site or off-site, or have been disposed of.
- 10.0 Description of any natural perils that could affect this site.
- 11.0 Copies of any licenses, permits or certificates are required at this site.
- 12.0 Provide nameplate data for all units.
  - 12.1 Provide start up times, ramp rates for synchronization and total event costs to full load for hot, warm and cold start conditions.
  - 12.2 Capacity Factor, Equivalent Availability Factor, and Equivalent Forced Outage Rate for each of the last five (5) years. Define terms and method of calculation
  - 12.3 Results of test of Net Maximum Capacity tests.
- 13.0 Title.
  - 13.1 Real property.
  - 13.2 UCC Filings.
- 14.0 Claims history (both by and against Owner in connection with the Facility).
  - 14.1 Litigation (including arbitration and other forms of alternative dispute resolution.
  - 14.2 Labor issues.

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- 14.3 Warranty claims.
- 14.4 Copies of all auditor's letters prepared by law firms with respect to the Facility or with respect to Owner's liability in connection with the Facility.
- 15.0 Provide copies of any contracts.
  - 15.1 O&M contract.
  - 15.2 Power Purchase Agreement
  - 15.3 Interconnection agreements and terms.
  - 15.4 Fuel purchase, transportation and storage contracts.
  - 15.5 Ash storage, transportation and disposal contracts.
  - 15.6 Production by product sales contracts.
  - 15.7 Steam sales contracts.
  - 15.8 Water supply/sewer agreements.
  - 15.9 All other contracts, subcontracts and leases for maintenance services, labor, professional services, materials, parts or other at each plant.
  - 15.10 Collective bargaining agreements, if any.
  - 15.11 Pension, benefit and welfare plans.
- 16.0 Insurance.
  - 16.1 Provide copies of all insurance policies that have been in effect at any time with respect to the Facility or under which coverage may have at any time been provided with respect to the Facility.

**Technical Evaluation of Potential Acquisition  
Questions, Documents & Data to be Reviewed**

- History of all scheduled maintenance outages and all significant forced outages.

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**RFP**  
**Attachment 20: Code Of Conduct**

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### **Code of Conduct Governing PacifiCorp’s Intra-Company Relationships for RFP Process**

As part of the RFP process, PacifiCorp will commit to abide by a self-imposed code of conduct which will govern PacifiCorp’s intra-company business relationships in order to ensure a fair and unbiased RFP evaluation and selection process. As part of the RFP process, PacifiCorp has identified various teams and work groups who will be responsible for the evaluation of the proposals and the development of any Company Benchmark Resource. The Evaluation Team and the Company Benchmark Team will have separate responsibilities and be required to adhere to the self-imposed code of conduct.

PacifiCorp will take the steps outlined below to maintain the appropriate Bidder and Benchmark Team.

#### **EVALUATION TEAM**

The Evaluation Team will be made up of seven separate work groups. The IRP work group will not share any information it obtains from either Team with the other Team and the IRP work group will not share any non-public transmission system information with either Team at any point in this process.

As set forth below in the Information Status, no members of the Evaluation Team will have contact or communication with any Bidder other than through the IEs. If any Bidder or member of the Benchmark Team attempts to contact a member of the Evaluation Team, such Bidder or member of the Benchmark Team shall be directed to the IEs for all information and such communication shall promptly be reported to the IEs by the Evaluation Team.

The roles and responsibilities of the members of the Evaluation Team work groups are set forth below, along with the individual member’s name and title and information status restrictions for each work group.

#### ***Evaluation Team: Origination, Structuring and Pricing, and Environmental***

##### **1. Origination**

*Roles:* Members of the Origination work group will be responsible for overall coordination of the RFP process. The Origination work group will also have responsibility to coordinate with the IEs and all of the Evaluation Team work groups. The Origination work group will also perform the evaluation of the non-price components of the bid analysis with the exception of the initial evaluation of the Benchmark resource.

*Individual Members and Titles:* To be submitted to the IEs upon issuance of the RFP and updated if there are any changes.

## **2. Structuring and Pricing**

*Roles:* Members of the Structuring and Pricing work group will be responsible for the economic analysis and modeling for the initial shortlist including the validation on the inputs to the risk assessment of the bid with the exception of the price and nonprice evaluation of the Benchmark resource in the initial shortlist evaluation.

## **3. Environmental**

*Roles:* The Environmental work group will be responsible for evaluation and acquisition of necessary air, water supply and discharge, emission credits, and siting and facilities permits.

## **4. Credit**

*Roles:* The Credit work group will be responsible for credit screening, evaluation and monitoring throughout the entire RFP process.

## **5. Legal**

*Roles:* The Legal work group will be responsible for confirming compliance of bids to the RFP requirements, including the forms, attachments and appendices. The Legal work group will conduct the legal process and due diligence inquiries, and will have responsibility for legal review of any documentation entered into as part of the RFP process.

## **INTEGRATED RESOURCE PLANNING TEAM (IRP)**

The IRP Team will be responsible for 1) completing the initial shortlist of the Benchmark Resource and 2) running the capacity expansion model and the planning at risk model to determine the portfolios. The IRP Team will receive inputs from the Benchmark Team which will be required to model the Benchmark Team price and nonprice evaluation and the portfolios subject to the information sharing restrictions set forth below. The IRP Team will not be responsible for making an economic determination however, will provide the initial shortlist to the Independent Evaluator and the Oregon Commission.

*Individual Members and Titles:* To be submitted to the IEs upon issuance of the RFP and updated if there are any changes.



### **BENCHMARK TEAM**

The Benchmark Team will consist of members from PacifiCorp Energy's Generation unit. A third-party engineering consultant may be retained by Generation as needed and if retained, will be considered a member of the Benchmark Team. No member of the Evaluation Team will be a member of the Benchmark Team; however, the Benchmark Team will provide inputs to the IRP work group to allow the IRP work group to model Benchmark proposal. This is not intended to be an iterative process. The IRP work group may not share any information received from the Benchmark Team with the Evaluation Team.

*Roles:* The Benchmark Team will be responsible for development of PacifiCorp's Benchmark resource.

*Individual Members and Titles:* Generation and/or Third Party Engineering Consultant To be submitted to the IEs upon issuance of the RFP and updated if there are any changes.

### **INTENT TO BID TEAM**

The Intent to Bid Form is not blinded and will be comprised of members from PacifiCorp Origination, legal and credit who will work with the IEs to assess the Bidders' qualifications.

*Individual Members and Titles:* To be submitted to the IEs upon issuance of the RFP and updated if there are any changes.

### **FERC'S STANDARDS OF CONDUCT**

In addition to PacifiCorp's self-imposed code of conduct, as a transmission provider, PacifiCorp is required to comply with FERC's Standards of Conduct which govern interactions between PacifiCorp's transmission function and marketing function employees. Under the Standards of Conduct, PacifiCorp's transmission function employees must function independently of PacifiCorp's marketing function employees. The Standards of Conduct prohibit marketing function employees from gaining access to any information about the day-to-day operation of PacifiCorp's transmission system that is not posted on the OASIS or otherwise made publicly-available to all other market participants.

Under the Standards of Conduct, transmission function employees and all other unclassified employees must follow the "no-conduit rule", which means that they may receive non-public transmission function information, but they are prohibited from sharing such information with marketing function employees through any non-public or off-OASIS communications.

### **Marketing Function Employees**

PacifiCorp’s marketing function includes employees, contractors, consultants or agents of PacifiCorp who actively and personally engage on a day-to-day basis in sales for resale or the submission of offers to sell electric energy or capacity and are not permitted to have access to non-public transmission function information.

### **Transmission Function Employees**

PacifiCorp’s transmission function includes employees, contractors, consultants or agents of PacifiCorp who actively and personally engage in transmission system operations or reliability functions, including, but not limited to, those who are engaged in day-to-day duties and responsibilities for planning, directing, or carrying out transmission-related operations.

### **Information Status**

PacifiCorp’s marketing function employees (as defined above) will not be involved in a Bidder’s transmission interconnection and integration with the control area. PacifiCorp’s employees will at all times abide by FERC’s Standards of Conduct, including the “no-conduit rule”. If an issue arises with respect to compliance with FERC’s Standards of Conduct, PacifiCorp’s FERC Standards of Conduct Compliance Officer, Colt Norrish at 503-813-5545, should be contacted immediately.

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**RFP**  
**Attachment 21: Credit Methodology**

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## **Credit Security Requirements Methodology**

### Methodology Overview for Base Load Category

The RFP (includes Resources Alternatives with Eligible Online Dates of June 1, 2014; June 1, 2015; and June 1, 2016) selected resources have the potential to expose PacifiCorp and its ratepayers to credit risk in the event a selected Bidder is unable to fulfill its obligations pursuant to the terms of an executed agreement. The credit risk profile is a function of several factors:

1. Type of resource (see Resource Alternatives Key at the end of this paper)
2. The Bid Category (Base Load, Intermediate Load and Summer Peak)
3. Size of Resource Alternative
4. Expected energy delivery start date
5. Term of underlying contract
6. Creditworthiness of Bidder and Bidder's credit support provider, if applicable

### Acquisition of an Asset

For all resources that involve a physical asset with appropriate step-in rights (Resource Alternatives #3-6), PacifiCorp views potential credit exposure as the cost it would incur in the event the resource failed to come on-line when expected. PacifiCorp believes it could take up to 12 months to either step in and complete the project or cause the project to be completed on its behalf. If the failure occurred near the expected on-line date, PacifiCorp would have to procure energy in the open market at then-prevailing market prices.

Although it may take up to one additional year to get the resource on-line in the event of a Bidder default, PacifiCorp is most concerned about replacing expected energy during the summer months (June-September), specifically the on-peak hours.

In determining where prices for replacement power might be between contract execution and the replacement period (i.e. the future summer months), PacifiCorp employs standard statistical analysis to estimate future price levels within a certain confidence interval. Once the "stressed" forward price is determined, the expected cost to procure energy, had the project not been delayed, based on contract terms and conditions is subtracted. The difference between these prices is then multiplied by the number of megawatt hours for the replacement period to estimate the expected replacement cost, or damages, PacifiCorp might sustain due to Bidder nonperformance.

To illustrate, for the 2014 resource the forward price for on-peak power delivered at PACE over the four summer months during 2014 as indicated by the market on September 30, 2009 was \$71.05/MWh. Market-implied volatility of prices for those

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same delivery months was 32.1%<sup>1</sup> on the same observation date. Using this data, PacifiCorp estimated – with 84% confidence – that prices for that delivery point and replacement period are expected to be no higher than \$125.72/MWh. Subtracting the cost of on-peak power PacifiCorp expects to pay had the resource been operational (e.g. \$71.05/MWh) results in a potential replacement cost to PacifiCorp of \$54.67/MWh, or \$106,720<sup>2</sup> for a 1 MW resource.

With regard to a calculation for the estimate of the price of PACE power for the replacement period of \$125.72/MWh, PacifiCorp estimated, with 84% confidence, how high Utah power prices could be in the event PacifiCorp had to procure replacement energy during the summer of 2014 (four months, June-September) in the event of a bidder default. PacifiCorp used the forward price curve and the forward price volatility level observed on September 30, 2009 as inputs to its statistical analysis. Using a 7x16 delivery pattern, PacifiCorp nominally levelized power prices for each of the individual summer months to arrive at a single strip price of \$71.05/MWh. The price was then multiplied by a stress factor to generate a potential forward price based on the desired confidence level:

Stress factor =  $\exp^{(1 \text{ standard deviation} * 32.1\% \text{ annual five year volatility} * \sqrt{[(\text{mid point date of summer strip} - \text{contract signing date})/365.25]}} = 1.7695$ .

Stressed price = 1.7695 stress factor \* \$71.05/MWh levelized price = \$125.72/MWh

Using a similar assessment for the 2015 and 2016 resources, the potential credit exposure was estimated to be \$121,665 and \$140,112 respectively, for a 1 MW resource.

### Asset-Backed Agreements

For other resources that are backed by an asset with appropriate step-in rights (Resource Alternatives 1, 2, 7, 8(b) and 8(c): asset-backed only), PacifiCorp views its potential credit exposure as the cost it would incur in the event the Bidder failed at any time during the life of the contract. However because the resource is backed by an attachable asset, PacifiCorp believes it can have the project operational, or cause to have the project operational on its behalf, within 12-18 months from the date of nonperformance. PacifiCorp acknowledges that the potential for prices to change is greater for this resource group due to the term of the underlying contract but will treat the potential replacement costs the same as asset backed Resource Alternatives 3-6. PacifiCorp will hold any credit security for a longer period, however, due to the length of contract related to this resource group.

This discussion of the credit requirements for Power Purchase Agreements (and Tolling Services Agreements) and the Asset Purchase and Sales Agreements assumes, for these

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<sup>1</sup> Execution of contracts related to the RFP is expected to occur on or about June 1, 2011. Therefore, volatility for the 2013 period was used as the best estimate of where volatility levels would be in 2014 as viewed on June 1, 2011.

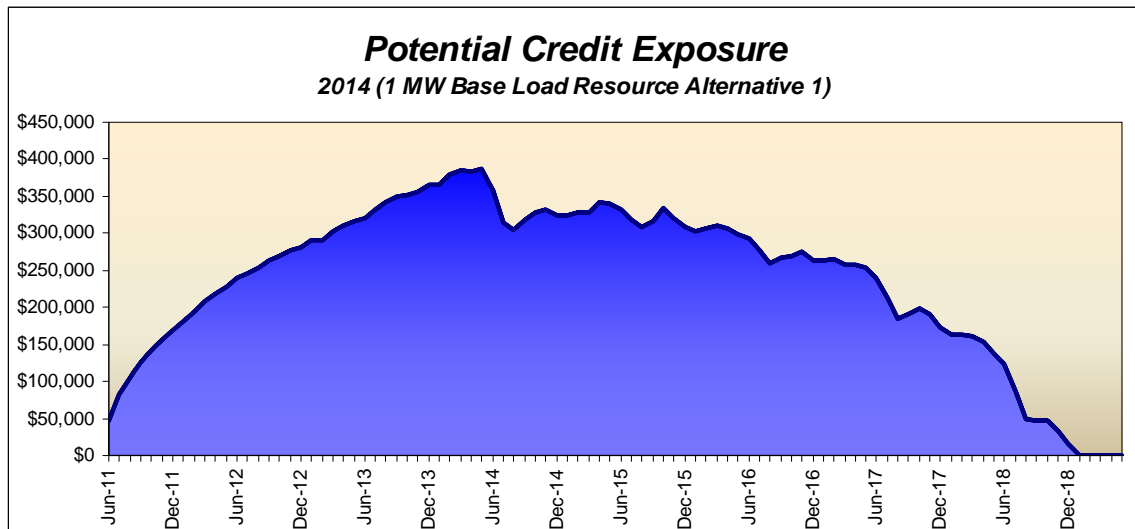
<sup>2</sup> Assumes 1,952 on-peak hours during June-September 2014.

credit requirements to be comparably analyzed, that each of these types of agreement is backed by its respective physical asset. In order for this to be the case, the agreements by their terms must put that physical resource behind the agreement, which would include, but not be limited to, the following: allowing PacifiCorp meaningful and actual exercise of step-in rights and a second lien (behind only the project lenders) on the assets and the special purpose entity equity, limiting the amount of leverage on the project by way of a cap on the debt to equity ratio, and other financial covenants for the life of the Power Purchase Agreement (resources 1, 2, 7 and 8(b)).

### Non-Asset Backed Agreements

For resources that are not backed by an asset (resources 1, 2, 7, 8(a), 8(b) and 8(c)), PacifiCorp estimates potential credit exposure on not just four summers' worth of replacement volume but on the entire remaining volume at any point a Bidder might default during the term of a contract. PacifiCorp also takes into account the entire time horizon of the contract from contract execution. To estimate potential credit exposure at any possible point of default, PacifiCorp performs a Monte Carlo simulation<sup>3</sup> using a program purchased from a third-party vendor<sup>4</sup> that factors in forward prices, forward price volatility, temporal correlations, and asset correlations. The simulation steps through time, removing delivered volumes from the valuation while revaluing remaining, undelivered volumes. The result is a distribution of potential credit exposures from which PacifiCorp uses those at the 84th percentile.

The following chart shows the potential credit risk profile of a 1 MW, five year, non-asset backed, base load Resource Alternative 1 for 2014:



<sup>3</sup> A Monte Carlo simulation incorporates randomness into the revaluation process while mindful of the boundaries imposed by volatility and correlation assumptions.

<sup>4</sup> Risk Capital Management Partners, LLC, acquired by Towers Perrin on June 19, 2006.

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For the 2014, 2015 and 2016 resources that are not backed by an asset, the potential credit exposure was estimated to be \$387,423, \$448,069 and \$503,278 respectively, for a 1 MW resource.

Once the potential credit exposures were estimated for all resources, the exposures then were inserted into a series of credit matrices (each a “Credit Matrix”). Each Credit Matrix lists various sizes of resources in 100 MW increments (columns) for each possible credit rating of Bidder and Bidder’s credit support provider, if applicable (rows). A Credit Matrix for each Resource Alternative is shown for each Eligible Online Date.

Next, PacifiCorp applies its internal credit risk tolerance specific to this RFP to each potential credit exposure in every cell of every Credit Matrix. The results are the amounts of excess credit risk that PacifiCorp requests be secured through third-party guaranties, cash, letters of credit, or other collateral, or combinations thereof.

To interpret a Credit Matrix, a Bidder needs to select the Resource Alternative, the Bid Category, the size of the resource, and the Eligible Online Date. Depending on the credit rating of the Bidder and the Bidder’s credit support provider, if applicable, the value in the applicable Credit Matrix represents the maximum value of credit security the Bidder and/or the Bidder’s credit support provider must provide(s). The credit matrix was developed based on the Base Load Bid Category; credit requirements for the other two Bid Categories will be determined based on a percentage of the amount contained in the credit matrix.

Using the sample Credit Matrix excerpt below for illustration purposes only, credit security required for a base load 600 MW asset purchase and sale agreement for 2014 with a ‘BBB+’ rated Bidder would be \$0 (row 8). If the Bidder was not rated or was rated less than investment grade, the Bidder would be required to provide \$64,032,000 (row 11) in credit security to cover the potential credit exposure. Security could include a third-party guaranty from an investment grade entity but in that event additional security may be required depending on the security amounts listed in the Credit Matrix corresponding to the rating of the guarantor. For instance, if the third-party guarantor was only rated ‘BBB-’, PacifiCorp would require a guaranty in the amount of 50,000,000 (\$64,032,000 (row 11) minus \$14,032,000 (row 10)) from the guarantor and additional security (i.e. a letter of credit or cash) in the amount of \$14,032,000 (row 10) from the Bidder.

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| Size of Nameplate<br>bid in MW ==> | 501-600      |        |
|------------------------------------|--------------|--------|
| <b>Credit Rating:</b>              |              |        |
| AAA/Aaa and above                  | \$0          | row 1  |
| AA+/Aa1                            | \$0          | row 2  |
| AA/Aa2                             | \$0          | row 3  |
| AA-/Aa3                            | \$0          | row 4  |
| A+/A1                              | \$0          | row 5  |
| A/A2                               | \$0          | row 6  |
| A-/A3                              | \$0          | row 7  |
| BBB+/Baa1                          | \$0          | row 8  |
| BBB/Baa2                           | \$0          | row 9  |
| BBB-/Baa3                          | \$14,032,000 | row 10 |
| Below BBB-/Baa3                    | \$64,032,000 | row 11 |

In the event the Bidder’s credit rating and Bidder’s credit support provider’s credit rating, if applicable, adversely changes during the contract term, the amount of credit security must be adjusted commensurate with the amounts listed in the Credit Matrix.

For resource sizes that fall inside a MW range on the Credit Matrix, the exact amount of credit security is determined by taking the actual MW size of the resource and dividing it by the upper range boundary MW size. That result is then multiplied by the security amounts shown in the Credit Matrix for that size range to produce the credit security amount. For example, using the sample Credit Matrix excerpt above, for a 525 MW resource the amount of credit security required for a non-investment grade Bidder would be:

$$\mathbf{\$56,028,000} = 525 \text{ MW} / 600 \text{ MW} * \$64,032,000$$

Posting of Credit Security

For all Resource Alternatives that are backed by an asset that can be attached by PacifiCorp, credit security must be posted in accordance with the following schedule (this includes a Power Purchase Agreement that is backed by an asset) Note that if the credit security posted is in the form of a third-party guaranty, 100% of the credit security is to be posed at the Effective Date:

| Cumulative Value of<br>Credit Security* | 2014 Resource       | 2015 Resource       | 2016 Resource       |
|---|---------------------|---------------------|---------------------|
| 10%                                     | Effective Date (ED) | Effective Date (ED) | Effective Date (ED) |
| 20%                                     | ED+6 months         | ED+18 months        | ED+30 months        |
| 30%                                     | ED+12 months        | ED+24 months        | ED+36 months        |
| 40%                                     | ED+18 months        | ED+30 months        | ED+42 months        |
| 100%                                    | ED+24 months        | ED+36 months        | ED+48 months        |



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\* When the Bidder receives project development financing, 100% of the required credit security is then immediately due, regardless of the deadlines contained in the schedule.

The Effective Date is the date the contract is approved by the Utah Commission or the date the contract is executed by the parties, whichever is later.

A Bidder may select to either post the initial security, which must be in the form of cash or letter of credit only, or alternatively, a Bidder may post the full amount of credit security using *any* form of security acceptable to PacifiCorp (e.g. a third-party guaranty.)

For all other resources, full credit security is due within ten (10) business days after the Effective Date.

Reduction in Credit Security

For Resource Alternatives 3, 4, 5 and 6, any credit security posted will be returned to the counterparty at a reasonable time period after PacifiCorp has assumed complete ownership of the resource and any necessary indemnification period has passed.

For Resource Alternatives 1, 2, 7, 8(a), 8(b), and 8(c), posted credit security will be reduced according to the following schedule: starting at the mid-point of the term of the contract, the amount of credit security will be amortized over the remaining term of the contract and may be reduced in equal installments at the end of each successive contract year until the amount of credit security to be posted is \$0. PacifiCorp reserves the right to hold credit security for a longer period if the potential credit exposure at the time of collateral return warrants such an action.

As an example: the counterparty has posted \$8,419,200 in credit security for a PPA with a term of 6/1/2014 to 5/31/2034, or 20 years. After 10 years, the credit security amount of \$8,419,200 will be divided by the 10 years remaining (\$8,419,200/10, or \$841,920) such that the amount of security may be reduced by \$841,920 at the end of each successive contract year until the balance of the credit security reaches \$0 at the end of the contract term.

Note that the above examples assume that the creditworthiness of the counterparty and/or its credit support provider remains the same over time. If the creditworthiness of the counterparty and/or its credit support provider changes at any point before or after the contract is executed, the amount of credit security required may change.

| Resource Alternatives Key: |  |
|----------------------------|--|
| 1                          | Power Purchase Agreements  |
| 2                          | Tolling Service Agreements   |
| 3                          | Asset Purchase and Sale Agreements on PacifiCorp sites                         |
| 4                          | Asset Purchase and Sale Agreements   |
| 5                          | Purchase of an Existing Facility   |
| 6                          | Purchase of a portion of a facility jointly owned by or operated by PacifiCorp |
| 7                          | Restructuring of existing Power Purchase Agreement or Exchange Agreement       |

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|      |                     |
|------|---------------------|
| 8(a) | Load Curtailment    |
| 8(b) | Qualified Facility  |
| 8(c) | Renewable Resources |

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**RFP**  
**Attachment 22: Forms of Credit**  
**Commitment Letters**

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**GUARANTY COMMITMENT LETTER**

(Must be on letterhead of Bidder's credit support provider)

PacifiCorp  
825 NE Multnomah, Suite 700  
Portland, Oregon 97232  
Attn: Credit Dept.

Dear Sirs:

The undersigned bears the following relationship to the Bidder \_\_\_\_\_ (insert Bidder name) ("Bidder") in your RFP process: (insert nature of relationship, e.g., Parent company, tax investor, etc.). Bidder and the undersigned have their own, separate agreement with respect to the undersigned's promise set forth in this letter.

This will indicate our promise to you that, should you enter into a transaction with Bidder arising out of any bid submitted by Bidder in the RFP, with terms and conditions mutually acceptable to you and Bidder, and subject to our review of the terms of such agreement prior to the execution thereof, that we will at that time issue an unconditional guaranty in form and substance reasonably satisfactory to you, and that we will guarantee all obligations of payment and performance of Bidder to you as our independent obligation, (up to a maximum amount of \$\_\_\_\_\_, plus expenses of enforcing the guaranty.).

We understand that you will not enter into a transaction with Bidder without said guaranty. We understand that you are under no obligation to enter into any transaction with Bidder, under the RFP or otherwise.

Yours truly,

(name of committing guarantor)  
(name of authorized officer)

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**LETTER OF CREDIT COMMITMENT LETTER**

(Must be on letterhead of Bidder's credit support provider)

PacifiCorp  
825 NE Multnomah, Suite 700  
Portland, Oregon 97232  
Attn: Credit Dept

Dear Sirs:

The undersigned bears the following relationship to the Bidder \_\_\_\_\_ (insert Bidder name) ("Bidder") in your RFP process: (insert nature of relationship). Bidder and the undersigned have reached their own agreement with respect to the undersigned's promise set forth in this letter.

This will indicate our promise to you that, should you enter into a transaction with Bidder arising out of any bid submitted by Bidder in the RFP, that we will at that time issue an irrevocable standby letter of credit in a form reasonably acceptable to you up to a maximum amount of \$\_\_\_\_\_.

We understand that you will not enter into a transaction with Bidder without said letter of credit. We understand that you are under no obligation to enter into any transaction with Bidder, under the RFP or otherwise.

Yours truly,

(name of committing financial institution)  
(name of authorized officer)

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**RFP**  
**Attachment 23: Operating and  
Maintenance Terms and Conditions**

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**RFP**  
**Attachment 24: Specifications for the**  
**APSA at the Lake Side Site**

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**Due to the size of RFP Attachment 24, the  
Specifications for the APSA for the Lake Side Site is available  
on PacifiCorp's website as a separate document**

**[www.pacificorp.com](http://www.pacificorp.com)**



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**RFP**  
**Attachment 25: Specifications for the**  
**APSA at the Currant Creek Site**

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**Due to the size of RFP Attachment 25, the  
Specifications for the APSA for the Currant Creek Site is  
available on PacifiCorp's website as a separate document**

**[www.pacificorp.com](http://www.pacificorp.com)**

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# **RFP FORMS**

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**RFP**  
**FORM 1: Pricing Input Sheet**

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**The Form 1 Pricing Input Sheet is Available in an Interactive  
Electronic Format on PacifiCorp's website.**

**[www.pacificorp.com](http://www.pacificorp.com)**

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**RFP**  
**FORM 2: Permitting and**  
**Construction Milestones**

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**RFP FORM 2  
PERMITTING AND CONSTRUCTION MILESTONES**

| <b>Milestone</b>  | <b>Date</b> | <b>Bidder to<br/>insert<br/>Break up<br/>Fee</b> | <b>Bidder to<br/>insert 1 yr<br/>Acceleration<br/>Fee</b> | <b>Bidder to<br/>insert 1 yr<br/>Deferral Fee</b> |
|---|-------------|--|---|---|
| Notice to Proceed   |             |  |   |   |
| Secure Property   |             |  |   |   |
| Secure Water Rights   |             |  |   |   |
| Secure ERCs   |             |  |   |   |
| Secure Permits  |             |  |   |   |
| Natural Gas Interconnection Agreement                             |             |  |   |   |
| Complete LGIA with PacifiCorp                                     |             |  |   |   |
| Break Ground  |             |  |   |   |
| P/O for CTs, Xfrmr's, Cooling<br>Tower/Condenser/ACC HRSGs and ST |             |  |   |   |
| Begin Pouring of Foundations                                      |             |  |   |   |
| Delivery of HRSG1   |             |  |   |   |
| Delivery of HRSG2   |             |  |   |   |
| Set ST  |             |  |   |   |
| Set CT1   |             |  |   |   |
| Set CT2   |             |  |   |   |
| Complete Natural Gas Interconnect                                 |             |  |   |   |
| Set Main Transformers   |             |  |   |   |
| Backfeed (at Transmission Level)                                  |             |  |   |   |
| First Fire of CT1   |             |  |   |   |
| First Fire of CT2   |             |  |   |   |
| Synchronization to Grid   |             |  |   |   |
| Complete installation of Cooling<br>Towers/ACC                    |             |  |   |   |
| Completion of Steam Blows   |             |  |   |   |
| Roll ST   |             |  |   |   |
| Begin Performance Testing   |             |  |   |   |
| Substantial Completion  |             |  |   |   |
| Final Acceptance  |             |  |   |   |

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