

Solar RFP – Questions & Answers

This document contains questions PacifiCorp has received through the solar RFP email address (RFPSolar@PacifiCorp.com) and the responses that have been sent by PacifiCorp. This document is being made public so all bidders will have access to the information distributed by PacifiCorp.

Email #1 – Posted 6-12-15

Questions

I was hoping you could answer a few general questions regarding the RFP:

1. What kind of program(competitive bid or fixed).
2. If applicable, what price will energy be purchased at by Pacific Corp?

Responses

PacifiCorp's Solar RFP is a competitive process. Award decisions will be based upon the energy cost/value and the risk assessment of the project or agreement.

The main RFP document is available at this link:

http://www.pacificorp.com/content/dam/pacificorp/doc/Suppliers/RFPs/RFP2015S/RFP_2015S_Main_Document.pdf

Section 5 A of the main RFP document provides information regarding how proposals will be evaluated. That document summarizes the types of competitive proposals that may be submitted.

The RFP website with links to the entire RFP package and other relevant information is available at:

<http://www.pacificorp.com/sup/rfps/RFP2015s.html>

Email #2 – Posted 6-15-15

Questions

1. The bid instructions note that bidders should use a solar performance estimate analysis using the solar performance software specified in RFP Appendix A. However, there is no software specified in Appendix A. Please confirm that you mean to request that bidders use PVSyst for the solar performance software.
2. Appendix 1 A-1.1 notes that EPC bidders should use data provided in RFP Appendix A-11 PVSyst Files. However, this appendix does not contain the files.
3. RFP Appendix A-11 is labeled "Owner Provided PVSYST Input Files" and refers to a folder with the files, but no folder exists that contains these files. Can you please provide these PVSyst files?

Responses

1. Yes, Bidders should use PVSyst for the solar performance estimate.
2. PacifiCorp's 2015 Solar RFP website has been updated to include a folder named "RFP_App_A-11_PVSyst_Files" that contains the PVSyst data files

for the Cleveland, Ferron South and Nebo View sites. Users can navigate to the data files by going to PacifiCorp's 2015 Solar RFP webpage (<http://www.pacificorp.com/sup/rfps/RFP2015s.html>) and clicking on the link titled "Appendix A – Utah Solar Photovoltaic Plant – Technical Specification and Scope of Work (19 MB Compressed file .zip)."

3. RFP Appendix A-11 on PacifiCorp's 2015 Solar RFP website has been updated to include a folder named "RFP_App_A-11_PVSyst_Files" that contains the PVSyst data files.

Email #3 – Posted 6-18-15

Questions

1. For the avoided cost comparison, will capacity be modeled and valued on an hourly basis like energy? Or will you be using the recently completed wind and solar capacity contribution study and CFAM?
2. Does PacifiCorp have a preference for the location of the generation? ie related to transmission constraints, cut planes, location of subscribers to your green plan etc.
3. What was the reason for the selection of your 3 locations and substations? Would those locations be ascribed any additional locational value in your IRP model?
4. Can you clarify more what you mean by "long line losses will not be factored in"?
5. For an asset purchase, confirm you will model full efficient use of the federal tax credit in in YR 1?

Responses

1. The Company will be using the recently completed wind and solar capacity contribution study.
2. The 2015 Solar RFP states the solar generation resource must be located in the State of Utah and must be able to demonstrate that it can deliver power to PacifiCorp's transmission or distribution system.
3. PacifiCorp evaluated its land holdings within the State of Utah and selected the Cleveland, Ferron South and Nebo View sites based upon insolation levels, land suitability for solar PV resources, target size and interconnection costs. One of the benefits of these sites is that they are owned by PacifiCorp and therefore there are no land purchase or lease costs. These sites will not be ascribed any locational value in the resource analysis assessment.
4. Loss factors will only be applied depending on the interconnection voltage of the resource; evaluation of the bids will not take into consideration line losses.
5. The Company will complete its evaluation assuming optimization of the federal tax credit as allowed under the deal structure proposed in the bid.

Email #4 – Posted 6-19-15

Question

Is it possible to develop/build on a private piece of land that we would bring to the table rather than using the specified land detailed below?

Bidders may propose to design, procure and construct solar photovoltaic facilities at one or more of PacifiCorp's properties that have been developed for installation of solar PV resources. Three locations have been developed for installation of solar PV resources: the Cleveland and the Ferron South sites in Emery County, Utah and the Nebo View site in Juab County, Utah. The Cleveland site can accommodate up to 5.0 MWAC of single axis tracking solar PV and is located approximately four miles east of the town Huntington, Utah. The Ferron South site can accommodate up to 5.0 MWAC of single axis tracking or fixed tilt solar PV and is located approximately two miles south of the town of Ferron, The Nebo View site can accommodate up to 2.9 MWAC of single axis tracking or fixed tilt solar PV systems and is located approximately two miles west of the town of Mona, Utah and adjacent to the PacifiCorp's Carrant Creek natural gas combined cycle plant. The sites are described in more detail in RFP Appendix F-4, EPC Appendix I. It is PacifiCorp's intent to arrange for a sale-lease back structure with a qualified bank or financing entity in order to maximize the benefits of the federal 30% investment tax credit.

Response

Yes, a bid for a solar project developed and built on a private piece of land can be submitted as a power purchase agreement (PPA) or an asset purchase and sale agreement (APSA). Section 4 of the 2015 Solar RFP – Main Document describes the three (3) types of proposals that can be submitted and states: “Bidders can submit proposals for a Power Purchase Agreement, an Asset Purchase and Sale Agreement or an Engineer-Procure-Construct Agreement to build a resource on PacifiCorp sites.” The PacifiCorp owned sites are only relevant to bidders who choose to submit a proposal for an Engineer-Procure-Construct (EPC) agreement. General information about PPA and APSA bids can be found on pages 9 – 11 of the 2015 Solar RFP – Main Document which is available on the 2015 Solar RFP website located here: <http://www.pacificorp.com/sup/rfps/RFP2015s.html>

Email #5 – Posted 6-23-15

Questions

1. What additional costs will PacifiCorp include for each site location in addition to the bid for engineer, procure and construct (EPC) proposals for the Cleveland, Ferron South and Nebo View sites owned by PacifiCorp?
2. Will PacifiCorp accept bids for power purchase agreements (PPAs) on the sites owned by PacifiCorp?
3. Will PacifiCorp only accept PPA bids with a term of 25 years?

Responses

1. PacifiCorp will add development, interconnection and corporate surcharge costs to the EPC bids that are received for the Cleveland, Ferron South and Nebo View sites. The assigned costs are as follows:

A. Cleveland:

- Development and project management- \$226,367
- Interconnection - \$944,143
- Capital Surcharge - \$180,000

B. Ferron South:

- Development and project management- \$210,390
- Interconnection - \$816,935
- Capital Surcharge - \$180,000

C. Nebo View:

- Development and project management - \$133,067
- Interconnection - \$942,000
- Capital Surcharge - \$157,500

In addition, allowance for funds used during (AFUDC) charges will be applied depending on milestone payments associated with the proposed EPC bids.

2. PacifiCorp will not accept bids that propose PPA structures for the Cleveland, Ferron South and Nebo View sites.
3. In response to the 2015 Solar RFP, PacifiCorp will accept and evaluate PPA proposals that have terms of 15, 20 and 25 years. Bidders may submit multiple PPA bids with these terms (15, 20 or 25 years) for the same project.

Email #6 – Posted 6-25-15

Question

Is PacifiCorp going to publish the list of participants in the 6/3/15 bidders meeting?

Response

PacifiCorp is not going to provide a list of participants at the resource bidder meeting held 6/3/15.

Email #7 – Posted 6-25-15

Question

Where can someone find a list of bidders for the solar RFP?

Response

PacifiCorp will not know which companies will respond to the Solar RFP until bids are received. A list of companies wishing to have their interest in the Solar RFP made public will be posted on PacifiCorp's 2015 Solar RFP website by July 2, 2015. If you would like your company to be included in this list, please send an

email with your company name, contact information and any other pertinent information to RFPSolar@PacifiCorp.com by June 30, 2015.

Email #8 – Posted 6-25-15

Question

Thank you for the opportunity of submitting our proposal for 15MW of solar projects. I was hoping to ask you a few questions that came up upon doing preliminary design.

Per the main solicitation document, P. 16:

“All proposals that will require a new electrical interconnection or an upgrade to an existing electrical interconnection must include a statement of the cost of interconnection (broken out between network upgrade costs and facility specific or direct assigned interconnection costs), together with a diagram of the interconnection facilities.”

In an effort to provide an accurate bid, would it be possible to confidentially and individually provide PacifiCorp dba Rocky Mountain Power (RMP) the proposed point of interconnection for the site we are proposing to determine the current capacity of the feeder and substation, and any other pertinent information to aid in estimating any interconnection and upgrade costs for a particular site? If this is not possible, can RMP provide any other guidance re: assumptions to be made in terms of upgrades or interconnection costs?

Response

Requests for interconnection of generation facilities to the Rocky Mountain Power transmission and distribution system need to be made to the PacifiCorp transmission group. Interconnection information can be found at the following link: <http://www.pacifiCorp.com/tran/ts/gip.html>

A brochure describing interconnections and the interconnection process can be found at the following link: https://www.oasis.oati.com/PPW/PPWdocs/Other_-_Interconnection_Brochure.pdf

The capacity available at an interconnection point and the terms and costs of interconnection are results of the small generation interconnection agreement (SGIA) process.

Contact Kristopher Bremer at 503-813-6496 or Robin Moore at 503-813-6419 for more information.

Email #9 – Posted 6-26-15

Question

Hello, I'm writing to confirm that the PPA default security listed in the PPA provided by PacifiCorp, which must be posted within 30 days of contract

execution, is the earliest obligation that bidders have with respect to security related to the RFP?

Can you please confirm?

Response

If PacifiCorp executes a Power Purchase Agreement (PPA) contract through the 2015 Solar RFP, the first PPA security that will be due is the Project Development Security, which will be due 30 days after the effective date of the contract. Similarly, a security would also be due for APSA and EPC bids within 30 days of contract execution.

Email #10 – Posted 6-29-15 – Updated 7-9-15

Question

I am starting an Infrastructure Fund to support direct investors in renewable energy projects in the US. The Fund may be a balanced fund of debt and equity, to provide equity (a minimum of 20% equity) and loans to new projects with the investor/Special Purpose Vehicle. The Fund intends to provide 1% of its Net Asset Value to climate adaptation and natural disaster response in the state of investment.

Please can you confirm if the proposed 15 MW RE Utah project procurement is still active or closed. If the project is still active, please let me know if your organization can recommend a local technical partner for construction of the proposed project, so that potential investors can start assessing project costs.

If bids have closed, and if the investment requires more equity capital, please let me know if the anchor investor would consider additional equity.

Response

PacifiCorp's 2015 Solar RFP for up to 15 MW of solar photovoltaic generation resources in the State of Utah is active. Bids must be received by July 20, 2015. The RFP can be viewed in its entirety at <http://www.pacificorp.com/sup/rfps/RFP2015s.html>.

The Company does not have a specific minimum equity requirement for Bidders who propose Power Purchase Agreements (PPA). Bidders who submit PPAs must be able to demonstrate that the underlying entity meets the credit requirements as outlined in the RFP documentation.

A list of companies wishing to have their interest in the Solar RFP made public will be posted on PacifiCorp's 2015 Solar RFP website by ~~July 2~~ July 8, 2015. If you would like your company to be included in this list, please send an email with your company name, contact information and any other pertinent information to RFPSolar@PacifiCorp.com by ~~June 30~~ July 7, 2015. (As of July 8, 2015, no companies had requested to have their interest in the RFP made public.)

Email #11 – Posted 6-30-15

Question

I have a few quick questions related to the RFP. Specifically, my questions relate to any preferred areas/injection points. If possible, could someone give me a quick call?

Response

To handle inquiries fairly and give all potential bidders equal access to information, PacifiCorp is only responding to questions about the 2015 Solar RFP in written form. The questions and responses that have been sent are posted on the solar RFP website at <http://www.pacificorp.com/sup/rfps/RFP2015s.html> near the bottom of the webpage. Emails Nos. 3 and 8 in the posted “Questions & Responses” document address interconnection processes and might answer your questions. If you would like further information, please submit your questions to RFPSolar@PacifiCorp.com and a response will be provided as expeditiously as possible.

Email #12 – Posted 6-30-15

Question

The RFP states that “one year site-specific weather and solar radiation data that is of financing quality” is required. Could you please elaborate on what would be considered to meet this standard? We do not have on-site pyranometer and met-station at the exact location but would provide a third party study, that we believe would be financeable based on satellite datasets. Please advise if this will be acceptable.

Response

The requirement to submit “one year site-specific weather and solar radiation data that is financing level quality” may be met in any of the following ways:

1. One year of weather and solar radiation data from a meteorological station within ten kilometers of the site and within 500 feet of the site elevation. The on-site weather data should be correlated with a long-term satellite dataset (for example, Clean Power Research, NREL or Vaisala). A qualified weather data consultant should provide the correlation service of the datasets to create the TMY file/files. Bidder to provide:
 - a. Meteorological station datasheet(s)
 - b. Name of meteorological consultant providing the correlation service
 - i. Acceptable consultants include Clean Power Research, NREL or Vaisala
 - ii. Other consultants will be considered on a case by case basis
2. One summer of weather and solar radiation data from a meteorological station within ten kilometers of the site and within 500 feet of the site elevation. The on-site weather data should be correlated with a long-term satellite dataset (for example, Clean Power Research, NREL or Vaisala). A qualified weather data

consultant should provide the correlation service of the datasets to create the TMY file/files. Bidder to provide:

- a. Meteorological station datasheet(s)
 - b. Name of meteorological consultant providing the correlation service
 - i. Acceptable consultants include Clean Power Research, NREL or Vaisala
 - ii. Other consultants will be considered on a case by case basis
 - c. Documentation from the consultant that the meteorological data collected validates the use of satellite data for estimating long-term performance
3. Documentation from the financing institution indicating that the proposed source of solar data and/or measurement campaign is adequate in order to secure financing for the project. Bidder to provide:
- a. Plan for weather and solar radiation data
 - b. Documentation from the financing institution confirming the adequacy of the plan

Email #13 – Posted 7-2-15

Question

After reading through the main RFP document and the bid submission requirements matrix from the bidders conference, I am unclear as to the interconnection requirements for a conforming bid in the PPA track. Could you please clarify the minimum interconnection requirement i.e. interconnection position vs. interconnection study vs. fully executed interconnection agreement?

Response

Bidders must demonstrate that they are sufficiently advanced through the interconnection process that the project will be able to deliver power to Rocky Mountain Power's transmission/distribution system by the Bidder's proposed substantial completion date. A Bidder's progress through the interconnection process is a key criterion for determining overall project viability and chance of success. Bidders are to provide supporting documentation, as available, to show their progress through the interconnection process; this may include the SGIA/LGIA application, System Impact Study report, executed SGIA/LGIA, and notification of the transmission services. A Bidder needs to demonstrate in their schedule, using process times and schedules provided by the PacifiCorp Transmission function interconnection process, that the proposed project resource can be in service by the substantial completion date.

Email #14 – Posted 7-9-15

Question

I'm writing to clarify the PPA terms that PacifiCorp either prefers or would accept in the 2015 solar RFP. The Bid Protocol lists 25 years as the required PPA term offer. However, in the PSC filing made by PacifiCorp on June 16th, Paul Clements indicates in his testimony that PPA terms of 15, 20, and 25 years will be acceptable.

Can you please clarify what PPA terms are acceptable, and whether any particular term length is preferred by PacifiCorp?

Response

In the 2015 Solar RFP, Main Document, Section 4. B., first paragraph, the third sentence should read, “The term of the PPA shall be 15, 20 or 25 years.” PacifiCorp will accept and evaluate PPA proposals that have terms of 15, 20 and 25 years in response to the 2015 Solar RFP. Bidders may submit multiple PPA bids with these terms (15, 20 or 25 years) for the same project. PacifiCorp does not have a preference for any particular term length. All bids will be compared using the projected net present value revenue requirement per megawatt-hour of production over the life of the contract.

Email #15 – Posted 7-16-15

Question

The RFP notes that the proposals should be signed. We expect to provide a signed cover letter with each proposal. Can you let me know if there are any other documents that require a signature at this stage? I didn't see any others listed in the RFP.

Response

A signed cover letter with each proposal will fulfill the requirement that proposals be signed. No other documents within a proposal need to be signed by the bidder upon submission to the Solar RFP.