

**APPENDIX A**

**Notice of Intent to Bid**

This is to declare that the undersigned intends to respond to PacifiCorp's:

**Request for Proposals, Renewable Electric Resources (RFP 2008R-1)**

**Company** \_\_\_\_\_  
(legal entity of intended signatory to a contract)

**Mailing Address/Phone/Fax/Email** \_\_\_\_\_

**Contact Person** \_\_\_\_\_

**Resource Type (Wind, Solar, Geothermal, etc)** \_\_\_\_\_

**Structure of bid: BOT \_\_\_ or PPA \_\_\_**

**If a PPA, indicate term \_\_\_\_\_ (years) and whether backed by an asset \_\_\_\_\_**

**Size of bid in nameplate MW capacity** \_\_\_\_\_

**Estimated commercial online date (month/year)** \_\_\_\_\_

**PacifiCorp Affiliate Certification**

Bidder does not have an affiliate relationship (whether by ownership, joint venture or other association) with PacifiCorp or any PacifiCorp affiliate; and the proposed bid is for power generated by facilities that are not owned by, or otherwise associated with PacifiCorp, or any PacifiCorp affiliate. PacifiCorp affiliates include any MidAmerican Energy Holdings Company affiliate as well as affiliates of Berkshire Hathaway, Inc. A list of affiliates will be provided upon request.

**Authorized Signature and Date** \_\_\_\_\_

**Print Name** \_\_\_\_\_ **Title** \_\_\_\_\_

Return by mail, email, or fax by \_\_\_\_\_ to:

RFP 2008R-1  
PacifiCorp  
825 NE Multnomah St., Suite 600  
Portland, OR 97232  
E-mail: RFP2008R-1@PacifiCorp.com  
Fax: 503-813-6260

## APPENDIX B

### Information required in bid proposals

This appendix describes PacifiCorp's expectations and requirements for RFP bids. In general, PacifiCorp expects bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. Bids from a PacifiCorp affiliate, or for power from generating facilities owned in part or in whole by PacifiCorp or a PacifiCorp affiliate will not be accepted for evaluation in this RFP.

In the event a bidder is proposing a transaction that does not require the construction of a resource, or if the bidder is proposing a PPA, much of the following information may not apply. PacifiCorp believes these resource attributes largely consist, but may not be limited to, the following information categories:

**Impact of Temperature on Output** - If a proposed generator output will vary with ambient conditions; capability, 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 air conditions of 20°F and 75% humidity. In the event summer and winter daily design conditions are different, bidder shall identify those conditions. To the extent pricing, capability 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.

**Impact of Other Factors on Output** - PacifiCorp prefers generation facilities designed, permitted, and operated so that, to the extent practicable, the proposed facility and any related energy and green tags provided to PacifiCorp is without restriction related to:

- Environmental permits or other environmental limitations or environmental forfeitures
- Hours of operation
- Sales to other parties
- Interruption of primary fuel supply (if applicable)
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Non-environmental or technology factors that could encumber the facility
- Failure to meet the target in-service date.

Bidders shall describe in detail any such limitations in their Proposal.

**Siting** - Bidders are responsible for all construction and coordination with the applicable service provider(s) for any new electrical transmission 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:

1. List of studies conducted, required environmental, construction, and other regulatory permits and timelines.
2. Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
3. Proposed site plans, layouts, elevations, or other aspects of the facility.
4. Types of transportation access required.
5. 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.).
6. Proximity and extent of nearest wetlands and description of types of all types of all nearby wetlands and water bodies, including any proposed impacts.
7. Information on fish, wildlife and vegetation inhabiting the area of the Project.
8. Proximity to nearest endangered or threatened or critical species habitat and information on all nearby endangered or threatened species which could potentially be impacted.
9. Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
10. Location and distance to population centers which could be impacted.
11. Expected site ambient temperature extremes and verification that freeze protection will be provided if necessary.

**Proposal Format** –PacifiCorp is requesting that bidders 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. The Executive Summary shall be accompanied by one or more Bid Summary sheets (see Appendix C-1 or Appendix C-2), characterizing the bid or bid options.

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

- Type of generation equipment and description
- Manufacturers of major equipment
- Date of manufacture or age of major equipment

- Hours of operation and major maintenance performed for any previously owned/operated equipment
- Description of financing plan
- Description of operation and maintenance plan
- Estimated annual unit availability and any guaranteed minimum annual availability
- Plan for site control
- Site layout description
- Description of technology and configuration
- Operating Limits - Any limits on the number of hours that a unit may be operated per year or unit of time
- Expected Annual Energy production (see Appendix E).
- Expected Generation on heavy load hours (hours ending 07:00-22:00, Monday through Saturday), and light load hours by month.
- Guaranteed Output (minimum annual energy production, see Appendix E)
- Primary fuel supply and backup alternatives
- Wind proposals must include a minimum of one year of on-site meteorological tower data, converted to estimated MWh of production on an hourly time scale. Please provide explanation if average of hourly estimated MWh of production is different from the Expected Annual Energy production.
- Electrical interconnection (location, transmission provider, and control area)
- Information regarding location and transmission availability
- Project schedule, listing tasks and milestones with estimated completion dates
- Terms of warranties and/or guarantees on major equipment

**Section 3 - Bidder's Qualifications** – Information in this section should be submitted with information that the Bidder supplies from Appendix D. This section should include, but not be limited to, the following information:

- Corporate structure and primary and secondary businesses.
- Location of offices
- Biographies of key officers
- Developer projects and independent power supply ventures participated in over the last three to five years.
- At least one contact (name and telephone number) for each project or power supply venture (for reference purposes).
- Description of any current or previous contract dispute(s) involving similar projects in which the bidder is or was involved during the last five years.
- Separate descriptions, as appropriate, for each member of a consortium or partnership of two or more firms and the relationship between the firms for this Proposal.

**Section 4 - Financial Information** – Briefly summarize information provided pursuant to Appendix D.

**Section 5 - Pricing Proposal and Pro Forma Project Financing** – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Provide pro forma financial projections showing cash flow, income statement, and balance sheet, sources and uses of funds, construction draw schedule, and including all financing assumptions. At a minimum the pro forma should include the following:

- <sup>1</sup>Expected Annual Energy production and revenue
- Annual operating expenses including operations and maintenance costs, G&A expenses, land leases, property taxes, insurance and other expenses
- Transmission and ancillary services costs (if any)
- Debt service
- Debt coverage ratios (by year)
- Depreciation
- Taxes and tax credits
- Working capital requirements
- Net income
- Equity rate of return

**Section 6 – 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.

**Section 7 – 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 turn-key sale. Bidders 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.

Applicant should provide information on scoping, feasibility or other associated studies conducted to assess environmental impacts and to obtain necessary permits. This information should include all studies related to wildlife (including endangered species), archeological, vegetation, hydrological, geotechnical, visual, noise, air quality, and other environmental impacts related to the project. Impacts to designated wilderness, national and state parks, and other protected areas should be noted. Applicant should describe methodologies for such studies and identify the person(s) or firm(s) who conducted and completed the work. If such studies are in progress, applicant should describe the scope and schedule for completion and identify the person(s) or firm(s) doing the studies and

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<sup>1</sup> Expected Annual Energy production must be the same value used in other parts of this proposal.

methodologies to be employed. Applicant should describe measures that will be taken to minimize the potential for environmental, visual and cultural impacts of the project. Finally, applicant should discuss plans to engage community and environmental stakeholders to support the proposed project

**Section 8 – Contract Terms** - Bidder shall provide a comprehensive listing/description of all contract terms that the bidder would seek during contract negotiations. Bidder may supply a markup of the documents found in Appendix E (PPA option) or Appendix F (BOT option) with their proposal, although conformity to those documents is strongly encouraged.

# APPENDIX C-1

## BID SUMMARY – POWER PURCHASE AGREEMENT

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

Unique Bid Name (i.e, ACME-1, etc) \_\_\_\_\_

Resource Type (Wind, Solar, Geothermal, Hydro, etc.) \_\_\_\_\_

**Control Area:**

PacifiCorp West \_\_\_\_\_

PacifiCorp East \_\_\_\_\_

Other (describe): \_\_\_\_\_

Estimated Commercial Operation Date (dd/mm/yy) \_\_\_\_\_

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

Expected Gross Annual Energy Production (net of station load) \_\_\_\_\_ MWh/yr

Expected Net<sup>2</sup> Annual Energy Production ( ) \_\_\_\_\_ MWh/yr

Minimum Guaranteed Annual Energy Production \_\_\_\_\_ MWh/yr

Number of Years of on-site data relied on for the above MWh projections \_\_\_\_\_

Name of firm who prepared the energy analysis<sup>3</sup> \_\_\_\_\_

**Expected On Peak Monthly Energy Production:**

**“On Peak” means all hours ending 07:00:00 through 22:00:00 Pacific Prevailing Time, Monday through Saturday, excluding NERC designated holidays.**

January MWh/month _____	Maximum MW/hour _____
February MWh/month _____	Maximum MW/hour _____
March MWh/month _____	Maximum MW/hour _____
April MWh/month _____	Maximum MW/hour _____
May MWh/month _____	Maximum MW/hour _____
June MWh/month _____	Maximum MW/hour _____
July MWh/month _____	Maximum MW/hour _____
August MWh/month _____	Maximum MW/hour _____

<sup>2</sup> Net means as delivered to the point of interconnection with the transmission provider and, if a wind plant, using an assumption at the 50 percent probability level and a wind turbine availability of 95%.

<sup>3</sup> PacifiCorp requires that the analysis be made available to PacifiCorp for review.

September MWh/month_____	Maximum MW/hour_____
October MWh/month_____	Maximum MW/hour_____
November MWh/month_____	Maximum MW/hour_____
December MWh/month_____	Maximum MW/hour_____

**Expected Off Peak Monthly Energy Production:**

**“Off Peak” means all hours that are not On Peak.**

January MWh/month_____	Maximum MW/hour_____
February MWh/month_____	Maximum MW/hour_____
March MWh/month_____	Maximum MW/hour_____
April MWh/month_____	Maximum MW/hour_____
May MWh/month_____	Maximum MW/hour_____
June MWh/month_____	Maximum MW/hour_____
July MWh/month_____	Maximum MW/hour_____
August MWh/month_____	Maximum MW/hour_____
September MWh/month_____	Maximum MW/hour_____
October MWh/month_____	Maximum MW/hour_____
November MWh/month_____	Maximum MW/hour_____
December MWh/month_____	Maximum MW/hour_____

**Expected Annual availability (% of hours able to produce max/hour):** \_\_\_\_\_

**Guaranteed Annual availability (% of hours able to produce max/hour):** \_\_\_\_\_

**Project Location** (State, County, Range and Township of transmission interconnection)

\_\_\_\_\_

\_\_\_\_\_

**Point of Interconnection with, or Delivery to PacifiCorp’s Transmission System**

\_\_\_\_\_

\_\_\_\_\_

**Quality of Delivery** (Check All that Apply):

- \_\_\_\_\_ As Generated, Unit Contingent, Interconnected to PacifiCorp System
- \_\_\_\_\_ As Generated, Unit Contingent, Telemetered into PacifiCorp System
- \_\_\_ WSPP Schedule C Firm Scheduled Deliveries (ISAS Scheduling Protocols) to PacifiCorp Transmission System
- \_\_\_\_\_ Other (describe): \_\_\_\_\_

**Does delivery include operating reserves?** (yes or no) \_\_\_\_\_

**Will PacifiCorp incur third-party transmission expenses?** (yes or no) \_\_\_\_\_

If yes, check all that apply:

- Third party transmission wheeling \_\_\_\_\_
- Third party transmission losses \_\_\_\_\_
- Third party imbalance charges \_\_\_\_\_
- Third party operating reserves \_\_\_\_\_
- Third party scheduling/dispatch \_\_\_\_\_
- Third party voltage support \_\_\_\_\_

**Power Purchase Agreement Pricing**

Year	Assumes PTCs Extended		Assumes PTCs NOT Extended	
	On Peak Price	Off Peak Price	On Peak Price	Off Peak Price
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

**Additional Information**

To the extent that pricing, capacity 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. PacifiCorp reserves the right to further request information similar to that required in Appendix C-2.

APPENDIX C-2

BID SUMMARY – BUILD OWN TRANSFER

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

Unique Bid Name (i.e, ACME-1, etc) \_\_\_\_\_

Resource Type (Wind, Solar, Geothermal, Hydro, etc.) \_\_\_\_\_

Control Area:

PacifiCorp West \_\_\_\_\_

PacifiCorp East \_\_\_\_\_

Other (describe): \_\_\_\_\_

Estimated Commercial Operation Date (dd/mm/yy) \_\_\_\_\_

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

Expected Gross Annual Energy Production (net of station load) \_\_\_\_\_ MWh/yr

Expected Net<sup>4</sup> Annual Energy Production ( ) \_\_\_\_\_ MWh/yr

Minimum Guaranteed Annual Energy Production \_\_\_\_\_ MWh/yr

Number of Years of on-site data relied on for above MWh projections \_\_\_\_\_

Name of firm who prepared the energy analysis<sup>5</sup> \_\_\_\_\_

Expected On Peak Monthly Energy Production:

**“On Peak” means all hours ending 07:00:00 through 22:00:00 Pacific Prevailing Time, Monday through Saturday, excluding NERC designated holidays.**

January MWh/month _____	Maximum MW/hour _____
February MWh/month _____	Maximum MW/hour _____
March MWh/month _____	Maximum MW/hour _____
April MWh/month _____	Maximum MW/hour _____
May MWh/month _____	Maximum MW/hour _____
June MWh/month _____	Maximum MW/hour _____
July MWh/month _____	Maximum MW/hour _____
August MWh/month _____	Maximum MW/hour _____

<sup>4</sup> Net means as delivered to the point of interconnection with the transmission provider and, if a wind plant, using an assumption at the 50 percent probability level and a wind turbine availability of 95%.

<sup>5</sup> PacifiCorp requires that the analysis be made available to PacifiCorp for review.

September MWh/month_____	Maximum MW/hour_____
October MWh/month_____	Maximum MW/hour_____
November MWh/month_____	Maximum MW/hour_____
December MWh/month_____	Maximum MW/hour_____

**Expected Off Peak Monthly Energy Production:**

**“Off Peak” means all hours that are not On Peak.**

January MWh/month_____	Maximum MW/hour_____
February MWh/month_____	Maximum MW/hour_____
March MWh/month_____	Maximum MW/hour_____
April MWh/month_____	Maximum MW/hour_____
May MWh/month_____	Maximum MW/hour_____
June MWh/month_____	Maximum MW/hour_____
July MWh/month_____	Maximum MW/hour_____
August MWh/month_____	Maximum MW/hour_____
September MWh/month_____	Maximum MW/hour_____
October MWh/month_____	Maximum MW/hour_____
November MWh/month_____	Maximum MW/hour_____
December MWh/month_____	Maximum MW/hour_____

**Expected Annual availability (% of hours able to produce max/hour):** \_\_\_\_\_

**Guaranteed Annual availability (% of hours able to produce max/hour):** \_\_\_\_\_

**Project Location** (State, County, Range and Township of transmission interconnection)

\_\_\_\_\_

\_\_\_\_\_

**Point of Interconnection with, or Delivery to PacifiCorp’s Transmission System**

\_\_\_\_\_

\_\_\_\_\_

**Quality of Delivery** (Check All that Apply):

\_\_\_\_\_ As Generated, Unit Contingent, Interconnected to PacifiCorp System

\_\_\_\_\_ As Generated, Unit Contingent, Telemetered into PacifiCorp System

\_\_\_\_\_ WSPP Schedule C Firm Scheduled Deliveries (ISAS Scheduling Protocols) to PacifiCorp Transmission System

\_\_\_\_\_ Other (describe): \_\_\_\_\_

**Does delivery include operating reserves?** (yes or no) \_\_\_\_\_

**Will PacifiCorp incur third-party transmission expenses?** (yes or no) \_\_\_\_\_

If yes, check all that apply:

- Third party transmission wheeling \_\_\_\_\_
- Third party transmission losses \_\_\_\_\_
- Third party imbalance charges \_\_\_\_\_
- Third party operating reserves \_\_\_\_\_
- Third party scheduling/dispatch \_\_\_\_\_
- Third party voltage support \_\_\_\_\_

**Permits to be Transferred:** \_\_\_\_\_

**Land Rights to be Transferred:** \_\_\_\_\_

**Purchase Price:** \_\_\_\_\_

**Wind Turbine Technical Description:** \_\_\_\_\_

**Wind Information:**

1. How was the wind data collected, certified, and correlated to the reference points?
2. Who provided the wind data analysis service?
3. What is reference height, or heights, of the meteorological data?
4. What is the assumed turbine type, hub height, and rotor diameter?
5. How was the wind data adjusted for the turbine hub height?
6. What is the estimated wind shear and how was the wind shear calculated?
7. What is the accuracy of your wind and energy forecast?
8. What is the basis year of the underlying data? Are the references years high, low, or average years?
9. How was generation output calculated from the meteorological data?
10. What specific de-ratings are included in your energy forecast (wind array losses, line losses, blade degradation, site elevation, etc.)?

In anticipation of a potential need to perform comparison among bids, PacifiCorp also requests the following more detailed information:

**A. Site Wind Data**

1. Raw hourly or ten-minute wind speed and direction data
2. Description of equipment used to record data
3. Available calibration certificates for equipment
4. Conversion factors (e.g. m/s per Hz) applied in recording wind speeds
5. Maintenance records for the monitoring work
6. Location, height and orientation relative to mast of all sensors

**B. Reference Wind Data**

1. Hourly or ten-minute wind speed and direction data
2. Description of equipment used to record data
3. Available calibration certificates for equipment
4. Maintenance records for the monitoring work
5. Location, height and orientation relative to mast of all sensors

### **C. Wind Turbine Information**

1. Turbine make and model
2. Turbine rotor diameter
3. Turbine hub height
4. Turbine power curve

### **D. Wind Project Information**

1. Layout of wind project turbine array using latitude and longitude co-ordinates
2. Detailed topographic maps of project area with all mast and turbine locations

### **E. Verification and Analysis**

1. Details of instrument configurations and measurement periods for each site mast and reference station
2. Summary of mast maintenance records and explanations for significant periods of missing data
3. Data recovery rates and measured monthly means for masts employed in the assessment

### **F. Prediction of Wind Regime**

1. Description of methodology employed to adjust measured wind speeds on site to the long-term
2. Correlation plots and coefficients for relevant correlations in the assessments
3. Predicted long-term mean wind speeds at measurement heights and hub height at all masts employed in the assessment
4. Annual wind speed and direction frequency distribution for long-term site masts
5. Plot of annual wind rose for long-term site masts
6. Description of methodology employed to extrapolate mean wind speeds at measurement heights to hub height

### **G. Prediction of Wind Speed Variations**

1. Description of methodology employed to predict wind speed variations across the site
2. Details of wind flow modeling employed and any inputs to the model (where applicable)

## **H. Energy Production Estimate**

1. Predicted hub height mean wind speed and gross and net energy production for the full project
2. Predicted long-term site air density
3. Turbine power curve employed and description of any adjustments made to the power curve
4. Description of methodology employed to calculate energy losses due to array effects
5. Clear breakdown of applied energy loss factors
6. Monthly and diurnal pattern of predicted energy production with an explanation of the variation
7. Analysis of the uncertainty associated with the predictions provided in the assessment

**Operating Expenses: Please provide complete information on the following, including any assumptions you make on a forward basis (e.g., escalation rates)**

### **Operating Expense Assumptions**

Turbine Warranty Period and Characteristics

Turbine O&M – by year \$ per WTG

O&M Sales Tax Rate

Annual O&M – Facilities \$000

O&M - Substation/Interconnection \$000

Electric Usage \$000

Land Lease costs (describe)

Property Tax

Expected Rate %

Rate Escalation %

Initial Cost Assessed Value \$000

Replacement Cost Escalation %

Depreciation

Year 2007 - Partial Year % %

Method

Insurance

Property (per \$100 assessed value)

General & Excess Liability \$000

General & Admin. Expenses \$000

Other (wind forecasting service) \$000

### **Additional Information**

Please provide any other information you believe germane to PacifiCorp's analysis of your submittal.

APPENDIX C-3

BID SUMMARY – ASSEST ACQUISITION AND SALE

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

Unique Bid Name (i.e, ACME-1, etc) \_\_\_\_\_

Resource Type (Wind, Solar, Geothermal, Hydro, etc.) \_\_\_\_\_

Control Area:

PacifiCorp West \_\_\_\_\_

PacifiCorp East \_\_\_\_\_

Other (describe): \_\_\_\_\_

Commercial Operation Date (dd/mm/yy) \_\_\_\_\_

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

Expected Gross Annual Energy Production (net of station load) \_\_\_\_\_ MWh/yr

Expected Net<sup>6</sup> Annual Energy Production ( ) \_\_\_\_\_ MWh/yr

Minimum Guaranteed Annual Energy Production \_\_\_\_\_ MWh/yr

Number of Years of on-site data relied on for above MWh projections \_\_\_\_\_

Name of firm who prepared the energy analysis<sup>7</sup> \_\_\_\_\_

Expected On Peak Monthly Energy Production:

**“On Peak” means all hours ending 07:00:00 through 22:00:00 Pacific Prevailing Time, Monday through Saturday, excluding NERC designated holidays.**

January MWh/month _____	Maximum MW/hour _____
February MWh/month _____	Maximum MW/hour _____
March MWh/month _____	Maximum MW/hour _____
April MWh/month _____	Maximum MW/hour _____
May MWh/month _____	Maximum MW/hour _____
June MWh/month _____	Maximum MW/hour _____
July MWh/month _____	Maximum MW/hour _____
August MWh/month _____	Maximum MW/hour _____

<sup>6</sup> Net means as delivered to the point of interconnection with the transmission provider and, if a wind plant, using an assumption at the 50 percent probability level and a wind turbine availability of 95%.

<sup>7</sup> PacifiCorp requires that the analysis be made available to PacifiCorp for review.

September MWh/month_____	Maximum MW/hour_____
October MWh/month_____	Maximum MW/hour_____
November MWh/month_____	Maximum MW/hour_____
December MWh/month_____	Maximum MW/hour_____

**Expected Off Peak Monthly Energy Production:**

**“Off Peak” means all hours that are not On Peak.**

January MWh/month_____	Maximum MW/hour_____
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September MWh/month_____	Maximum MW/hour_____
October MWh/month_____	Maximum MW/hour_____
November MWh/month_____	Maximum MW/hour_____
December MWh/month_____	Maximum MW/hour_____

**Expected Annual availability (% of hours able to produce max/hour):** \_\_\_\_\_

**Guaranteed Annual availability (% of hours able to produce max/hour):** \_\_\_\_\_

**Project Location** (State, County, Range and Township of transmission interconnection)

\_\_\_\_\_

\_\_\_\_\_

**Point of Interconnection with, or Delivery to PacifiCorp’s Transmission System**

\_\_\_\_\_

\_\_\_\_\_

**Quality of Delivery** (Check All that Apply):

\_\_\_\_\_ As Generated, Unit Contingent, Interconnected to PacifiCorp System

\_\_\_\_\_ As Generated, Unit Contingent, Telemetered into PacifiCorp System

\_\_\_\_\_ WSPP Schedule C Firm Scheduled Deliveries (ISAS Scheduling Protocols) to PacifiCorp Transmission System

\_\_\_\_\_ Other (describe): \_\_\_\_\_

**Does delivery include operating reserves?** (yes or no) \_\_\_\_\_

**Will PacifiCorp incur third-party transmission expenses?** (yes or no) \_\_\_\_\_

If yes, check all that apply:

- Third party transmission wheeling \_\_\_\_\_
- Third party transmission losses \_\_\_\_\_
- Third party imbalance charges \_\_\_\_\_
- Third party operating reserves \_\_\_\_\_
- Third party scheduling/dispatch \_\_\_\_\_
- Third party voltage support \_\_\_\_\_

**Permits to be Transferred:** \_\_\_\_\_

**Land Rights to be Transferred:** \_\_\_\_\_

**Purchase Price:** \_\_\_\_\_

**Wind Turbine Technical Description:** \_\_\_\_\_

**Wind Information:**

1. How was the wind data collected, certified, and correlated to the reference points?
2. Who provided the wind data analysis service?
3. What is reference height, or heights, of the meteorological data?
4. What is the assumed turbine type, hub height, and rotor diameter?
5. How was the wind data adjusted for the turbine hub height?
6. What is the estimated wind shear and how was the wind shear calculated?
7. What is the accuracy of your wind and energy forecast?
8. What is the basis year of the underlying data? Are the references years high, low, or average years?
9. How was generation output calculated from the meteorological data?
10. What specific de-ratings are included in your energy forecast (wind array losses, line losses, blade degradation, site elevation, etc.)?

In anticipation of a potential need to perform comparison among bids, PacifiCorp also requests the following more detailed information:

**A. Site Wind Data**

1. Raw hourly or ten-minute wind speed and direction data
2. Description of equipment used to record data
3. Available calibration certificates for equipment
4. Conversion factors (e.g. m/s per Hz) applied in recording wind speeds
5. Maintenance records for the monitoring work
6. Location, height and orientation relative to mast of all sensors

**B. Reference Wind Data**

1. Hourly or ten-minute wind speed and direction data
2. Description of equipment used to record data
3. Available calibration certificates for equipment
4. Maintenance records for the monitoring work
5. Location, height and orientation relative to mast of all sensors

### **C. Wind Turbine Information**

1. Turbine make and model
2. Turbine rotor diameter
3. Turbine hub height
4. Turbine power curve

### **D. Wind Project Information**

1. Layout of wind project turbine array using latitude and longitude co-ordinates
2. Detailed topographic maps of project area with all mast and turbine locations

### **E. Verification and Analysis**

1. Details of instrument configurations and measurement periods for each site mast and reference station
2. Summary of mast maintenance records and explanations for significant periods of missing data
3. Data recovery rates and measured monthly means for masts employed in the assessment

### **F. Prediction of Wind Regime**

1. Description of methodology employed to adjust measured wind speeds on site to the long-term
2. Correlation plots and coefficients for relevant correlations in the assessments
3. Predicted long-term mean wind speeds at measurement heights and hub height at all masts employed in the assessment
4. Annual wind speed and direction frequency distribution for long-term site masts
5. Plot of annual wind rose for long-term site masts
6. Description of methodology employed to extrapolate mean wind speeds at measurement heights to hub height

### **G. Prediction of Wind Speed Variations**

1. Description of methodology employed to predict wind speed variations across the site
2. Details of wind flow modeling employed and any inputs to the model (where applicable)

## **H. Energy Production Estimate**

1. Predicted hub height mean wind speed and gross and net energy production for the full project
2. Predicted long-term site air density
3. Turbine power curve employed and description of any adjustments made to the power curve
4. Description of methodology employed to calculate energy losses due to array effects
5. Clear breakdown of applied energy loss factors
6. Monthly and diurnal pattern of predicted energy production with an explanation of the variation
7. Analysis of the uncertainty associated with the predictions provided in the assessment

**Operating Expenses: Please provide complete information on the following, including any assumptions you make on a forward basis (e.g., escalation rates)**

### **Operating Expense Assumptions**

Turbine Warranty Period and Characteristics

Turbine O&M – by year \$ per WTG

O&M Sales Tax Rate

Annual O&M – Facilities \$000

O&M - Substation/Interconnection \$000

Electric Usage \$000

Land Lease costs (describe)

Property Tax

Expected Rate %

Rate Escalation %

Initial Cost Assessed Value \$000

Replacement Cost Escalation %

Depreciation

Year 2007 - Partial Year % %

Method

Insurance

Property (per \$100 assessed value)

General & Excess Liability \$000

General & Admin. Expenses \$000

Other (wind forecasting service) \$000

### **Additional Information**

Please provide any other information you believe germane to PacifiCorp's analysis of your submittal, including all historical operating information/data for the project.

## APPENDIX D

### BIDDER'S CREDIT INFORMATION

**Please provide the following information to enable PacifiCorp to evaluate the financial viability of the Bidder and any entity(ies) providing credit assurances on behalf of the Bidder, if applicable.**

#### **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 most recent fiscal years.

Fiscal Year End:

D. Identify 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 its ability (and/or the ability of its 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 its 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 that 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.). Bidder must provide to Company a letter(s) of commitment acceptable to Company 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:

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

Fiscal Year End:

E. Pending 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 applicable credit matrix to determine the estimated amount of credit assurances required for the applicable bid categories of Build Own Transfer (BOT) or Power Purchase Agreement (PPA) backed by an asset and based upon the online date (the “Credit Matrix”). If necessary, the Bidder will be required to demonstrate the ability to post any required credit assurances in the form of a commitment letter(s) from a proposed guarantor or from a financial institution that would be issuing a Letter of Credit. PacifiCorp will require each Bidder to provide 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. Bidder will be required to provide any necessary guaranty commitment letter from the entity providing guaranty credit assurances on behalf of the Bidder and/or any necessary letter of credit commitment letter from the financial institution providing credit assurances in the form of a Letter of Credit.

Forms of commitment letters are part of this Appendix D. The timing of when credit security must be posted is detailed in the Credit Security Requirements Methodology section, which is also part of this Appendix D.

The Credit Security Requirements Methodology section of Appendix D explains how the Credit Matrix will be used to determine the amount of credit assurances required. The use of the Credit Matrix requires a sequence of checks against it. The Bidder must first check its Credit Rating in the Credit Matrix in order to determine the amount of total credit assurances required. If the amount of credit assurances required from the prior sentence is an amount other than \$0, the Bidder must next check the Credit Rating of its proposed credit support provider in the Credit Matrix. The difference in the amounts of credit assurances required using the Bidder’s Credit Rating and amount of credit assurances required using its proposed credit support provider’s Credit Rating is the maximum amount that the credit support provider will be required to commit to in its commitment letter. For any residual amount of credit assurances required, the Bidder must obtain a commitment letter from a second credit support provider with a higher Credit Rating than the first credit support provider, committing to provide credit assurances in the residual amount.

Note that the higher Credit Rating of any second credit support provider will need to be high enough such that any ultimate residual amount will be \$0. An example of using the Credit Matrix in this sequence of checks is described in the Credit Security Requirements Methodology section of Appendix D. It is important that Bidders realize that more than one commitment letter from the entity(ies) providing credit assurances on behalf of the Bidder may be required. If the Bidder’s initial proposed credit support provider’s Credit Rating is high enough such that the amount of credit assurances required is \$0, then only a single commitment letter from that entity is needed, and the amount required will be the difference between what is required based on the Bidder’s Credit Rating and \$0.

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 expected energy delivery start date, and c) type of Renewable Resource agreement including asset-backed characteristics.

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 assurance in addition to those outlined in the Credit Matrix.

The timing of when credit security must be posted is outlined in the Credit Security Requirements Methodology section of Appendix D.

#### Credit Matrix Notes

- Columns contain maximum value of credit assurances to be posted for each range of delivered MWs for a resource coming online in years 2009, 2010 or 2011.
- The amount of credit assurances is based on the online date, the size, and whether a PPA, BOT, or Asset Acquisition and Sale bid option.
- The amount of credit assurances required in the Credit Matrix is based upon the amount of MW to be delivered. This is the size of the project in nameplate MW multiplied by the capacity factor.

RFP 2008R-1

Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW

For a Build Own Transfer, Asset Acquisition and Sale or a PPA Backed by an Asset with an online date no later than 12-31-2009

Number of MW to be delivered (size of project in nameplate MW multiplied by the capacity factor) ==>	Up to 25	26 to 50	51 to 75	76 to 100	101 to 125	126 to 150	151 to 175	176 to 200	201 to 225	226 to 250	251 to 275	276 to 300
<b>Credit Rating</b>												
AAA/Aaa and above	\$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
AA/Aa2	\$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
A+/A1	\$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
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,090,400
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,317,800	\$14,242,000	\$23,166,200	\$32,090,400
Below BBB-/Baa3	\$8,924,200	\$17,848,400	\$26,772,600	\$35,696,800	\$44,621,000	\$53,545,200	\$62,469,400	\$71,393,600	\$80,317,800	\$89,242,000	\$98,166,200	\$107,090,400

RFP 2008R-1

Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW

For a Build Own Transfer, Asset Acquisition and Sale or a PPA Backed by an Asset with an online date no later than 12-31-2010

Number of MW to be delivered (size of project in nameplate MW multiplied by the capacity factor) ==> Credit Rating	Up to 25	26 to 50	51 to 75	76 to 100	101 to 125	126 to 150	151 to 175	176 to 200	201 to 225	226 to 250	251 to 275	276 to 300
AAA/Aaa and above	\$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
AA/Aa2	\$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
A+/A1	\$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
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,679,450	\$17,559,400
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,919,550	\$18,799,500	\$30,679,450	\$42,559,400
Below BBB-/Baa3	\$11,879,950	\$23,759,900	\$35,639,850	\$47,519,800	\$59,399,750	\$71,279,700	\$83,159,650	\$95,039,600	\$106,919,550	\$118,799,500	\$130,679,450	\$142,559,400

RFP 2008R-1

Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW

For a Build Own Transfer, Asset Acquisition and Sale or a PPA Backed by an Asset with an online date no later than 12-31-2011

Number of MW to be delivered (size of project in nameplate MW multiplied by the capacity factor) ==> Credit Rating	Up to 25	26 to 50	51 to 75	76 to 100	101 to 125	126 to 150	151 to 175	176 to 200	201 to 225	226 to 250	251 to 275	276 to 300
AAA/Aaa and above	\$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
AA/Aa2	\$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
A+/A1	\$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
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,287,875	\$24,859,500
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,144,625	\$20,716,250	\$35,287,875	\$49,859,500
Below BBB-/Baa3	\$14,571,625	\$29,143,250	\$43,714,875	\$58,286,500	\$72,858,125	\$87,429,750	\$102,001,375	\$116,573,000	\$131,144,625	\$145,716,250	\$160,287,875	\$174,859,500

## CREDIT SECURITY REQUIREMENTS METHODOLOGY

### Methodology Overview

The RFP 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 Renewable Resource agreement including asset-backed characteristics
2. Size of Renewable Resource
3. Expected energy delivery start date
4. Term of underlying contract
5. Creditworthiness of Bidder and Bidder's credit support providers(s), if applicable

### Acquisition of an Asset

For all resources that involve a physical asset with appropriate step-in rights, 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 18 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.

In determining where prices for replacement power might be between contract execution and the replacement period, 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 2009 resource the forward price for power delivered at PACE for 18 months starting December 1, 2009, as indicated by the market on April 16, 2008 was \$67.56/MWh. Market-implied volatility of prices for those same delivery months was 28.4%<sup>8</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 \$94.76/MWh. Subtracting the cost of power PacifiCorp expects to pay had the resource been operational (e.g. \$67.56/MWh) results in a potential replacement cost to PacifiCorp of \$27.19/MWh, or \$356,968<sup>9</sup> for a 1 MW resource.

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<sup>8</sup> Execution of contracts related to the RFP is expected to occur on or about April 1, 2009. Therefore, volatility for the 2008 period was used as the best estimate of where volatility levels would be in 2009 as viewed on April 1, 2009.

<sup>9</sup> Assumes 13,127 hours during December 2009-May 2011.

With regard to a calculation for the estimate of the price of PACE power for the replacement period of \$94.76/MWh, PacifiCorp estimated, with 84% confidence, how high power prices could be in the event PacifiCorp had to procure replacement energy between December 2009 and May 2011 in the event of a bidder default. PacifiCorp used the forward price curve and the price volatility level observed on April 16, 2008 as inputs to its statistical analysis. Using a 7x24 delivery pattern, PacifiCorp nominally leveled power prices for each of the individual months to arrive at a single strip price of \$67.56/MWh. The price was then multiplied by a stress factor to generate a potential forward price based on the desired confidence level:

Stress factor =  $\exp^{(1 \text{ standard deviation} * 28.4\% \text{ annualized volatility} * \sqrt{(\text{mid point date of replacement period} - \text{contract signing date})/365.25})} = 1.4025$ .

Stressed price = 1.4025 stress factor \* \$67.56/MWh leveled price = \$94.76/MWh

Using a similar assessment for the 2010 and 2011 resources, the potential credit exposure was estimated to be \$475,198 and \$582,865, respectively, for a 1 MW resource.

### Asset-Backed Agreements

For other resources that are backed by an asset with appropriate step-in rights, 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 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 that of an asset acquisition. PacifiCorp may 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, Build Own Transfer Agreements and Asset Acquisition and Sale Agreements assumes, for these 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.

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 25 MW increments (columns) for each possible Credit Rating of Bidder and Bidder's credit support provider(s), if applicable (rows). A Credit Matrix for each Resource Alternative is shown for each Eligible Online Date.

Next, PacifiCorp applied 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 type of Renewable Resource agreement, 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 the Bidder’s credit support provider(s), if applicable, must provide.

Using the sample Credit Matrix excerpt below for illustration purposes only, credit security required for an asset-backed 225 MW build own transfer agreement for 2009 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 \$80,317,800 (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 rated ‘BBB-’, PacifiCorp would require a guaranty in the amount of \$75.0m (\$80,317,800 (row 11) minus \$5,317,800 (row 10)) from the guarantor and additional security (i.e. a letter of credit) in the amount of \$5,317,800 (row 10) from the Bidder.

Number of Delivered MWs==>	201 to 225	
Credit Rating		
AAA/Aaa and above	\$0	row1
AA+/Aa1	\$0	row2
AA/Aa2	\$0	row3
AA-/Aa3	\$0	row4
A+/A1	\$0	row5
A/A2	\$0	row6
A-/A3	\$0	row7
BBB+/Baa1	\$0	row8
BBB/Baa2	\$0	row9
BBB-/Baa3	\$5,317,800	row10
Below BBB-/Baa3	\$80,317,800	row11

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 210 MW resource the amount of credit security required for a non-investment grade Bidder would be:

$$\$74,963,280 = 210 \text{ MW} / 225 \text{ MW} * \$80,317,800$$

Posting of Credit Security

For all Renewable Resources 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):

Cumulative Value of Credit Security*	2009 Resource	2010 Resource	2011 Resource
10%	-	Effective Date (ED)	Effective Date (ED)
25%	-	ED+3 months	ED+15 months
50%	-	ED+6 months	ED+18 months
75%	-	ED+9 months	ED+21 months
100%	Effective Date (ED)+10 business days	The earlier of COD and ED+12 months	The earlier of COD and ED+24 months

\* 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 Oregon Public Utility 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.)

Reduction in Credit Security

For Build Own Transfer and Asset Acquisition and Sale agreements, 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 Power Purchase Agreements, 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, assume the counterparty has posted \$10,000,000 in credit security for a Power Purchase Agreement with a term of 1/1/2010 to 12/31/2035, or 25 years. After 12.5 years, the credit security amount of \$10,000,000 will be divided by the 12.5 years remaining ( $\$10,000,000/12.5$ , or \$800,000) such that the amount of security may be reduced by \$800,000 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.

## FORM OF GUARANTY COMMITMENT LETTER

Must be on letterhead of Bidder's guarantor)

PacifiCorp  
825 NE Multnomah Street, Suite 700  
Portland, OR 97232  
Attn: Credit Dept.

Dear Sirs:

The undersigned bears the following relationship to the Bidder \_\_\_\_\_ (insert Bidder name) ("Bidder") in your RFP process: (NOTE: insert nature of relationship, e.g., parent company, 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, 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 and title of authorized officer)

## FORM OF LETTER OF CREDIT COMMITMENT LETTER

(Must be on letterhead of entity providing the letter of credit on behalf of the Bidder)

PacifiCorp  
825 NE Multnomah Street, Suite 700  
Portland, OR 97232  
Attn: Credit Dept.

Dear Sirs:

The undersigned bears the following relationship to Bidder \_\_\_\_\_ ( insert Bidder name) ("Bidder") in your RFP process: (NOTE: 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 and substance 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 entity providing the letter of credit)  
(name of authorized officer)

**APPENDIX E**

**Power Purchase Agreement**

**[INCLUDED AS A SEPARATE ATTACHMENT]**

## **APPENDIX F**

### **Build Own Transfer Documents**

- 1. Wind Development Asset Acquisition and Sale Agreement**
- 2. Balance of Plant Wind Energy Project Agreement**

**[INCLUDED AS SEPARATE ATTACHMENTS]**

## APPENDIX G

### CONFIDENTIALITY AGREEMENT

This CONFIDENTIALITY AGREEMENT (this "Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_, 2008, by and between PacifiCorp, an Oregon corporation ("PacifiCorp"), and \_\_\_\_\_ (collectively with all its subsidiaries, officers, directors, members, managers, employees, agents, accountants and attorneys, "Recipient"); with reference to the following:

WHEREAS, PacifiCorp and Recipient are discussing a potential transaction relating to PacifiCorp's Request for Proposals Renewable Electric 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 PacifiCorp 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 PacifiCorp 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 PacifiCorp, 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 PacifiCorp with prompt prior written notice so that PacifiCorp 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 PacifiCorp or any Disclosing Party is under any obligation to Recipient, and PacifiCorp is free to elect not to consummate an agreement or to furnish or receive information. Nothing contained in this Agreement shall prevent PacifiCorp from negotiating with or entering into a definitive agreement with any other person or entity without prior notice to Recipient. Until PacifiCorp 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. PacifiCorp 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 PacifiCorp at law or in equity. No failure or delay by PacifiCorp 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.

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: \_\_\_\_\_

## APPENDIX H

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

Date

[Name]

[Address]

Re: PacifiCorp's Request For Proposals Renewable Electric 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 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

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

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

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

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

ACCEPTED AND AGREED:

*[Insert Name of Party]*

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

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

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

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

## APPENDIX I

### **RFP 2008R-1 Company Benchmark(s)**

PacifiCorp Energy's planned renewable resource benchmark(s) are the addition of:

- up to three wind projects,
- located on up to three wind sites,
- with a size of up to three hundred (300) megawatts per project.

Locations being considered include sites the Company is currently developing in Wyoming. In addition, project sites may be considered that the Company may acquire from developers prior to the time when the benchmark resource(s) are finalized.

The sites being considered have been selected on the basis of site specific characteristics including, but not limited to, expected wind resource characteristics, proximity to transmission, and commercial considerations for the acquisition of the rights to construct one or more wind projects on the site(s).

The benchmarks will be based on the expected cost to develop, construct, own, and operate the benchmark(s) using prudent industry practices, established vendors, and experienced constructors. The suitability of each site to result in a valid benchmark project will be based on the Company's then-current assessment of the site's ability to accommodate the timing requirements of RFP 2008R-1 with respect to permitting, interconnection timing and capability, availability of long lead time equipment, constructability, and regulatory cost recovery risk, and the size.

The benchmark(s) will be subject to the same standard as other bids for demonstrating a contract to purchase major equipment and a process to adequately acquire other equipment with a long lead-time.

**APPENDIX J**

**Pricing Input Sheet**

**[INCLUDED AS A SEPARATE ATTACHMENT]**

## APPENDIX K

### ROLE OF THE INDEPENDENT EVALUATOR AND THE CONSULTANT

1) The role and function of the Oregon Independent Evaluators (“IEs”) and the Utah Consultant are outlined as follows:

a. The Utah Consultant shall validate that the affected electrical utility is:

i. following the bidder pre-approval process developed pursuant to Utah Code 54-17-502 (2)(c)(i) and make recommendations for changes to the pre-approval process for future solicitations;

ii. monitor and document all material aspects of the bids, bid evaluations, and bid negotiations between the affected electrical utility and any bidders in the solicitation process;

iii. maintain adequate documentation of each bid, including the solicitation, evaluation, and negotiation processes and the reason for the conclusion of negotiations, which documentation shall be transmitted to the Public Service Commission of Utah at the conclusion of all negotiations in the solicitation; and

iv. be available to testify under oath before the Public Service Commission of Utah in any relevant proceeding concerning all aspects of the public solicitation process.

Oregon Independent Evaluator shall facilitate and monitor communications between the Soliciting Utility and Bidders, including the Company’s Benchmark Team.

a. Review and validate the assumptions and calculations of any Company Benchmark Resources.

b. Analyze the Company’s Benchmark Resources, if any, for reasonableness and consistency with the Solicitation Process.

c. 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 and Benchmark Resources.

d. Receive Benchmark Resources and Bid responses.

e. 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 Benchmark Resources and 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 and the Benchmark Team 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.
- f. Ensure that all bids are treated in a fair and non-discriminatory manner.
- g. 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.
- h. The IE will evaluate the unique risks and advantages associated with any Company Benchmark Resources, including the regulatory treatment of costs or benefits related to actual construction cost and plant operation differing from what was projected for the RFP.
- i. Once the competing bids have been evaluated by the Soliciting Utility and the IEs, the Soliciting Utility and the IE will compare results.
- j. 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.

- k. Solicit additional information on bids necessary for screening and evaluation purposes.
  - l. 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.
  - m. 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.
  - n. Participate in and testify at Commission hearings on approval of the Solicitation and Solicitation Process and/or acknowledgement of the final shortlist.
  - o. 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.
- 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. 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's 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.

- c. The Evaluation Team shall have no direct or indirect contact or communication with any Bidder other than through the IEs until such time as a final shortlist is selected by the Soliciting Utility.
- d. Should any Bidder or a member of the Company Benchmark Team attempt to contact a member of the Evaluation Team, such Bidder or member of the Company 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.

## APPENDIX L

### **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.

Bidders will provide an Intent to Bid Form that will not be blinded. The Evaluation Team and the Benchmark Team will comply with this code of conduct during the RFP evaluation process.

#### **EVALUATION TEAM**

The Evaluation Team will be made up of seven separate work groups. Consistent with PacifiCorp's identification of shared employees under FERC's Standards of Conduct, the IRP work group will be treated as a shared resource to perform work for the Evaluation Team and the Benchmark Team. 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 or the Benchmark Team 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, including bid process management for all proposals. 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. The Origination group will also participate on the Intent to Bid Team.

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

*Information Status:* No members of the Evaluation Team will have contact or communication with any Bidder other than through the IEs.

## **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.

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

*Information Status:* No members of the Evaluation Team will have contact or communication with any Bidder other than through the IEs.

## **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.

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

*Information Status:* No members of the Evaluation Team will have contact or communication with any Bidder other than through the IEs.

## **4. Credit**

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

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

*Information Status:* No members of the Evaluation Team will have contact or communication with any Bidder other than through the IEs. The Credit group will also participate on the Intent to Bid Team.

## **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.

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

*Information Status:* The Legal group must not reveal contact or communication with any Bidder other than through the IEs. The Legal group will also participate on the Intent to Bid Team.

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

The IRP Team will be responsible for 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 portfolios subject to the information sharing restrictions set forth below. The IRP Team will not be responsible for making an economic determination about the bids.

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

*Information Status:* Any information the IRP group obtains from the Benchmark Team on Benchmark Resources will not be shared with the Origination or Structuring and Pricing work groups until after the final shortlist is determined. The Evaluation Team will not have contact or communication with any Bidder other than through the IEs.

### **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 proposals. 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 resources.

*Individual Members and Titles:* Generation and/or Third Party Engineering Consultant names 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; however, PacifiCorp will identify a separate Intent to Bid Team comprised of members from PacifiCorp legal, origination and credit who will work with the IEs to assess the Bidders' qualifications. Following this assessment, the IEs will provide each Bidder who has completed the information required to evaluate the qualifications under the Intent to Bid Forms (Appendices A and B).

*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 this 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 its Marketing Affiliate. Under the Standards of Conduct, PacifiCorp's Transmission Function employees must function independently of PacifiCorp's Marketing Affiliate employees. Marketing Affiliate employees cannot have access to transmission control center or other transmission facilities or information systems that differ in any way from the access provided to non-affiliated transmission customers. The Standards of Conduct prohibit Marketing Affiliate employees from gaining access to any information about 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, FERC will allow certain non-operating employees to be shared between the Transmission Function and Marketing Affiliate. Under FERC's "no-conduit rule", shared employees may receive confidential transmission system or marketing information, but they are prohibited from sharing such information with Marketing Affiliate employees through any non-public or off-OASIS communications.

### **Marketing Affiliate Employees**

PacifiCorp has identified the following business groups as Marketing Affiliate Business Units of PacifiCorp:

PacifiCorp Energy, Commercial & Trading:  
Energy Trading  
Marketing & Trading Contracts  
Short-term Origination and Contracts  
Structuring and Pricing  
Long-Term Origination and Strategy

### **Transmission Function Employees**

PacifiCorp's Transmission Function includes: employees, contractors, consultants or agents of PacifiCorp who conducts 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.

### **Shared Employees**

PacifiCorp has identified Integrated Resource Planning, Environmental, Credit, Legal, and Risk Management as shared employee functions under FERC's Standards of Conduct.

### **Information Status**

PacifiCorp's Marketing Affiliate (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. If an issue arises about 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.