

PacifiCorp
Final RFP 2011
Responses due August 8, 2011

**2011 Request for Proposal for Natural
Gas Transportation on Kern River Gas
Transmission Company and/or
Questar Pipeline Company Facilities
(2011 Gas Transportation RFP)**

Please provide two hard copies of your proposal by 5pm (PPT) August 8, 2011 and a disk. No emails will be accepted.

**RFP 2011 Gas Transportation Request for Proposal
825 NE Multnomah Suite 600
Portland, Oregon 97232**

**If you have any questions please contact:
Email 2011gastrfp@pacificorp.com**

TABLE OF CONTENTS

	Page
Section 1. Introduction.....	1
A. Purpose and Scope	1
Section 2. Logistics.....	1
A. Schedule of RFP.....	1
B. Effectiveness of Bids.....	2
C. Minimum Eligibility Requirements	2
D. Company’s Reservation of Rights and Disclaimer	2
E. Confidentiality	3
Section 2 Product Definitions.....	3
Section 3. Awarding Contracts	6
A. Invitation	6

INTRODUCTION

Purpose and Scope

PacifiCorp is soliciting bids for the purchase of firm transportation on Kern River Gas Transmission Company (KRG T) and/or Questar Pipeline Company (QPC) facilities. Bidders are encouraged to provide creative proposals and should consider release of existing transportation and/or construction of new transportation projects as possible solutions. The 2011 Transportation RFP has four separate products. Product One and Product Three are defined as products for the construction of new transportation by KRG T and opportunities for existing KRG T shippers to sell existing transportation on KRG T, respectively. Product Two and Product Four are defined as products for the construction of new transportation by QPC and the opportunity for existing QPC shippers to sell existing transportation on QPC, respectively. PacifiCorp in its sole and absolute discretion may or may not award a bid. To the extent a bidder provides proposal(s) which have any contingencies, the bidder must clearly outline those contingencies and identify any costs or risk associated with such contingences so they can be properly evaluated. PacifiCorp will allow affiliates to provide proposals.

PacifiCorp has outlined below its incremental transportation resource requirements as a result of the new construction of Lake Side 2, a 637 megawatt combine cycle project located in Utah. PacifiCorp is not soliciting offers for natural gas commodity supply under this 2011 Transportation RFP. PacifiCorp is seeking proposals for terms up to 30 years starting June 2014. To the extent a proposal is for a term that is less than 30 years, the bidder must provide roll over rights with their offer. Bidders should include any other specific information which may be pertinent to their proposal that PacifiCorp should take into consideration in the evaluation of such proposal. As described in the four products, PacifiCorp will consider proposals involving the contracting of existing available capacity and/or expansion of facilities that create new capacity.

Transportation Requirements

Gas transportation is required to provide firm supply to Lake Side 2. The expected generating capacity of Lake Side 2 is 637 MW. The expected commercial operation date is June 1, 2014. The existing pipeline connection is a Questar Gas Company lateral supplied from the KRG T delivery point called Lake Side, meter #024032. For each Product proposal please submitted the following details: Volume, Rates or Rate Schedule, Start Date, Term, Receipt Point(s), and Delivery Point(s).

LOGISTICS

The proposed schedule is as follows:

Event	Anticipated Date
Gas RFP issued	July 5, 2011
Responses due	August 8, 2011
Analyze bids and shortlist	August 31, 2011
Management approvals	September 2011
Execute contracts	September 2011

Effectiveness of Bids

Each bid proposal must remain open for acceptance by PacifiCorp from the date of submittal through September 2011.

C. Minimum Eligibility Requirements for Bidders

- a) Receipt of proposal prior to response deadline.
- b) Bidder must permit disclosure of information contained in the proposal to PacifiCorp agents, contractors or regulators.
- c) Bidder must not fail to disclose the real parties in interest in the proposal.
- d) Bidder or a primary sponsor of affiliate of the bidder or bid may not have any current litigation with or threatened litigation against, PacifiCorp.
- e) Proposal must clearly specify all pricing terms. Each Product proposal must include the following details: Volume, Rates or Rate Schedule, Start Date, Term, Receipt Point(s), Delivery pressure, and Delivery Point(s).
- f) Proposal must not present any unacceptable level of development and technology risk, as determined by PacifiCorp in its sole discretion.

D. Company's Reservation of Rights and Disclaimer

The Company reserves the right, without qualification and in its sole discretion, to reject any or all bids, and to terminate this 2011 Transportation RFP in whole or in part at any time. Without limiting the foregoing, PacifiCorp reserves the right to reject as nonresponsive any or all bid proposals received. In addition, PacifiCorp may, in its sole and absolute discretion, issue additional subsequent solicitations, conduct due diligence with respect to the qualifications of each bidder, and vary any timetable. PacifiCorp further reserves the right without qualification and in its sole discretion to decline to enter into any agreement with any Bidder for any reason, including but not limited to change in regulation or regulatory requirements that impact PacifiCorp and/or any collusive bidding or other anticompetitive behavior or conduct.

Bidders who submit bid proposals do so without recourse against PacifiCorp, its parent companies, its affiliates and its subsidiaries, or against any director, officer, employee, agent or representative of any of them, for any modification or withdrawal of this 2011 Transportation RFP, rejection of any bid proposal, failure to enter into an agreement, or any other reason.

Bids must disclose the real parties in interest. PacifiCorp reserves all rights with respect to any attempt to influence PacifiCorp's evaluation outside the RFP process and any collusive bidding or other anticompetitive conduct.

PacifiCorp may require credit assurances adequate to PacifiCorp in its sole and absolute discretion. Credit assurances may include, without limitation, a guaranty, a letter of credit, or other forms of collateral, in a form, amount and from such entities acceptable to PacifiCorp.

E. Confidentiality

PacifiCorp will attempt to maintain the confidentiality of all bids submitted, to the extent allowed by law or regulatory order, as long as such confidentiality does not adversely impact a PacifiCorp regulatory proceeding.

It is the Bidder's responsibility to clearly indicate in its proposal what information it deems to be confidential. Bidders may not mark their entire proposal as confidential, but must mark specific information on individual pages as confidential, in order to receive confidential treatment for such information.

All information supplied to PacifiCorp or generated internally by PacifiCorp shall remain the property of PacifiCorp. Bidder shall maintain the confidentiality of such information and shall not make it available to any entity before, during or after this 2011 Transportation RFP process, unless required by law or regulatory order. The Bidder expressly acknowledges that PacifiCorp may retain information submitted by the Bidder in connection with this 2011 Transportation RFP.

Only those PacifiCorp employees who are directly involved in this 2011 Transportation RFP process or with the need to know for business reasons will be afforded the opportunity to view submitted bids or Bidder information.

Bidders should be aware that information supplied by Bidders may be requested and supplied during discovery in docketed or other regulatory proceedings, subject to appropriate confidentiality provisions applicable to that particular proceeding. This means that parties to docketed proceedings may request to view confidential information. If such a request were to occur, PacifiCorp will attempt to prevent such confidential Bidder information from being supplied to intervening parties who are Bidders or who may be providing services to a Bidder, but PacifiCorp shall not be held liable for any information that it is ordered to be released or that is inadvertently released.

SECTION 3. PRODUCT DEFINITION

The 2011 Transportation RFP is soliciting four separate potential products. Please identify in your proposal which Product corresponds to your proposal. To the extent your proposal does not conform to Product One through Product Four outlined below however, it is still a transportation proposal on either KRGT or QPC please provide the same level of detail as described below so the analysis can be completed.

Product One – Firm Transportation service for Lake Side 2 on KRGT

PacifiCorp is specifically seeking proposals for the following transportation service alternatives on KRGT:

1. Fuel Zone #1 to Lake Side.
 - Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Primary Delivery Point – Lake Side (#024032)
 - Primary Receipt Point(s) – Opal, Pioneer, or other receipt point upstream of Muddy Creek Compressor Station
2. Fuel Zone #1 to Lake Side and Goshen.

- Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Contracting date – PacifiCorp intends to have all firm transportation arrangements will be executed prior to January 1, 2012 starting on or before April 1, 2014.
 - Primary Delivery Points – Lake Side (#024032) and Goshen (#024029)
 - Primary Receipt Point(s) – Opal, Pioneer, or other receipt point upstream of Muddy Creek Compressor Station
3. Fuel Zone #1 Lake Side, Goshen, and Arrolime.
- Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Contracting date – PacifiCorp intends to have all firm transportation arrangements contracted before January 1, 2012.
 - Primary Delivery Points – Lake Side (#024032), Goshen (#024029), and Arrolime (#024023)
 - Primary Receipt Point – Opal, Pioneer, or other receipt point upstream of Muddy Creek Compressor Station
4. Goshen to Lake Side
- Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Contracting date – PacifiCorp intends to have all firm transportation arrangements contracted before January 1, 2012.
 - Primary Delivery Points – Lake Side (#024032),
 - Primary Receipt Point – Goshen (#014010)
5. PacifiCorp will also consider any alternative proposals that KRGT believes will facilitate (directly or indirectly) delivery to Lake Side 2.

Product 2 – Firm Transportation Service on QPC

PacifiCorp is specifically seeking proposals for the following transportation service alternatives on QPC:

1. Various points to Goshen.
 - Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Contracting date – PacifiCorp intends to have all firm transportation arrangements contracted before January 1, 2012.
 - Primary Delivery Point – Goshen (map 336)

- Primary Receipt Point(s) – Negotiable
2. PacifiCorp will also consider any alternative proposals that Questar Pipeline Company believes will facilitate (directly or indirectly) delivery to Lake Side 2.

Product 3- Existing KRG T Shipper

1. Fuel Zone #1 to Lake Side.
 - Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Primary Delivery Point – Lake Side (#024032)
 - Primary Receipt Point(s) – Opal, Pioneer, or other receipt point upstream of Muddy Creek Compressor Station
2. Fuel Zone #1 to Goshen.
 - Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Primary Delivery Point – Goshen (#024029)
 - Primary Receipt Point(s) – Opal, Pioneer, or other receipt point upstream of Muddy Creek Compressor Station
3. Fuel Zone #1 Lake Side, Goshen, and Arrolime.
 - Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Primary Delivery Points – Lake Side (#024032), Goshen (#024029), and Arrolime (#024023)
 - Primary Receipt Point – Opal, Pioneer, or other receipt point upstream of Muddy Creek Compressor Station
4. Goshen to Lake Side
 - Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Primary Delivery Points – Lake Side (#024032),
 - Primary Receipt Point – Goshen (#014010)
5. PacifiCorp will also consider any alternative proposals that Bidder believes will facilitate (directly or indirectly) delivery from supply points to the KRG T Lake Side delivery point.

Product 4 – Existing QPC Shipper

1. Various points to Goshen.
 - Total Capacity = up to 90,000 MMBtu per day.
 - In service date for capacity – The current estimate is on or before April 1, 2014. Plant construction, testing, and commissioning schedules may impact this date.
 - Primary Delivery Point – Goshen (map 336)
 - Primary Receipt Point(s) – Negotiable
2. PacifiCorp will also consider any alternative proposals that Bidder believes will facilitate (directly or indirectly) delivery to Lake Side 2.

SECTION 4. AWARDING CONTRACTS

A. Invitation

The 2011 Transportation RFP is merely an invitation to make proposals to PacifiCorp. No proposal in and of itself is a binding contract. PacifiCorp may, in its sole and absolute discretion, perform any one or more of the following:

1. Determine which proposals are eligible for consideration as proposals in response to this 2011 Transportation RFP.
2. Issue additional subsequent solicitations for information and conduct investigations with respect to the qualifications of each respondent. Negotiate and respond to Bidders to amend any proposals.
3. Select and enter into agreements with the respondents who, in the Company's sole judgment, are most responsive to the 2011 Transportation RFP and whose proposals best satisfy the interest of the Company and its customers, and not necessarily on the basis of any single factor alone.
4. Issue additional subsequent solicitations for proposals.
5. Reject any or all proposals in whole or in part.
6. Vary any timetable.
7. Withdraw any invitation to submit a response.