



# Logistics

## Workshop Date/Time

August 8, 2018 10:00 AM – 11:00 AM

## Location

- Portland, Oregon
- PacifiCorp's Lloyd Tower – 7<sup>th</sup> Floor
- Conference Room 720

In addition to the workshop, the presentation will be screen-shared.

## Remote Participation Information

**PLEASE MUTE YOUR PHONE IF PARTICIPATING REMOTELY.**

Remote participants will be able to ask live questions during the workshop but should submit questions to the RFP email: [RFP\\_2018OCS@pacificorp.com](mailto:RFP_2018OCS@pacificorp.com) so the questions and answers can be posted.

To join the meeting and audio through your computer: <https://pacificorp.zoom.us/j/934223528>

To join by telephone: 1- 646-558-8656, or 1-669-900-6833: meeting ID: 934 223 528

# Agenda

- Overview of Community Solar
- RFP Key Points
- RFP Schedule
- Bid Proposal Types and Structures
- Interconnection and Transmission Service
- Credit and Contract Requirements
- Bid Submission Requirements
- Minimum Eligibility Requirements
- Instructions for PPA Submissions
- Appendix C-1 Form
- Bid Evaluation Process and Shortlist Selection
- Communication
- Next Steps
- Questions and Comments

# Oregon Community Solar Overview

- Key Program rules
  - Program still under development by PUC
  - Projects are limited to 3.0 MW-ac in size, must be 5 miles apart, and must be located in the Pacific Power's Oregon service territory
  - Project managers may be utilities or non-utility entities
- PacifiCorp intends to participate as a project manager
  - 3<sup>rd</sup> Party Developer will be responsible for developing, constructing, owning and operating resource
  - PacifiCorp will use this RFP process to enter into PPAs with one or more developers to acquire energy from up to 6.0 MW from two or more resources up to 3.0 MW each
  - PacifiCorp will be responsible for marketing the community solar product from these resources

# RFP – Key Points

## PacifiCorp's Oregon Community Solar (OCS) RFP

- Solar PV only. We will not accept bids that combine solar PV with other technologies such as battery storage, wind, geothermal, or hydro.
- New solar projects located in PacifiCorp's Oregon service territory with the proven ability to directly interconnect with PacifiCorp distribution or transmission system
- Achieve commercial operation prior to May 31, 2020.
- Minimum project size is 360 kW. Maximum size is 3.0 MW per project site.
- Any project submitted in this 2018 OCS RFP must demonstrate ability to obtain Qualifying Facility (QF) status as defined by Oregon Commission rules, Federal Energy Regulatory Commission rules, and the Public Utility Regulatory Policies Act of 1978 (PURPA).

## Transaction structures:

- Twenty (20) year fixed price; flat rate power purchase agreement (PPA) with exclusive ownership by PacifiCorp of any and all environmental attributes associated with all energy generated. Each proposal should include an irrevocable firm fixed price purchase option for PacifiCorp, exercisable by PacifiCorp prior to the project's commercial operations date.
- Not accepting "build-transfer" structures.

# Bid Proposal Types & Structures

PPAs: 20 year term; fixed price; flat rate – No “Build Transfer.”

- Flat rate PPA pricing without escalation.
- Bidders to also provide irrevocable firm fixed price purchase option for PacifiCorp, exercisable by PacifiCorp prior to the project’s commercial operations date.

Solar PV only – no other technologies.

Bids must be fixed price with no prices tied to an index.

PacifiCorp retains ownership of any and all environmental attributes associated with all energy generated.

# Interconnection and Transmission Service

## Minimum bid eligibility requirements

- Bidder must provide evidence that the proposed project has sought interconnection service with PacifiCorp's system as a qualifying facility
  - Interconnection should be studied as a Network Resource (NR).
- At a minimum, Bidder must provide an executed interconnection feasibility study agreement or system impact study agreement with PacifiCorp's transmission function.

## Impact on Selection Process

- Prior to PPA execution, PacifiCorp will require all bidders to provide a completed interconnection System Impact Study (SIS) as a Network Resource (NR).
- Bidder is responsible for all direct assigned and network upgrade costs.

# Credit and Contract Requirements

## Minimum bid eligibility requirements

PacifiCorp views potential credit exposure as the cost it would incur in the event the resource failed to reach COD by May 31, 2020.

- Bidders will be required to post credit assurances based on creditworthiness of bidder or bidder credit support provider.
- Bidders will be required to show in bid proposal the ability to post any required credit assurances in the form of a commitment letter from a proposed guarantor or from a financial institution that would be issuing a Letter of Credit.

## Required PPA Security

- **Development Security: \$50.00/kW**, based upon nameplate project size, to be provided at contract execution.
- **Default Security: \$50.00/kW**, based upon nameplate project size, for Years 1-10. Increased to **\$90.00/kW**, based upon nameplate project size, for Years 11-20.



# 2018OCS RFP Schedule

<b><u>Milestone</u></b>	<b><u>Date</u></b>	<b><u>Day of Week</u></b>
RFP Issued to Market	07/17/2018	Tuesday
Bidder's Conference	08/08/2018	Wednesday
<b>Notice of Notice of Interest Due</b>	<b>08/08/2018</b>	<b>Wednesday</b>
<b>RFP Bids Due</b>	<b>08/23/2018</b>	<b>Tuesday</b>
Shortlist Completed/ Bidders Notified	09/14/2018	Friday
Shortlist Price Update Due	09/20/2018	Thursday
Shortlist Evaluation Completed	10/04/2018	Thursday
Execute Agreements	11/28/2018	Wednesday

# Bid Submission Requirements

## **FIRST STEP:**     Notice of Interest

Bidders who intend to be considered as part of this RFP process should provide a “notice of interest” by Wednesday, August 8, 2018. Notice of interest should be sent by email to: [RFP\\_2018OCS@pacificorp.com](mailto:RFP_2018OCS@pacificorp.com)

The notice of interest should include following information:

- Company name
- Company address
- Contact name
- Contact phone number
- Contact email address
- Project location (county, at minimum)
- Project size

PacifiCorp will use this information for purposes of providing notice of any changes to the RFP or other details pertaining to the RFP.

# Bid Submission Requirements

## SECOND STEP: Submission of Bids and Bid Fees

Three forms of submittal are required. THE BID MUST BE ORGANIZED IN THE SAME ORDER AS THE INFORMATION IS REQUESTED IN THIS RFP.

- First, a single signed original hard copy of the bid is required. All submitted bids must be transmitted by express, certified or registered mail, or hand delivery to the following address:  
  
**PacifiCorp 2018OCS RFP**  
Attention: Resource & Commercial Strategy  
825 NE Multnomah, Suite 600  
Portland, Oregon 97232
- Second, along with the physical submission (hard copy), the mailer package should also include one (1) copy of the full proposal on a USB flash drive.
- Third, bidders must submit one (1) electronic copy to PacifiCorp at: [rfp\\_2018OCS@pacificorp.com](mailto:rfp_2018OCS@pacificorp.com). Bids larger than 25 MB should be split up into separate emails so not to be rejected due to size. PacifiCorp will confirm all email submittals.

PacifiCorp may reject any bid that fails to follow these instructions.

Bids will be accepted until **5:00 p.m. Pacific Prevailing Time** on **Tuesday August 23, 2018**

- \* **Non-refundable bid fees** shall be paid by wire transfer to PacifiCorp. PacifiCorp will email wire transfer instructions **by Monday August 13, 2018** to bidders who have submitted a notice of intent to bid. Bidder shall provide documentation of submitted bid fees, such as a receipt of the wire transfer or wire transfer confirmation number when bid is submitted.

# Bid Submission Requirements

## Non Refundable Bid Evaluation Fees:

### Bid fees apply to all bidders

Bid Fee is \$1,000 for each base proposal and two (2) alternatives submitted.

- Alternatives limited to different bid sizes, contract terms, in service dates.
- A bidder may submit more than one proposal. If a bidder submits the same proposal but with three different bid sizes, the proposal will be considered one proposal with two alternatives (Alts) and the bidder will pay one bid fee.

#### Example:

Base Bid plus 2 Alts and Second Base Bid = \$1,000 (Base + 2 Alts) + \$1,000 = \$2,000

Base Bid plus 5 Alts = \$1,000 (Base + 2 Alts) + \$1,000 (3 Alts) = \$2,000

Bid fees shall be paid by wire transfer to PacifiCorp.

- By Monday August 13, 2018, PacifiCorp will email wire transfer instructions to bidders who have submitted a notice of interest.
- No cashier's checks will be accepted.
- PacifiCorp will not refund any bid fees associated with any bid, regardless of the success or failure of that bid.

# RFP Documents Outline

RFP Main Document	Description of RFP and Procedures
RFP Appendices A-O	General Overview of Appendices
Appendix A	Solar Technical Specifications (Multiple files)
Appendix B	Information Required in Bid Proposal
Appendix C	Bid Summary (Appendix C-1 Excel file to be submitted with bid)
Appendix D	Bidder's Credit Information
Appendix E-1	PPA Instructions to Bidders
Appendix E-2	Power Purchase Agreement (PPA) Pro forma and multiple PPA appendices
Appendix F-1	RESERVED
Appendix F-2	RESERVED
Appendix G	Mutual Confidentiality Agreement and Non-Reliance Letter
Appendix H	RESERVED
Appendix I	FERC's Standards of Conduct
Appendix J	Qualifying Reporting Entity (QRE) Services Agreement – PPA only
Appendix K	RESERVED
Appendix L	RESERVED
Appendix M	RESERVED
Appendix N	RESERVED
Appendix O	RESERVED

# Bid Submission Requirements

See RFP Appendix B for full description of requirement and instructions

<b>Bid Submission Sections</b>	<b>Included Appendices</b>
Section 1 – Executive Summary of Proposal	RFP Appendix C-1 (Excel format)
Section 2 – Resource Description	RFP Appendices A-5, A-8 & A-9 (Excel format)
Section 3 – Bidders Qualifications	RFP Appendix D
Section 4 – Financial Information	RFP Appendix D
Section 5 – Pricing Proposal and Pro Forma Project Financing	RFP Appendix C-1 (Excel format)
Section 6 – Interconnection and Transmission Service	RFP Appendix A-2
Section 7 – Environmental and Siting, Permit Matrix	RFP Appendix A-3
Section 8 – Contract Terms	RFP Appendix E-2

## Additional Information

Resource Performance Summary Report	RFP Appendices A-8
12 month x 24 hourly profile (in Excel)	RFP Appendix C-1 (Excel format)
8760 hour profile (in Excel)	RFP Appendix C-1 (Excel format)
Description of Impact of Other Factors on Output	RFP Appendices B and E-1
Siting and Facility Information	RFP Appendices B and E-1
Confidentiality Agreement	Appendix G

# Instructions for PPA Proposals

RFP Appendix B: Info Required in Bid Proposal	Project description as identified in Appendix B as it applies to a PPA.
RFP Appendix C Bid Summary and Pricing Input Sheet (Excel spreadsheet)	Complete forms in Appendix C-1. Six tabs applicable to a PPA; Bid Summary, PV Degradation, 12X24, 8760 Energy Production, PPA Pricing, Purchase Option.
RFP Appendix E-1: Legal Description of Site and Development Status	Legal description of the site as well as evidence of ability to get land control. Any site assessment reports, endangered species studies, historical artifacts reports, environmental assessments, geotechnical reports, and conditional use permits.
RFP Appendix E-1: Critical Path Schedule	Preliminary critical path schedule.
RFP Appendix A-2: Interconnection Agreement with PacifiCorp or Other Interconnection Utility	Available Interconnection Agreement and all available interconnection studies (i.e., Feasibility Study, System Impact Study, and Facility Study). Evidence of study agreement if studies are not available
RFP Appendix A-3: Permit Matrix	Completed permit matrix.
RFP Appendix A-5: Project Single-Line Drawing and Layouts	Electrical single-line drawings and site layout.
RFP Appendix A-8: Performance Summary Report	Solar performance using PV Syst and an 8760 hourly profile (in Excel) performance.
RFP Appendix G: Mutual Confidentiality Agreement & Non-Reliance Letter	CA to be executed upon making the initial short-list. Non-Reliance Letter shall be executed upon notification of making the Final Short-list.

# Appendix C-1 Instructions

A	B	C
27	TOTAL SOLAR FACILITY LOSSES	0.00
28	YEAR 1 Expected Annual Energy Production (calculated) on an AC Basis at the Point of Interconnection, or YEAR 1 Net Capacity Factor. YEAR 1 Net Capacity Factor (NCF) is the ratio of its actual output over a period of time, to its potential output if it were possible for it to operate at full nameplate capacity continuously over the same period of time; therefore ALL electrical, mechanical, soiling, weather related losses, and other losses (as defined below above) have been removed from the YEAR 1 Gross Capacity Factor. NOTE: THE 8760 AND 12 x 24 ENERGY PRODUCTION THAT YOU PROVIDE IN A SUBSEQUENT TAB MUST EQUAL THIS NUMBER	
29	Minimum Guaranteed Annual Energy Production	0.00
30	Percentage of YEAR 1 Net Capacity Factor	0.00

A	B	C	D	E	F	G	H
1	Expected 8760 Net Energy delivered to PacifiCorp at p50 Production						
2	8760 MWh/hour at Pacific Standard Time						
3	Note: the annual 8760 total MUST equal the NCF (as defined in line 28 of the Bid Summary page)						
4			TRUE			MWhs	%
5	Line C109 of the Bid Summary=		-		NCF	-	0.00%
6	Month	Day	Hour Ending	MWh			
7	1	1	1	0.0			
8	1	1	2	0.0			
9	1	1	3	0.0			
10	1	1	4	0.0			
11	1	1	5	0.0			

- Sum of losses should tie out to Annual Energy Production and Year 1 NCF
- 8760 and 12X24: The annual 8760 total must equal the NCF (as defined by line 28 of the Bid Summary)



# Bidder Minimum Eligibility Requirements

- Each bid will be reviewed and screened by PacifiCorp during due diligence on these requirements including calls with bidders.
- Bidders will be given an opportunity to cure any deficiencies identified during the due diligence phase. Cure period under this RFP is 24 hours from notification to the bidder of a deficiency.
- Key points from RFP Main Document, Section 3.H.
  - Failure to meet the requirements described in this RFP and provide all information requested in Appendix C - Bid Summary and Pricing Input Sheet of this RFP.
  - Failure to provide a firm offer through the bid validity date outlined in Section 3.F. of this RFP.
  - Failure to clearly specify all pricing terms for each alternative(s).
  - Failure to offer capacity and energy, directly interconnected with PacifiCorp's distribution or transmission system.
  - Failure to provide evidence that the proposed project has met the minimum interconnection or transmission service documentation requirements. Project has at a minimum an executed interconnection feasibility study agreement or system impact study agreement with PacifiCorp's transmission function
  - Failure to provide interconnection costs and transmission service costs, if applicable, in bid proposal.
  - Failure to demonstrate a process to adequately acquire or purchase major equipment.
  - Failure to demonstrate that it can meet the credit security requirements for the renewable resource proposed.
  - Failure to provide documentation demonstrating ability to obtain site control for the project excluding right-of-way or easements for transmission, roads, or access to the site.

# Evaluation Process Overview

- PacifiCorp will evaluate proposals based on the following:
  - PPA price
  - Deliverability and development status, including demonstration that the commercial operation date will be achieved by May 31, 2020
  - Solar module and major equipment procurement strategy
  - QF and interconnection status
  - Acceptable credit security
  - Conformance to the pro forma agreements provided with the RFP
  - Initial shortlist score and ranking will be determined on:
    - Price 70%
    - Non-price 30%
    - Price and non-price summed and ranked.

# Initial Shortlist Selection

- Initial Shortlist Target of 12 MW of aggregate solar projects that interconnect with PacifiCorp's system.
- Internal assumptions for key financial inputs and PacifiCorp carrying costs will be applied to market bids, as applicable.
- Directly assigned and network upgrade costs associated with the physical interconnection of the project to PacifiCorp's system will be included as part of the initial shortlist evaluation
- Bids ranked on combined price and non-price results.
- Bids notified of their selection to the initial shortlist will be given an opportunity to provide best and final pricing.

# Communication

Communications with PacifiCorp can be emailed to the following email addresses:

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

PacifiCorp's RFP website will post all updates and Q&A under Documents on webpage:

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

# Next Steps

Questions or comments regarding this workshop and the 2018OCS RFP can be submitted to PacifiCorp as identified on the Communication slide. Note that questions submitted for response on RFP bid submittal has a cut-off date of August 22, 2018.

Developers should Submittal of Notice of Interest by August 8, 2018. Please provide the information requested in the “First Step” section of the Bid Submission Requirements slide to PacifiCorp’s email address noted on the Communications slide.

Directions for submitting bid fees electronically will be sent to bidders submitting a Notice of Interest on August 8, 2018.

**Bids Due – August 23, 2018**

# Questions and Comments

2018OCS RFP information and updates, including instructions for providing questions or comments, will be provided at [www.pacificorp.com/sup/rfps/2018OCS-rfp.html](http://www.pacificorp.com/sup/rfps/2018OCS-rfp.html) as information is developed.

General questions can be submitted to PacifiCorp per the Communications slide.