



2025 Washington Situs Request for Proposals (2025 WA Situs RFP)

ISSUED: TBD

BIDS DUE: TBD

PacifiCorp 2025 WA Situs RFP Resource & Commercial Strategy 2025WASitusRFP@pacificorp.com



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SECTION 1. OVERVIEW

A. PURPOSE AND SCOPE OF RFP

The PacifiCorp 2025 Integrated Resource Plan (IRP) established an action item to initiate a Request for Proposals (RFP) to procure resources for its Washington customers that are aligned with the 2025 IRP preferred portfolio and that can achieve commercial operations by the end of December 2029. Based on current estimated projections, the 2025 IRP calls for:

- 524 megawatts of new proxy utility-scale solar resources
- 466 megawatts of new proxy utility-scale wind resources
- 1,147 megawatts of new proxy four-hour duration energy storage resources
- 238 megawatts of new proxy energy storage resources with at least twenty-four hours duration

Due to concerns with transmission availability between the west and east sides of PacifiCorp's system, all resources identified in the 2025 IRP for Washington are located on the west side of PacifiCorp's system.²

Consistent with these identified needs, PacifiCorp 2025 WA Situs RFP will accept and evaluate cost-competitive bids for resources with the following characteristics:

- 1. A minimum nameplate capacity of 1 megawatt;
- 2. Electricity generation from wind, photovoltaic (PV) solar, wave, geothermal, hydroelectric, qualified biomass,³ or other non-emitting energy sources pursuant to the Washington Clean Energy Transformation Act, 2019 (CETA);
- 3. Energy storage resources (e.g., battery);⁴
- Guaranteed Commercial Operation Date (GCOD) on or before December 31, 2029;⁵
- Registration of the resource in WREGIS within 90 days of COD, with ongoing maintenance of WREGIS registration throughout the term of the agreement with PacifiCorp;
- 6. Bid pricing held firm through September, 2026. Bid pricing is due no earlier than February 9, 2026—ten days after completion of the Round 1 Transmission Consulting Agreement Studies; and

¹ PacifiCorp 2025 Integrated Resource Plan, Chapter 1, Action Item 2b.

² RFP Transmission Consulting Agreement Studies will confirm resource deliverability to PacifiCorp's Washington load. See section 1.B Interconnection Requirements.

³ RCW 19.285.030

⁴ For bids including storage, additional criteria is provided in Appendix C-2 - Bid Summary and Pricing Input Sheet.

⁵ Note Section 11.1.2 in each of the two pro forma power purchase agreements. Commercial operation dates prior to December 31, 2029, must have a contract term that terminates no earlier than December 31, 2034.



7. Compliance with the minimum eligibility requirements listed in <u>Section 3.H</u> <u>Minimum Eligibility Requirements for Bidder</u> of the RFP and all other RFP requirements.

Bidders who have questions about minimum eligibility requirements or any other questions concerning the information presented in this RFP issuance may submit a question(s) to PacifiCorp at: 2025WASitusRFP@pacificorp.com for clarification.

This document outlines the 2025 WA Situs RFP process and requirements. **PACIFICORP IS NOT BOUND TO ACCEPT ANY BIDS AND MAY CANCEL OR SUSPEND THIS SOLICITATION AT ANY TIME AND AT ITS OWN DISCRETION.**

B. INTERCONNECTION REQUIREMENTS

Bidders submitting bids into the 2025 WA Situs RFP that include any of the following interconnection configurations must meet the following corresponding interconnection requirements:

Proposed interconnection to PacifiCorp's transmission system in PACW: Bids proposing interconnection to PacifiCorp's transmission system within its PACW balancing area must demonstrate the ability of the bid resources to interconnect to a transmission or distribution system by providing one of the following: 1) a completed interconnection system impact study and/or facilities study, or, 2) confirmation from PacifiCorp Transmission that Bidder's proposed interconnection request has passed the screens as part of the Initial Review process or Supplemental Review process under the Fast Track Process for small generation interconnection service, ⁶ or 3) a fully executed interconnection agreement. Informational interconnection studies are not sufficient interconnection documentation to be considered eligible under the 2025 WA Situs RFP.

Proposed interconnection to PacifiCorp's transmission system in PACE: Bids proposing interconnection to PacifiCorp's transmission system within its PACE balancing area must demonstrate the ability of the bid resource to interconnect to PacifiCorp's transmission or distribution system by providing one of the following: 1) a completed system impact and/or facilities study from PacifiCorp Transmission, confirming the resource's ability to interconnect to PacifiCorp's transmission or distribution system in its PACE balancing area, if such study or agreement is completed, and 2) satisfactory evidence⁷ that long-term, firm, point-to-point transmission rights are secured in name of

⁶ "Fast Track Process", "screens", "Initial Review" and "Supplemental Review" are all described in PacifiCorp Transmission's Open Access Transmission Tariff (OATT).

⁷ Transmission service documentation of ability to deliver to PacifiCorp's system is two-fold: first, long-term, firm capacity is available on third-party transmission provider and second, Bidder has made a request to the third-party transmission provider to acquire firm point-to-point transmission service to PacifiCorp's transmission system in its PACW balancing area. Documentation must include copies of direct, dated



the Bidder or project owner or readily obtainable by Bidder, to deliver the full output of the resource to PacifiCorp's Transmission system in its PACW balancing area on or before December 31, 2029.

Proposed interconnection to a third-party transmission system: For bids proposing interconnection to a third-party transmission system with secure transmission service to deliver the output of the resource to PacifiCorp's transmission system in its PACW balancing area, Bidders must provide 1) a completed system impact and/or facilities study by the third-party transmission provider, confirming ability to interconnect to the third party's transmission or distribution system, if such study or agreement is completed, and 2) satisfactory evidence⁸ that long-term, firm, point-to-point transmission rights are either secured in name of the Bidder or project owner, or are readily obtainable by Bidder to deliver the full output of the resource to PacifiCorp on or before December 31, 2029.

C. TRANSACTION TYPE

PacifiCorp is accepting qualified proposals for transactions using 1) existing resources from Bidders who currently own or have legally binding rights to operate existing resources, and 2) new resources from Bidders with development rights to construct new resources. PacifiCorp will accept bids in the 2025 WA Situs RFP from existing operating facilities subject to the following conditions:

- 1. Bidder cannot terminate an existing contract with PacifiCorp to bid into the 2025 WA Situs RFP; and
- 2. The existing contract must expire before the required on-line date as identified in a Bidder's proposal, but no later than December 31, 2029; and
- 3. The submitted bid must meet all other requirements in the 2025 WA Situs RFP.

PacifiCorp will consider proposals with the following transaction structures:

correspondence from transmission service provider to Bidder, showing evidence of a request for transmission service, and transmission provider is indicating to Bidder that long-term, firm, uninterruptible transmission service will be available for Bidder to procure, for a specified OATT service, and an identified MW capacity, point of receipt, point of delivery, and term. Dated correspondence must be at least within six (6) months of bid submittal.

⁸ Transmission service documentation of ability to deliver to PacifiCorp's system is two-fold: first, long-term, firm capacity is available on third-party transmission provider and second, Bidder has made a request to the third-party transmission provider to acquire firm point-to-point transmission service to PacifiCorp's transmission system in its PACW balancing area. Documentation must include copies of direct, dated correspondence from transmission service provider to Bidder, showing evidence of a request for transmission service, and transmission provider is indicating to Bidder that long-term, firm, uninterruptible transmission service will be available for Bidder to procure, for a specified OATT service, and an identified MW capacity, point of receipt, point of delivery, and term. Dated correspondence must be at least within six (6) months of bid submittal.



- 1. Power Purchase Agreement (PPA) transaction for exclusive ownership by PacifiCorp of any and all energy, capacity, ancillary services (including reactive power) and environmental attributes associated with the generation (and storage if included in the bid). PacifiCorp will consider PPA terms between 5 and 20 years. PacifiCorp provides two forms of PPA: generation-only resources and generation resources co-located with a battery energy storage system (BESS) resource. With respect to co-located resources, the term length must be the same term for both the generation and the storage resource. PacifiCorp requires full dispatch control of the co-located or standalone battery (charge and discharge) as addressed in contractual terms in the applicable appendices to this RFP.
- 2. **Stand-alone Energy Storage Agreement (ESA)** transaction whereby PacifiCorp controls the output of a standalone storage resource (BESS, Pumped storage hydro (PSH) or other). PacifiCorp will consider energy storage agreement terms between 5 and 20 years, or for PSH bids up to the term of the operating license.

D. OPERATING CAPABILITIES OF THE RESOURCE

All bids must have the ability to comply with technical and operating specifications for Automated Generation Control (AGC) for automated signal operation and Automatic Voltage Regulation functionality and be capable of following a four second signal. Bidders must review and understand the North American Electric Reliability Corporation (NERC) guidelines regarding technical requirements. Further details concerning AGC can be found in the pro forma PPA attached in Appendix E-1 – PPA for Generation Only, Appendix E-2 – PPA for Generation with Storage, and Appendix E-3 - ESA for Energy Storage.

SECTION 2. PROCEDURAL ITEMS

PacifiCorp will evaluate proposals based on the following:

- 1. Conformance with the RFP minimum eligibility requirements,
- 2. Final score and ranking for each conforming bid, per <u>Section 6 Bid Evaluation and Selection</u>,
- 3. Technical design, feasibility, and compliance with the documentation in **Appendix** A **Technical Specifications and Required Submittals**,
- 4. Ability to provide acceptable credit security as determined per **Appendix D Bidder's Credit Information**,
- Acceptance of the standard form PPA and/or ESA contract provided in Appendix E-1 PPA for Generation Only, Appendix E-2 - PPA for Generation with Storage, or Appendix E-3 - ESA for Energy Storage, and

⁹ Please refer to NERC, Improvements to Interconnection Requirements for BPS-Connected Inverter-Based Resources, September 2019.



6. Risks and benefits to vulnerable populations and highly impacted communities as detailed in WAC 480-107-035 (see <u>Section 6.F Non-Price Scoring</u>).

A. STANDARDS OF CONDUCT; SEPARATION OF FUNCTIONS

Each Bidder responding to this RFP must conduct its communications and activities in recognition of PacifiCorp's obligation to comply with the Federal Energy Regulatory Commission (FERC)'s Standards of Conduct for Transmission Providers in **Appendix I – Standards of Conduct; Separation of Functions**, which require the functional separation of PacifiCorp's transmission and merchant functions. Interconnection with or transmission service on PacifiCorp's system is arranged through PacifiCorp's transmission function, and not PacifiCorp's merchant function, which administers this RFP. As part of a bid submittal, Bidders will be requested to execute a customer consent form provided in **Appendix J – Seller Authorization to Release Generation Data to PacifiCorp** that enables PacifiCorp's merchant function to discuss the Bidder's interconnection and/or transmission service application(s) with PacifiCorp's transmission function.

B. CONFIDENTIALITY

As described in <u>Section 3.C Bidder Notice of Intent</u> below, before bid submittal, Bidders will be required to execute a confidentiality agreement in the form provided in **Appendix G-1 – Confidentiality Agreement.** As provided in the form of a confidentiality agreement, PacifiCorp will endeavor to maintain the confidentiality of all bids submitted, to the extent consistent with law or regulatory order. Washington state requires that within thirty days after the bid close date, the utility must post on its public website a summary of each bid the utility has received. PacifiCorp will endeavor to post a generic but complete description and protect confidential data to the extent Washington procurement rules allow. ¹⁰ It is the Bidder's responsibility to clearly indicate in its proposal what information it deems to be confidential and subject to the terms of the executed confidentiality agreement. Bidders may not designate an entire proposal as confidential. To ensure specific information is treated confidentially under the executed confidentiality agreement, bidders must clearly mark that information as confidential on the individual pages where it appears.

All information supplied to PacifiCorp or generated internally by PacifiCorp is and will remain the property of PacifiCorp. To the extent Bidder receives information from PacifiCorp, Bidder must maintain the confidentiality of such information and such information may not be provided to any third-party before, during or after this RFP process unless required by law or regulatory order.

¹⁰ WAC 480-107-035(5)



C. PACIFICORP'S RESERVATION OF RIGHTS AND DISCLAIMERS

PacifiCorp reserves the right, without limitation or qualification and in its sole discretion, to reject any or all bids, and to terminate or suspend this RFP in whole or in part at any time. Without limiting the foregoing, PacifiCorp reserves the right to reject as non-responsive any or all bid proposals received if they fail to meet any requirement of this RFP. 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 regulations or regulatory requirements that impact PacifiCorp, and any evidence of collusive bidding or other anticompetitive behavior or conduct of bidders.

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

SECTION 3. GENERAL INFORMATION AND LOGISTICS

A. SCHEDULE

The proposed 2025 WA Situs RFP schedule is shown below and is subject to change. 11

Event	Date
RFP issued to market and publicized	08/26/2025
Bidder workshop	09/10/2025
Notice of Intent to Bid due	09/24/2025
Last day for Bidder questions to PacifiCorp	10/08/2025
Bid due	10/22/2025
Round 1 Transmission Consulting Agreement Studies commence	10/29/2025
Round 1 Transmission Consulting Agreement Studies complete	01/29/2026
Bid pricing due date	02/09/2026
Round 2 Transmission Consulting Agreement Studies commence	02/05/2026
Round 2 Transmission Consulting Agreement Studies complete	05/05/2026
Evaluation of bid energy performance report complete	05/05/2026

¹¹ Schedule changes will be posted to PacifiCorp's 2025 WA SITUS RFP website: https://www.pacificorp.com/content/pcorp/pacificorp/en/suppliers/rfps/2025-washington-situs-rfp.html



Bid evaluations and ranking complete	05/27/2026
Contracts finalized and executed	Third Quarter 2026
Guaranteed Commercial Operation Date (GCOD)	12/31/2029

The schedule above is subject to change. Actual dates may change due to various factors, including, but not limited to, the duration of negotiation, availability of key personnel, due diligence processes or the evaluation or resolution of any issues unique to any bid, Bidder, or facility. PacifiCorp is not responsible for any costs or damages to Bidders alleged to be attributable to changes in the RFP schedule stated above. PacifiCorp is not obligated to develop a shortlist of Bidders, to make a final selection, or to initiate or complete negotiations on any transaction.

Bidders must be available for calls and meetings with PacifiCorp regarding bid submittals and be responsive to bid deficiency questions within two (2) business days.

B. 2025 WA SITUS RFP BIDDER WORKSHOP

A Bidder workshop will be scheduled and will cover the 2025 WA Situs RFP structure, deliverables, schedule, requirements, required forms and interconnection requirements. The Bidder workshop will be conducted as a Microsoft Teams meeting for remote attendance. Additional details on the Bidder workshop will be posted to the PacifiCorp website at https://www.pacificorp.com/content/pcorp/pacificorp/en/suppliers/rfps/2025-washington-situs-rfp.html.

C. BIDDER NOTICE OF INTENT

In order to be accepted as a Bidder in the 2025 WA Situs RFP, the following documents must be completed and submitted electronically to the PacifiCorp email address provided below, no later than 5:00 p.m. Pacific Prevailing Time on September 24, 2025:

- 1. Appendix B-1 Notice of Intent to Bid
- 2. Appendix D Bidder's Credit Information
- 3. Appendix G-1 Confidentiality Agreement

Email: 2025WASitusRFP@PacifiCorp.com

After PacifiCorp receives the Notice of Intent to Bid form, an acknowledgment of receipt and wire transfer instructions for bid submittal fees and bid deposits will be provided in **Appendix W – Wire Transfer Instructions for Bid Fee and Deposits**.

D. SUBMISSION OF QUESTIONS

Bidders may submit questions regarding this solicitation via email. PacifiCorp will provide timely responses and will maintain the confidentiality of the party submitting the



questions. All questions and PacifiCorp's corresponding responses will be posted on the PacifiCorp website.

Bidders may submit questions to PacifiCorp at: 2025WASitusRFP@pacificorp.com

E. SUBMISSION OF BIDS

Each proposal submitted must include a cover letter signed by one or more representatives with the requisite corporate or other organizational authority to approve and submit the Bidder's proposal. Additionally, the cover letter must also include the following declaration, which may not be edited without the express approval of PacifiCorp:

"[Insert legal name of Bidder] (the "Bidder") acknowledges receipt of PacifiCorp's 2025 WA Situs Request for Proposal on or about [DATE]. Bidder makes the following representations to PacifiCorp:

- 1. All the statements and representations made in this proposal are true to the best of Bidder's knowledge and belief.
- 2. Bidder possesses ownership of, leasehold interest in, right to develop site, or valid title to property on which the resources included in this bid are located.
- 3. Bidder possesses or will obtain all required permits to site, construct and operate applicable facility(ies) under the bid.
- 4. Bidder agrees to comply with Appendix S Cyber Security Requirements.
- 5. Bidder holds PacifiCorp harmless for all development activities related to the applicable facility(ies) under the bid.
- 6. With respect to any existing facility(ies) under the bid, Bidder has registered in WREGIS. With respect to any new facility(ies) to be constructed under the bid, Bidder will register in WREGIS within 90 days of COD. In either case, Bidder agrees it will maintain the WREGIS registration for the full term of the PPA.
- 7. Bid pricing takes into account the risk profile and other terms and conditions of the transaction documents in Appendix E-1 PPA for Generation Only, Appendix E-2 PPA for Generation with Storage, or Appendix E-3 ESA for Energy Storage, as currently drafted without modification.
- 8. This proposal is a firm and binding proposal through September 30, 2026.

¹² If the proposal is submitted under a partnership, the partnership must be fully established, including a legally binding agreement among the partners (not a letter of intent), before submission of a proposal under this RFP. Each partner must be bound to comply with the terms of this RFP and the proposal. The signature of each partner must be included on the cover letter, along with their contact information (i.e., company name, phone number, email address, etc.). The proposal must include evidence documenting the legal and binding partnership.



9. Bidder agrees that bid pricing will not be submitted until the date specified in the schedule set forth in the RFP main document. Upon submission, such pricing shall be considered firm and binding through September 30, 2026.

PACIFICORP IS ACCEPTING ONLY ELECTRONIC COPIES OF A BID AND WILL NOT ACCEPT HARD COPIES.

For each individual bid, Bidder must submit one (1) electronic copy of the bid, sent to the RFP email address specified below. The bid must include any required forms in PDF format and Microsoft Excel format, including all appendices and exhibit sheets. Hard copy submittals will not be accepted.

Each bid must be submitted as a separate document. For example, if submitting three bids, they must be sent in three separate emails—one for each bid.

Submit bid(s) via email to PacifiCorp at: 2025WASitusRFP@pacificorp.com

Bidders must be aware of file size when delivering the electronic copy of their bids. PacifiCorp suggests limiting the size of each email with attached files to no more than 20 MB to ensure email delivery. Bidders may submit multiple emails for their bids and must label the emails accordingly (i.e. "1 of 3...," "2 of 3...," "3 of 3...").

PacifiCorp will respond with email(s) confirming receipt.

Bids will be accepted until 5:00 p.m. Pacific Prevailing Time on October 22, 2025.

PacifiCorp will not accept any late proposals. Any bids received after dates and times stated above will be deleted.

All bid proposals will have a bid validity date through September 30, 2026. However, bid pricing is not to be submitted until the date specified in the schedule set forth in the RFP main document. Once submitted, the pricing will remain firm and binding through September 30, 2026.

Bidders must submit complete proposals that include the following items:

Each bid submission must include all the requirements listed in <u>Section 4 RFP Content and</u> Submittal Instructions of this RFP document.

F. BID SUBMISSION INITIAL FEES AND BID DEPOSITS

Fee/Deposit	Amount	Activity	Refundable/Non-Refundable	
Due by bid submission due date				
Bid Submission Initial Fee	\$5,000	This initial fee covers costs associated with minimum eligibility requirements screening, bid modeling, bid evaluation and bid scoring.	Non-refundable.	



\$10,000	A deposit of \$10,000 will be used to cover costs associated with a study to determine whether the facility is deliverable to PacifiCorp's Washington load by December 31, 2029. **This deposit may be waived for bidders who have already submitted the \$10,000 deposit for an identical bid in either the PacifiCorp 2025 OR Small Scale Renewable RFP or the PacifiCorp 2025 OR Situs RFP.	This deposit may be refundable if the costs are less than the deposit. If the costs of the studies are higher than the deposit, PacifiCorp may request the Bidder to cover an overage amount where actual study cost exceeds the deposit amount. See appendix V for due dates for deposits and handling
	Due within 7 days of notification	on
\$10,000	A deposit of \$10,000 will be used to cover costs associated with a study to determine any network upgrade costs associated with the facility for deliverability to PacifiCorp's Washington load by December 31, 2029.	This deposit may be refundable if the costs are less than the deposit. If the costs of the studies are higher than the deposit, PacifiCorp may request the Bidder to cover an overage amount where actual study cost exceeds the deposit amount. See appendix V for due dates for deposits and handling
\$10,000	A fee of \$10,000 will be used to cover the cost associated with a forecast generation evaluation conducted by an independent evaluator hired by PacifiCorp. **This fee may be waived for bidders who have already submitted the \$10,000 deposit for an identical bid in either the PacifiCorp 2025 OR Small Scale Renewable RFP or the PacifiCorp 2025 OR	Non-refundable. Due at the same time as the deposit for Round 2 Transmission Consulting Agreement Study
	\$10,000	used to cover costs associated with a study to determine whether the facility is deliverable to PacifiCorp's Washington load by December 31, 2029. **This deposit may be waived for bidders who have already submitted the \$10,000 deposit for an identical bid in either the PacifiCorp 2025 OR Small Scale Renewable RFP or the PacifiCorp 2025 OR Situs RFP. Due within 7 days of notification \$10,000 A deposit of \$10,000 will be used to cover costs associated with a study to determine any network upgrade costs associated with the facility for deliverability to PacifiCorp's Washington load by December 31, 2029. \$10,000 A fee of \$10,000 will be used to cover the cost associated with a forecast generation evaluation conducted by an independent evaluator hired by PacifiCorp. **This fee may be waived for bidders who have already submitted the \$10,000 deposit for an identical bid in either the PacifiCorp 2025 OR

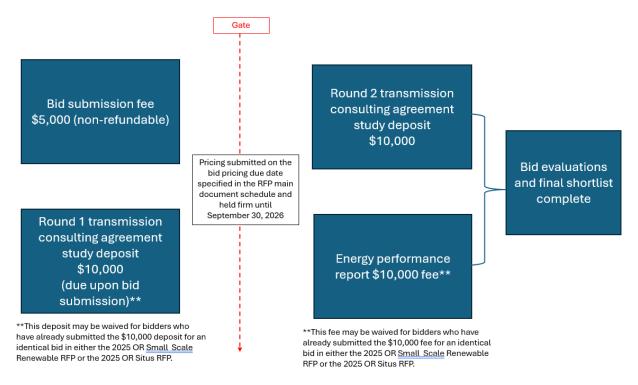


Due within 7 days of notification				
Final Bid Fee	TBD	Final reconciliation of bid fees paid as compared to costs incurred. If the costs incurred are higher than the fees collected, PacifiCorp may request that the Bidder will cover the difference.	Non-refundable.	

The Bid Fees will be used to cover the costs incurred by PacifiCorp in analyzing the proposals, transmission consulting agreement studies, and legal advisors.

<u>Section 6 Bid Evaluation and Selection</u> describes PacifiCorp's internal bid evaluation and scoring process for this RFP. A high-level diagram of the bid submission initial fee and bid deposits structure for the screening process and studies are shown in Figure 1 below:

Figure 1. Bid Submission Initial Fee and Bid Deposit Structure and Process



^{**}Note: the term "gate" is used to describe the process whereby items to the left must be successfully completed before moving on to items to the right in the figure above.



Payment of Bid Submission Initial Fees and Bid Deposits.

Bid submission initial fees and bid deposits must be paid upon bid submission via wire transfer to PacifiCorp, see **Appendix W – Wire Instructions for Bid Fee and Deposits**. No cashier's checks will be accepted. As a bid requirement, when the bid is submitted, Bidder must provide documentation of submitted bid submission initial fees and deposits, such as a PDF receipt of the wire transfer or wire transfer confirmation number. The bid submission initial fee is non-refundable. Further bid deposits outlined in the table above must also be paid via wire transfer within seven (7) days of notification. Refunds of any remaining deposits or requests for further deposit amounts are described in **Appendix V – Explanation of Bid Deposits and Processing**.

Bidder is responsible for all bid submission initial fees, bid deposits and all costs and expenses of any response to PacifiCorp in connection with its proposal for the 2025 WA Situs RFP. Such expenses may include but are not limited to 1) 2025 WA Situs RFP bid submission initial fees, 2) Bidder's deposits paid for additional studies as described in the table above, 3) Bidder's cost of providing additional information, and 4) Bidder's own expenses in negotiating and reviewing any documentation. PACIFICORP WILL HAVE NO LIABILITY OR OBLIGATION TO RETURN AMOUNTS PAID BY BIDDER IN THE EVENT OF PACIFICORP'S REJECTION OF ANY PROPOSAL, REGARDLESS OF ANY RELIANCE BY BIDDER ON ANY COMMUNICATION RECEIVED FROM PACIFICORP OR ANY OTHER REASON, UNDER ANY LEGAL THEORY OR PRINCIPLE OF EQUITY.

G. BID NUMBERING AND FILE NAMING CONVENTION

Bid numbers will be self-assigned by Bidder in accordance with the directives below. There is no limit to the number of bids that may be submitted, subject to having paid the applicable bid submission initial fee(s) and bid deposit(s) in accordance with <u>Section 3.F</u> Bid Submission Initial Fees and Bid Deposits.

Different bids must be expressed as a whole number, beginning with the number 1. Each subsequent bid will have a separate sequential bid number (i.e., 2, 3, etc.). Each bid will have a corresponding bid number which must be used to identify a corresponding **Appendix C-2 – Bid Summary and Pricing Input Sheet**. For example, the first bid will be identified as "1" and subsequent bids will be identified as "2".

File names must be kept short by using abbreviations wherever possible. All required documents must use the following naming convention:

[Abbreviated Bidder name]_[Bid number]_[Abbreviated_File_Description]

H. MINIMUM ELIGIBILITY REQUIREMENTS FOR BIDDERS

Bidders may be disqualified for failure to comply with the RFP if any of the requirements outlined in this RFP are not met to the satisfaction of PacifiCorp, as determined in PacifiCorp's sole discretion. If bids do not comply with these requirements, PacifiCorp has



the option to deem the bid non-conforming and eliminate it from further evaluation. Reasons for rejection of a Bidder or its bid include, but are not limited to:

- 1. Receipt of any bid after the bid submittal deadline.
- 2. Failure to submit the required bid submission initial fee or bid deposit when due.
- 3. Failure to meet the requirements described in this RFP and provide all information requested in **Appendix C-2 Bid Summary and Pricing Input Sheet** of this RFP.
- 4. Failure of bid resource to meet WREGIS registration requirements and agree to register in WREGIS within 90 days of COD and maintain active WREGIS registration throughout the term of any agreement with PacifiCorp.
- Bids for ineligible resources. Only bids for resources specified in <u>Section 1.A</u>
 <u>Purpose and Scope of RFP</u> will be accepted, and all submissions must conform to
 the requirements outlined in <u>Appendix A Technical Specifications and Required Submittals.</u>
- 6. Failure to adequately demonstrate the viability of and a commitment to GCOD on or before December 31, 2029.
- 7. Failure to execute **Appendix G-1 Confidentiality Agreement** and permit disclosure of proposal information to PacifiCorp's agents, contractors, regulators, or non-bidding parties to regulatory proceedings, consistent with terms of executed confidentiality agreement.
- 8. Any attempt to influence PacifiCorp's evaluation of proposals outside the solicitation process.
- 9. Failure to provide a firm proposal that remains valid through the bid validity date specified in <u>Section 3.E Submission of Bids</u> of this RFP.
- 10. Failure to disclose the commitment of any portion of the proposed resource to another entity.
- 11. Failure to disclose the real parties of interest in any submitted proposal.
- 12. Failure to clearly specify all pricing terms for each proposal.
- 13. For bids proposing on-system interconnection, failure to provide one of the following: (1) a completed system impact and/or facilities interconnection study, (2) confirmation of having passed screens (see <u>Section 1.B Interconnection Requirements</u>), or (3) a signed generation interconnection agreement, confirming ability to interconnect to PacifiCorp's transmission or distribution system.
- 14. Failure to offer the product delivered to a point of interconnection or point of delivery on PacifiCorp's transmission or distribution system in its PACW balancing area.



- 15. For any bid that is proposing to interconnect to a third-party transmission system, failure to meet the requirements in <u>Section 1.B Interconnection Requirements</u>.
- 16. Failure to demonstrate and describe in sufficient detail Bidder's ability to adequately acquire or purchase major equipment (i.e., wind turbines, solar photovoltaic panels, inverters, tracking system, generator step-up transformers, batteries) and other critical long-lead time equipment.
- 17. Failure to demonstrate that Bidder can meet the credit security requirements.
- 18. Failure to demonstrate that Bidder can meet the scheduled commercial operation date proposed.
- 19. Failure to submit information required by PacifiCorp to evaluate the proposal.
- 20. A determination by PacifiCorp that collusive bidding or any other anticompetitive behavior has occurred.
- 21. Bidder, or facility proposed in the bid, is involved in bankruptcy proceedings.
- 22. Failure of the authorized officer of the Bidder to sign the proposal cover letter as required in this document and without edits.
- 23. Any change in law or regulatory requirements that make the Bidder's proposal non-conforming.
- 24. Failure to provide the resource performance estimate information as described in Section 5.B Facility Performance Estimate Information of the RFP.
- 25. Failure to provide a performance report and model output including hourly output values as identified in **Appendix C-3 Energy Performance Report**.
- 26. Failure to provide Appendix D Bidder's Credit Information.
- 27. Bid submission that includes a requirement for PacifiCorp to provide credit assurances.
- 28. Failure to provide documentation demonstrating binding, exclusive site control for the applicable facility(ies). 13
- 29. Bid submission in which the facility(ies) description is inconsistent with that provided in the existing interconnection study and/or executed generator interconnection agreement. If any changes have been made to the proposed facility bid relative to the current interconnection documentation, the Bidder must provide written confirmation from the interconnection provider stating that a material

¹³ Site control for the 2025 WA SITUS RFP requires a definitive, exclusive and binding lease or purchase agreement or option agreement.



modification or interconnection restudy is not required and that such changes will not materially affect facility costs or estimated in-service date.

- 30. Failure to agree to track and report to PacifiCorp bidder's use of diverse businesses including, but not limited to, women-, minority-, disabled-, and veteran-owned businesses, and for resources in Washington state, failure to track and report to the utility the firm's application of the labor standards in RCW 82.08.962 and 82.12.962.¹⁴
- 31. Failure to agree to the terms and conditions in Appendix E-1 PPA for Generation Only, Appendix E-2 PPA for Generation with Storage, Appendix E-3 ESA for Energy Storage, or Appendix S Cyber Security Requirements, which may include prohibited vendors and compliance with enterprise security requirements as may evolve over the life of the proposed bid term.
- 32. For bids representing solar generation co-located with storage, failure to: demonstrate the storage facility's ability to allow PacifiCorp to dispatch and charge the storage facility from the grid; and failure to provide adequate plans for (a) recycling all battery energy storage equipment, (b) fire protection with respect to the storage facility and (c) emergency response, in compliance with all applicable requirements of law and in accordance with prudent electrical practices.

SECTION 4. RFP CONTENT AND SUBMITTAL INSTRUCTIONS

A. ALL PROPOSALS

This section outlines the required content and format for all proposals. Bids that do not include the information outlined herein may, at PacifiCorp's sole discretion, be deemed ineligible for further evaluation if the Bidder does not provide information within two (2) business days of a request by PacifiCorp. PacifiCorp may deem information not relevant as determined by PacifiCorp in its sole discretion. All sections must be complete and in compliance with the RFP <u>Section 3 General Information and Logistics</u> for the bid to be accepted.

B. GENERAL ORGANIZATION OF THE BID SUBMITTAL

Appendix B-2 – Bid Proposal Instructions and Required Information outlines the proposal instructions and requirements for submitting a bid. Each item listed in the appendix document is required unless it is specified as optional. Bids that are missing any of the required submittals identified in Appendix B-2 may be deemed ineligible for this RFP.

¹⁴ WAC 480-107-075(3)



C. PPA AND ESA PROPOSALS

For new or existing generating and or storage facilities, PacifiCorp will consider transaction structures whereby the Bidder develops the facility, assumes responsibility for construction and sells the power (and non-power attributes) and or storage services to PacifiCorp on a long-term basis, pursuant to the terms of a standard-form PPA or ESA, which will include certain performance guarantees. The Bidder will be responsible for all aspects of the development and construction of the facility, including, but not limited to, permitting, engineering, procurement, construction, interconnection and long-term asset management and operational costs. Without limiting the foregoing, the Bidder will be responsible for obtaining all permits, rights and resources required to construct and operate the generation facility consistent with the Bidder's proposal.

Bidders must demonstrate that the facility's interconnection studies and interconnection agreement are consistent with the proposed resource's equipment, capacity, configuration, and scheduled commercial operation date, and that no material modification¹⁵ or interconnection restudy will be required.

If a proposed resource intends to interconnect to a third-party transmission system, the Bidder will be responsible under the PPA or ESA to arrange and maintain long-term firm point-to-point transmission service to deliver the full output of the PPA or ESA to a designated point of delivery on PacifiCorp's transmission system in its PACW balancing area. Bidders must clearly articulate the point of delivery in their bid and include any and all third-party transmission service costs in their PPA or ESA price (see Section 3.H of Minimum Eligibility Requirements for Bidders).

The Bidder's proposal must agree to the standard-form pro forma documents supplied in Appendix E-1 – PPA for Generation Only, Appendix E-2 – PPA for Generation with Storage, and Appendix E-3 – Energy Storage Agreement as applicable. Note that the pro forma agreements are tailored for new facilities and specific technologies; conforming changes may be required by PacifiCorp for existing facilities or other types of facilities.

For Bidders with any issues regarding any of the standard-form pro forma documents, including contract terms and conditions, Bidders are to provide an issues list ("Issues List") to PacifiCorp within ten (10) business days of commencement of Round 2 Transmission Consulting Agreement Studies (see <u>Section 3.A Schedule</u>).

SECTION 5. RESOURCE INFORMATION

A. BID SUMMARY AND PRICING INPUTS

Bidders must review and follow the instructions in **Appendix B-2 Bid Proposal Instructions and Required Information, Appendix C-1 – Bid Summary and Pricing Input**

¹⁵ As defined in PacifiCorp Transmission's Open Access Transmission Tariff (OATT).



Sheet Instructions and **Appendix C-2 – Bid Summary and Pricing Input Sheet**. Appendix C-2 is an Excel-based workbook that covers bid summary information, energy production profile, and pricing requirements.

B. RESOURCE PERFORMANCE ESTIMATE INFORMATION

Bidders are required to provide a facility performance estimate prepared by a third-party expert. PacifiCorp may accept an in-house energy performance report contingent upon PacifiCorp being able to replicate the results. The 8,760 hourly profile in **Appendix C-2 – Bid Summary and Pricing Input Sheet** is expected to be consistent with or supported by the Bidder's provided facility performance estimate as part of Appendix C-3 referenced below.

Appendix C-3 – Energy Performance Report provides detailed directions for resource performance information by resource type.

C. DIRECT INTERCONNECTION TO PACIFICORP'S SYSTEM (ON-SYSTEM BIDS)

All Bidders are required to have met the interconnection requirements described in <u>Section 1.B Interconnection Requirements</u>. Any completed PacifiCorp Transmission interconnection study is to be included in **Appendix A-2 – Interconnection Studies and Agreements**. Off-system Bidder requirements for interconnection are discussed in Section 5.D below. PacifiCorp will review the Bidder's interconnection documentation to confirm it aligns with the Bidder's submitted proposal.

Bidders must document in their submission and otherwise provide all estimated interconnection costs identified in their interconnection studies and agreements, including direct assigned and network upgrade costs. Bid prices will include any estimated direct-assigned interconnection costs but will exclude the estimated network upgrades costs. Although the network upgrade costs are not to be included in the bid price, the network upgrade costs will be provided to PacifiCorp and included in the utility's valuation models.

D. TRANSMISSION SERVICE FOR DELIVERY TO PACIFICORP'S SYSTEM (OFF-SYSTEM BIDS)

Any off-system bid must, in addition to meeting the interconnection requirements described in <u>Section 1.B Interconnection Requirements</u>, meet all minimum eligibility requirements, including requirement #14 in <u>Section 3.H Minimum Eligibility Requirements</u> for <u>Bidders</u>. The off-system bid must reasonably demonstrate that the full proposed output of the resource, as identified in the bid, can be delivered by December 31, 2029.

Off-system Bidders are responsible for any current or future third-party tariff requirements or tariff changes related to, but not limited to, any of the following: interconnection, variable energy resource, electric losses, reserves, transmission, integration, imbalance, scheduling, and ancillary service arrangements required to deliver to the Bidder's selected point of delivery on PacifiCorp's transmission system in its PACW balancing area. These



costs will not be included in the evaluation of PPA proposals as they are assumed to be the responsibility of the Bidder.

Off-system Bidders must include in submitted bid prices all interconnection costs from the third-party interconnection provider, whether from a study or a signed interconnection agreement. Off-system Bidders must also include in their bid price the estimated costs for all third-party transmission service.

In the event an off-system bid is awarded an agreement, such agreement will include appropriate provisions reflecting the Bidder's obligation to timely arrange and maintain the necessary third-party, long-term firm, transmission service facilitating delivery of the full output of the resource to the identified point of delivery, including associated events of default for failure to comply with such requirements.

E. PACIFICORP NETWORK TRANSMISSION SERVICE

PacifiCorp will request Designated Network Resource (DNR) service to serve PacifiCorp network load once a definitive agreement is fully executed. The final shortlist will be, in part, based on the estimated cost of DNR service upon completion of Round 2 Transmission Consulting Agreement Study described in <u>Section 6.D Identification of Network Upgrades and Estimated Costs</u>.

F. TAX CREDITS AND/OR FACILITY INCENTIVES

Bidders bear all risks, financial and otherwise, associated with their or their facilities' eligibility to receive any state or federal energy tax credits, sales tax waivers or exemptions, payment in lieu of tax, or any other identified tax- or accounting-related, incentive, or benefit, including in the event of a change in tax law. The obligations of a Bidder to perform under any executed agreement at the bid pricing resulting from this solicitation remain effective and binding regardless of whether a Bidder or facility is eligible for or receives tax credits or other tax- or accounting-related incentives or benefits.

G. ACCOUNTING

All proposals will be assessed for appropriate accounting and tax treatment. Bidders must supply all information reasonably required to make these assessments if a facility is selected to the final shortlist. According to Generally Accepted Accounting Principles, PacifiCorp will establish and maintain accounts for the revenue, expenses, assets, liabilities and owners' equity associated with all resource facilities acquired through this RFP and will ensure that all revenues and all expenses associated with the management and ownership of the resource(s) are properly recorded to these accounts. This will include expenses associated with work performed by PacifiCorp personnel. Additionally, PacifiCorp will account for the power costs associated with the resource(s) in a separate account(s).



SECTION 6. BID EVALUATION AND SELECTION

A. OVERVIEW OF THE EVALUATION PROCESS

PacifiCorp's bid evaluation and selection process is designed to identify the combination and volume of new resources that will maximize customer benefits through the selection of bids that will satisfy projected capacity and energy needs while maintaining reliability. The method for evaluating resources will be transparent, fair, and consistent with how market bids are evaluated.

The 2025 IRP selected individual resources and optimized a preferred portfolio from a list of generic "proxy" resources to reliably meet PacifiCorp's energy and capacity needs across its six-state service territory. The PLEXOS portfolio optimization model that PacifiCorp will use to evaluate the 2025 WA Situs RFP bids was also used to develop PacifiCorp's 2025 IRP. PacifiCorp uses PLEXOS to serve as a decision support tool that can be used to guide prudent resource acquisition paths that maintain system reliability at a reasonable cost.

At a high level, the 2025 WA Situs RFP evaluation process involves, among other considerations:

- 1. Bid screening based on minimum eligibility requirements.
- 2. Demonstration of deliverability to PacifiCorp's Washington load by December 31, 2029.
- 3. Identification of network upgrades and estimated costs associated with transmission to deliver energy from the facility to load.
- 4. Validation of Bidder's generation profile.
- 5. Non-Price Scoring based on Appendix P Non-Price Scoring Questionnaire.
- 6. Price Scoring:
 - a. Bid preparation for input into PLEXOS.
 - b. PLEXOS modeling, including bid selection, portfolio optimization, reliability testing, price-policy scenario analysis, stochastic risk analysis and price scoring.
- 7. Combination of price and non-price scoring and ranking of preferred resources:
 - a. Price Scoring Weighted Eighty (80) percent based on the net cost of the bid; i.e., highest benefit or lowest cost.
 - b. Non-Price Scoring Weighted Twenty (20) percent
- 8. Final shortlist of proposals for pursuing contract negotiation.

Additional details regarding the 2025 WA Situs RFP valuation process and cost-ranking methodology is provided below.



B. BID ELIGIBILITY: MINIMUM ELIGIBILITY REQUIREMENTS

Upon receipt all bids will undergo screening to assess compliance with the minimum requirements and overall conformance with the RFP. Bidders whose proposals are deemed non-conforming bids will be notified and given five (5) business days to correct the deficiencies. Failure to do so may result in removal from further consideration.

C. DELIVERABILITY TO WASHINGTON LOAD

Round 1 Transmission Consulting Agreement Study:

The RFP team will engage PacifiCorp Transmission to conduct a Transmission Consulting Agreement Study. This study will evaluate and identify system constraints and network upgrades required to enable the designation of the proposed as a new network resource deliverable to PacifiCorp's Washington load by December 31, 2029¹⁶.

Please see **Appendix T – PacifiCorp's Washington Load** for explanation of PacifiCorp's Washington load. If, based on the identified constraints and upgrade requirements, the bid facility is at material risk of not meeting the December 31, 2029, deadline, the applicable bid will be eliminated from further consideration.

D. IDENTIFICATION OF NETWORK UPGRADES AND ESTIMATED COSTS

Round 2 Transmission Consulting Agreement Study:

For bids having been determined as deliverable to PacifiCorp's Washington load by December 31, 2029, the RFP team will engage PacifiCorp Transmission to conduct a Transmission Consulting Agreement Study to evaluate and determine an estimate of costs for any incremental facilities required for designating the specific resource as a new network resource.

E. EVALUATION OF BIDDER'S ENERGY PERFORMANCE REPORT

An independently prepared evaluation of bidder's energy performance report will be produced for each bid.

F. NON-PRICE SCORING

The Clean Energy Transformation Act (CETA), passed by the Washington State Legislature in 2019, requires that all customers benefit, and are not harmed, from the transition to non-emitting and renewable energy as utilities work to implement CETA's ambitious

¹⁶ The Transmission Consulting Agreement Study will also evaluate and identify system constraints and network upgrades required to enable the designation of the proposed resource as a new network resource deliverable to PacifiCorp's Oregon load by December 31, 2029.



decarbonization objectives.¹⁷ Additionally, the competitive bid rules that establish requirements for utility solicitations and procurements require that an RFP requests information identifying these potential benefits or impacts, particularly where they might impact highly-impacted or vulnerable communities.¹⁸

In interpreting and incorporating equity in its resource procurement process, PacifiCorp pulls from two key frameworks. The first is PacifiCorp's Customer Benefit Indicators (CBI) framework, created under the direction of CETA and a central focus of the company's long-term planning and reporting requirement. ^{19, 20} PacifiCorp's CBIs are defined to quantitatively and qualitatively measure the benefits and reductions of burdens to its customers in Washington over time.

The second is the core tenets of energy justice, in accordance with guidance from the Washington Utilities and Transportation Commission.²¹ The core tenets of energy justice are:

- **Distributional Justice**. Refers to the distribution of benefits and burdens across populations. It aims to ensure that marginalized and vulnerable populations do not receive a disproportionate share of the burdens or are denied access to benefits.
- Procedural Justice. Focuses on ensuring that proceedings are fair, equitable, and inclusive to all, recognizing that marginalized and vulnerable populations have been excluded from decision-making processes.
- **Recognition Justice**. Requires an understanding of historic and ongoing inequalities and prescribes efforts that seek to reconcile these inequalities.
- Restorative Justice. Seeks to address the negative impacts of energy production and consumption through measures that prioritize community involvement and restoration of balance, like increased community engagement efforts and transparency in decision-making processes.

¹⁷ RCW 19.405.010(7)

¹⁸ WAC 480-107-025(2)

¹⁹ For background on PacifiCorp's initial development process of its CBI framework, see the inaugural Clean Energy Implementation Plan (CEIP) available online at

https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificorp/energy/ceip/Clean_Energy_Implementation_Plan_Revised_Filed_March_13_2023.pdf. For the latest developments in PacifiCorp's CBI framework, please see the 2024 CEIP Annual Progress Report, available online at

https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/ceip/210829_PAC_CEIP_2024_Progress_Rpt_7-1-24_fnl.pdf.

²⁰ PacifiCorp was also directed by the Washington Utilities and Transportation Commission through a <u>multi-party settlement</u> in the CEIP docket UE-210829 to consider relevant CBIs and metrics in future acquisition processes.

²¹ See WUTC v. Cascade Natural Gas Corporation, Docket UG-210755 Order 09.



This RFP incorporates CBIs and core tenets of energy justice through the use of non-price scoring in the overall bid evaluation. **Appendix P - Non-Price Scoring Questionnaire** is a tool to help provide visibility of the benefits or reductions of burdens that each project might have in the context of furthering energy equity for PacifiCorp's customers.

G. PRICE SCORING

1. Price Scoring

a. Bid Preparation into PLEXOS and Resource Shaping

All eligible bid resources will be prepared and uploaded into PLEXOS. PacifiCorp uses its proprietary Excel models to process bid costs for input into PLEXOS modeling.

Consistent with the treatment of capital revenue requirement in PacifiCorp's IRP modeling, PacifiCorp will convert any calculated revenue requirement associated with capital costs, as applicable (i.e., return on investment, return of investment, and taxes) to first-year-real-levelized costs. Consistent with the treatment of non-capital revenue requirement in PacifiCorp's IRP modeling, all other bid costs will be summarized in nominal dollars and formatted for input into the bid evaluation models.

PacifiCorp's proprietary Excel model will calculate the delivered revenue requirement cost of each eligible bid, inclusive of any applicable carrying cost and net of tax credit benefits, all operations and maintenance expenses, property taxes, generation taxes, direct assigned interconnection costs and PacifiCorp Transmission estimated network upgrade costs, as applicable. In developing the delivered cost for each bid, PacifiCorp requires certain cost data as inputs to the bid preparation model.

Summary of Cost Components for a PPA

- i. PPA Price Schedule
- ii. Storage Costs (monthly capacity payment)
- iii. Network Upgrade Revenue Requirements

Any internal assumptions for key financial inputs (i.e., inflation, discount rates, marginal tax rates, asset lives, AFUDC rates, etc.) and PacifiCorp carrying costs (i.e., integration costs, owner's costs, etc.) will be applied consistently to all bids, as applicable, prior to finalizing the bid preparation model for PLEXOS. Bids with different price structures and terms will be normalized prior to uploading into PLEXOS.

Upon completion of the Round 1 Transmission Consulting Agreement Study, PacifiCorp will engage a third-party to evaluate resource performance and



degradation schedules. The third-party subject matter expert will provide data for input into the PLEXOS model.

b. PLEXOS Analysis: Bid Selection and Portfolio Optimization

The bid evaluation team will evaluate the bids using PLEXOS, the same production cost models used in the 2025 IRP. The PLEXOS production cost model will select the optimized portfolio of resources proposed as part of the 2025 WA Situs RFP.

i. Bid Resource Portfolio Development

The PLEXOS model is used to develop an optimized portfolio of resources and candidates for the final shortlist. PacifiCorp uses PLEXOS to develop, test and evaluate the cost of multiple resource portfolios including sensitivities to understand the relative performance of portfolio and resource alternatives under certain conditions.

ii. Reliability Tests

PacifiCorp will perform a reliability assessment to ensure that the selected portfolio of resources can meet all hourly load and operating reserve requirements with sufficient margin²² to account for other system uncertainties such as non-normal weather events. If incremental flexible resource capacity is required to maintain system reliability, the shortfall will be provided to the model to ensure it selects sufficient capacity to achieve the targeted reliability requirements.

iii. Price Policy Scenarios and Risk Analysis

PacifiCorp evaluates portfolios under a range of different environmental policy and market price scenarios (policy-price scenarios). PLEXOS calculates the stochastic mean present value revenue requirement (PVRR) and the risk-adjusted PVRR for various policy-price scenarios to help identify whether top-performing portfolios exhibit especially poor performance under the range of scenarios. PacifiCorp summarizes and analyzes the portfolios to identify the specific bid resources that are most consistently selected among the policy-price scenarios.

In this way, PacifiCorp uses PLEXOS to optimize its selection of bid resources to identify the lowest cost, reliable portfolio under multiple scenarios for further consideration as part of the final shortlist process.

²² Consistent with the reserve requirements in the 2025 IRP.

²³ Policy-price scenarios will be conceptually consistent with those used in the 2025 IRP (i.e., alternative environmental policy assumptions among low, medium, and high price scenarios), but updated to reflect PacifiCorp's assessment of the most current information in consultation with the IE.



PacifiCorp may select one or more 2025 WA Situs RFP resource portfolios for further scenario risk analysis.

PacifiCorp uses PLEXOS to test each portfolio and evaluate its ability to perform under dynamic weather and market conditions. PLEXOS measures the stochastic risk of each portfolio through its production cost estimates. By holding a resource portfolio fixed and using simulations of stochastic variables, including load, wholesale electricity and natural gas prices, hydro generation, wind generation, solar generation, and thermal unit outages, PLEXOS can measure the expected cost of each portfolio in an uncertain future.

iv. Price Scoring

PLEXOS will calculate the relative costs and benefits of each resource included in the model for evaluation. The operational characteristics of every bid will be included in the model so that PLEXOS will generate a value stream specific to each bid that will then be used to calculate a price score in accordance with **Appendix R - Bid Scoring and Modeling**.

More information about bid modeling techniques and price scoring, including an example of how the bid scoring will work, may be found in **Appendix R – Bid Scoring and Modeling**.

H. FINAL SCORING AND RANKING TO RECOMMENDED FINAL SHORTLIST

Following the PLEXOS analysis to select resources and determine price scores for each of the bids, PacifiCorp will combine the price and non-price scores to generate a total final bid score and ranking for each bid. In the event that the ranked bids are inconsistent with the selected resources and preferred portfolio resulting from the PLEXOS performance optimization models, PacifiCorp will investigate the discrepancy(ies) and may add or remove resources and run additional iterations of PLEXOS including, but not limited to, reliability tests and price-policy scenarios.

PacifiCorp may take into consideration other factors that are not expressly or adequately factored into the evaluation process outlined above, particularly any factor required by applicable law or Commission order to be considered.

PacifiCorp will summarize and evaluate the results of its scenario risk analysis, considering PVRR results, to identify the specific least-cost, least-risk bids in combination with non-price scores. Based on these data and certain other factors as described above PacifiCorp may establish a final shortlist.

After the final shortlist is established, PacifiCorp may engage with the selected bidders to finalize their contract and prepare the contract for execution. Selection of a bid to the final shortlist does not constitute a winning bid. Only execution of a definitive agreement between PacifiCorp and the bidder, on terms acceptable to PacifiCorp, in its sole and absolute discretion, will constitute a winning bid proposal.



SECTION 7. AWARDING OF CONTRACTS

A. INVITATION

This RFP presents only an opportunity for Bidders to submit proposals to PacifiCorp. No submitted proposal is itself a binding contract except to the extent the parties execute a definitive agreement with complete documentation providing otherwise.

PacifiCorp may in its sole discretion do any one or more of the following:

- 1. Determine which proposals are eligible for consideration in response to this RFP.
- 2. Issue additional subsequent solicitations for information and conduct investigations with respect to the qualifications of each Bidder.
- 3. Supplement, amend, or otherwise modify this RFP, or cancel this RFP with or without the substitution of another RFP.
- 4. Negotiate with Bidders to amend any proposal.
- Select and enter into agreements with the Bidders who, in PacifiCorp's sole judgment, submit proposals that best satisfy the interests of PacifiCorp and its customers. In exercising its sole judgment, PacifiCorp may consider factors other than price.
- 6. Waive any irregularity or informality on any proposal to the extent not prohibited by law.
- 7. Reject any or all proposals in whole or in part at any point in time, including proposals that are on the shortlist.
- 8. Vary any timetable.
- 9. Conduct any briefing session or further RFP process on any terms and conditions.
- 10. Withdraw any invitation to submit a response.

B. BASIS OF REJECTION

Proposals may be rejected for any reason including but not limited to not meeting the minimum eligibility requirements identified in <u>Section 3.H Minimum Eligibility Requirements for Bidders</u> of this RFP.

C. NON-RELIANCE LETTER

All parties will be required to sign **Appendix G-2 – Non-Reliance Letter** if they qualify for the final shortlist.

D. POST-BID NEGOTIATION

PacifiCorp will seek to enter into a final agreement with each Bidder on the final shortlist. PacifiCorp will include in its final evaluation prior to contract execution any factor that may impact the total cost of a facility and associated risks, including but not limited to all the



factors used in the final shortlist cost analysis plus consideration of the terms of the final agreement and accounting treatment and potential effects due to rating agency treatment, if applicable.

Bidders are advised that, pursuant to WAC 480-107-075(3), any contract signed by the utility to fill a resource need as a result of an RFP process must require the firm awarded the contract to track and report to the utility its use of diverse businesses including, but not limited to, women-, minority-, disabled-, and veteran-owned businesses, and to track and report to the utility the firm's application of the labor standards in RCW 82.08.962 and RCW 82.12.962.

E. RFP RESULTS

PacifiCorp will comply with Washington rules for posting of the RFP results. Washington requires a summary of each bid the utility has received be posted within thirty (30) days after the close of the bidding period.²⁴

PACIFICORP HAS NO OBLIGATION TO ENTER INTO ANY AGREEMENT WITH ANY BIDDER TO THIS RFP AND PACIFICORP MAY TERMINATE OR MODIFY THIS RFP AT ANY TIME WITHOUT LIABILITY OR OBLIGATION TO ANY BIDDER. IN ADDITION, THIS RFP DOES NOT IN ANY WAY PREVENT PACIFICORP FROM ENTERING INTO ANY AGREEMENT THAT PACIFICORP DEEMS PRUDENT, IN PACIFICORP'S SOLE DISCRETION, AT ANY TIME BEFORE, DURING, OR AFTER THIS RFP PROCESS IS COMPLETE. FINALLY, PACIFICORP RESERVES THE RIGHT TO NEGOTIATE ONLY WITH THOSE ENTITIES THAT PROPOSE TRANSACTIONS THAT PACIFICORP BELIEVES IN ITS SOLE DISCRETION HAVE A REASONABLE LIKELIHOOD OF BEING EXECUTED.

²⁴ WAC 480-107-035(5)