

Appendix C-1: Power Purchase Agreements and Tolling Service Agreements

Information Required in Bid Proposals

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. The RFP is seeking capacity and energy resources to serve PacifiCorp's entire system. Power Purchase Agreements and Tolling Service Agreements that are not backed by an asset cannot exceed a five (5) year term. In the event a Bidder is proposing a transaction that does not require the construction of a resource or involves an existing resource, much of the following information may not apply. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Exhibit 1 to Appendix C that summarizes resource and performance information. To the extent pricing, performance, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those impacts.

Impact of Other Factors on Output – PacifiCorp prefers generation facilities designed, permitted, and operated so that, to the extent practicable, the proposed capacity and any related energy provided to PacifiCorp is not restricted by:

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Sales of capacity or energy to other parties
- Interruption of primary fuel supply
- Sale of thermal energy
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Non-environmental or technology factors that could encumber the facility
- Water availability

Siting – Bidders are responsible for all construction and coordination with the applicable service provider(s) for any new electrical transmission and fuel transportation facilities required in response to this RFP. Bidders are responsible for satisfying all zoning and environmental requirements.

Bidders should provide the following information:

- Address of the site where the Project will be located (the “Project Site”)
- Name of the existing facility at the Project site, if any

- Maps showing the boundaries of the Project Site and key facilities, including any off-sites (fuel, water, wastewater, and electrical interconnection). List and provide a copy of documentation establishing that the Seller has and/or will have site control for the Project Site and the required interconnection utilities for the entire term of the Definitive Agreements.
- If Seller does not have site control as of the date of this Offer, Seller must describe in detail how it plans to obtain site control by the first date of the Term of the Definitive Agreements, including a description of the current status of any negotiations regarding the Project Site and a timeline of when Seller will have site control.
- Status of permits or process applicable to the Project. If the Bidder has not secured permits, the Bidder is required to provide a list and schedule of all permits required and a plan for securing the permits.
- Emissions offsets and credits required, if any, and how these will be obtained.
- Source and availability of water supply. Provide agreements for water rights if the Bidder has already obtained such rights. If the Bidder does not control water rights, provide a plan for securing such rights.
- Right-of-ways. Provide a list of any right-of-ways secured by the Bidder. If the Bidder has not secured right-of-ways, provide a list of the right-of-ways required and a plan for securing such right-of-ways.
- Critical Path Schedule. Provide a critical path schedule with important events and activities from the selection of the proposal to commercial operation date. Bidders should identify activities on the critical path along with the time required to complete each activity.
- Fuel Access. Provide a description of the fuel supply/transportation infrastructure accessible to the project site and provide a plan/strategy for securing and delivering the fuel from the source to the plant.

Facility Information – To the extent applicable, the Bidder should clarify the following information with respect to any proposed facility:

- Air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan and discharge permits.
- Receiving water body identity and description

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- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
- Proposed noise levels and description of noise baffles and stack silencing equipment.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required for and available for construction of the facility.
- Characterization of the area surrounding the site, including a description of local zoning, flood plain information (100 yr. & 500 yr.), existing land use and setting (woodlands, grasslands, agriculture, etc.).
- Information on fish, wildlife and vegetation inhabiting the area of the Project.
- Proximity to nearest endangered or threatened species which could be potentially impacted.
- Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
- Location and distance to population centers which could be impacted.
- Expected site ambient temperature extremes and verification that freeze protection will be provided as necessary.

Fuel Transportation Route Information – To the extent applicable, the Bidder should clarify any relevant information with respect to fuel transportation route information for any proposed site:

- Proposed new fuel transportation route(s).
- Estimated impact on wetlands (e.g., length of route through wetland).
- Describe land use impacts.
- Descriptions of stream crossings.
- Characterization of the area encompassing the fuel transportation route, including a description of existing land use and setting.

Proposal Format – Bidders should conform to the following format for presenting their bid information:

Section 1 – Executive Summary of Proposal – The Executive Summary section should provide an overall description of the proposal and its key benefits and advantages to PacifiCorp. It should include a general description of the technology, location, and business arrangement for the bid. Bidder shall state the period under which the terms and conditions of their Proposal will remain effective.

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

- Type of generation equipment and description including combustion turbines, steam generators, steam turbine, prime movers, major pumps, compressors, emission control equipment, cooling equipment, etc.

- Manufacturers of major equipment
- Model number, serial number and age of any previously owned/operated, or “grey market” equipment that is proposed to be used.
- Type of heat rejection equipment (cooling towers, ponds, air-cooled condenser, etc.)
- Strategy for maintaining environmental compliance
- Source of process and/or cooling water
- Wastewater disposal plan
- Water balance
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Performance information as specified in Exhibit 1 to Appendix C.
- Primary fuel supply and backup alternatives (Appendix D).
- Electrical interconnection (location, transmission provider and control area)
- Description of emission control technologies, including manufacturer
- Any limits on hours of operation in a particular mode (i.e., combined cycle, duct firing, power augmentation, or combination thereof)
- Any limits on emissions
- Project schedule, listing tasks and milestones with estimated completion dates. Guarantee and expected degradation curves (net capacity and heat rate)
- Guaranteed availability and reliability
- Long term maintenance outage plan
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- Size and levels of redundancy for all major process equipment facilities (i.e. major pumps, water treatment, compressors, storage tanks, etc.)
- Design basis for the resource
- Material balance
- Solid waste disposal.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal. including the use of any index or escalation factors that would be applied. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required consistent with **Form 1** and **Form 2** in the Request for Proposal.

Section 4 – Transmission – Each Proposal must include a description of the location of its proposed transmission facilities, including proposed delivery points, and must specify the transmission provider and all applicable costs.

Owner or operator of generating facility must execute written agreement with utility stating at a minimum:

- Will construct and operate all interconnected generation facilities within it control in accordance will all applicable laws

- Will furnish, install, operate and maintain in good order and repair, and without cost to utility, relays, locks and seals, breakers, automatic synchronizers and other control and protective apparatus determine by the utility to be necessary for the safe and reliable operation of the facility in parallel with the utility's system; and
- Utility will be able to gain access at all times to switching equipment capable of isolating generation facility from utility's system
- Provide for provision of energy or capacity under system emergencies pursuant to agreement or as ordered under section 202(c) of the Federal Power Act; during emergency utility may discontinue or curtail purchases/sales if such purchases/sales would contribute to such emergency.

Section 5 – Environmental and Siting – The Bidder is exclusively and entirely responsible for meeting and satisfying all federal, state, and local permits, licenses, approvals and/or variances that are required to assure physical delivery of capacity and associated energy in accordance with any PPA or Tolling transaction. Bidder must furnish applicable detailed project site, electric transmission, and fuel transportation information, a description of all required permits, and a project timeline so PacifiCorp can assess site suitability, schedule risk and project viability. The proposed site(s) shall clearly be shown on a United States Geological Survey (USGS) 7.5-minute series map.

Section 6 – Other Information

Fuel – Bidders must provide fuel source type. Bidders should describe their fuel supply plan and the extent to which they desire to provide fuel and transportation and other fuel-related services, including fuel price management (hedging) or a tolling fee in which PacifiCorp will be responsible for all the fuel and fuel-related costs. PacifiCorp's preference is for proposals that address its need for reliability, management of price risk, and meeting PacifiCorp's operational requirements. If the energy cost portion of the Bidder's terms includes a fuel cost component, the Bidder shall explain its proposed fuel supply program.

Dispatchability – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves including quick start capability, ramp rate and range of reserve capability.

Technical Data – Technical data as requested in Exhibit 1 to Appendix C.

Section 7 – Contract Terms – Bidder shall provide a comprehensive listing/description of all material contract terms in the Proforma PPA or TSA, including appendices, that the Bidder would seek to modify during contract negotiations. Bidder shall identify any and all PacifiCorp obligations not specifically outlined in the referenced agreements.