

December 28, 2018

VIA ELECTRONIC FILING

Utah Public Service Commission
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Secretary

RE: **Docket No. 18-035-47 - In the Matter of the Application of Rocky Mountain Power for Approval of Solicitation Process for Solar Photovoltaic and Thermal Resources**

Rocky Mountain Power (the “Company”) files its application and supporting pre-filed direct testimony and exhibits of Mr. Mark Tourangeau, seeking approval of the solicitation process for the 2019 Renewable Resource Utah Request For Proposals (“2019R Utah RFP”). The appendices to the draft 2019R Utah RFP referenced in Exhibit RMP___(MT-1) will be provided electronically.

Rocky Mountain Power respectfully requests that all formal correspondence and requests for additional information regarding these filings be addressed to the following:

By E-mail (preferred): datarequest@pacificorp.com
utahdockets@pacificorp.com
Jana.saba@pacificorp.com
jacob.mcdermott@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Jana Saba at (801) 220-2823.

Sincerely,



Joelle Steward
Vice President, Regulation

cc: Service List

Yvonne R. Hogle (7550)
Jacob A. McDermott (16894)
Rocky Mountain Power
1407 W North Temple, Suite 320
Salt Lake City, UT 84116
Telephone: (801) 220-4050
Facsimile: (801) 220-4615

Attorneys for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of)	Docket No. 18-035-47
Rocky Mountain Power for Approval of)	
Solicitation Process for Solar)	
Photovoltaic and Thermal Resources)	APPLICATION FOR APPROVAL OF
)	SOLICITATION PROCESS
)	
)	

I. INTRODUCTION

In accordance with Utah Code Ann. § 54-17-807 and Utah Public Service Commission Rule R-746-450, Rocky Mountain Power, a division of PacifiCorp (“Company”) submits this application (“Application”) to the Public Service Commission of Utah (“Commission”). The Company respectfully requests that the Commission issue an order approving the Company’s 2019 Renewable Resources Utah Request for Proposals (“2019R Utah RFP”), seeking up to approximately 205,000 MWh per year, for up to 25 years, of new geothermal, solar photovoltaic and/or wind resources that can achieve commercial operation between June 30, 2020 and December 31, 2021.

In support of its Application Rocky Mountain Power states as follows:

1. The Company is a public utility that provides electric service to retail customers through its Rocky Mountain Power division in the States of Utah, Wyoming, and Idaho, and through its Pacific Power division in the states of Oregon, California, and Washington. Rocky Mountain Power is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. The Company serves approximately 870,000 customers in Utah Rocky Mountain Power's principal place of business in Utah is 1407 West North Temple, Suite 310, Salt Lake City, Utah 84116.

2. Communications regarding this Application should be addressed to:

Jana Saba
Utah State Regulatory Affairs Manager
Rocky Mountain Power
1407 West North Temple, Suite 330
Salt Lake City, Utah 84116
Telephone: 801-220-2823
Email: jana.saba@pacificorp.com

Jacob A. McDermott
Rocky Mountain Power
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
Telephone: 801-220-2233
Email: jacob.mcdermott@pacificorp.com

In addition, the Company requests that all data requests regarding this matter be addressed to:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Jana Saba by telephone at (801) 220-2823.

II. BACKGROUND

3. Residential, commercial, industrial, and municipal entities are increasingly interested in meeting part or all of their electric energy requirements with renewable resources. These customers often have sustainability goals or mandates to ensure their facilities operate with renewable energy. In an effort to meet customers' interests, the Company has expanded its voluntary renewable energy options over the past several years.

4. For example, the Company offers service to qualified customers under Electric Service Schedule 34, Renewable Energy Tariff ("Schedule 34"), which allows the Company to enter into flexible contract structures with these customers to facilitate the timing and process for the acquisition of renewables on their behalf and the customization in the rate determination and design.

5. In an effort to continue facilitating customers' desire for more renewable energy, during the 2018 legislative session, the Company supported House Bill 261 (Renewable Energy Amendments) ("HB 261") which, among other things, allows utilities to acquire solar resources using the prevailing market rate under certain circumstances to serve customers, including customers taking service under Schedules 32 and 34. HB 261 was enrolled in the Utah Code at § 54-17-807.

6. As required by § 54-17-807, on May 31, 2018, the Commission engaged in a rulemaking process to address the content and filing of an application, to establish the solicitation process and criteria to be used to identify the competitive market price and select an energy resource, and to address other factors determined to be in the public interest. The resulting rules, which are now codified as R-746-450, became effective on December 24, 2018. Pursuant to these rules if the Company seeks to own solar energy projects at a competitive rate of return rather than

a regulated rate of return, it is required to seek the Commission's approval of the initial solicitation and any resulting Company acquisition. The Company is proposing to issue the 2019R Utah RFP based on the requirements of R-746-450.

7. The Company intends to use the winning resources from the 2019R Utah RFP to meet specific customers' sustainability goals based on selection criteria determined by those customers in consultation with the Company. Therefore the 2019R Utah RFP will be a "Specific Customer Solicitation" as the term is defined by R-746-450-1.

8. To develop the 2019R Utah RFP, the Company signed Joint Clean Energy Cooperation Statements with each of Salt Lake City, Utah, Park City, Utah, and Summit County, Utah in 2016, 2017, and 2018, respectively. Since the first Joint Clean Energy Cooperation Statement was signed with Salt Lake City, the Company has been working closely with these local governments and others interested in participation to develop an RFP consistent with §54-17-807, and the Commission's newly developed rules. Salt Lake City has a stated goal of procuring renewable energy for 50 percent of its annual municipal operations by 2020. Park City has a stated goal of procuring renewable energy for 100 percent of its annual municipal operations by 2022. And Summit County has a stated goal of procuring renewable energy for 50 percent of its annual municipal operations by 2025. Vail Resorts, operator of Park City Mountain Resort, has made similar public commitments to procure renewable energy for 100 percent of its annual operations in Utah and other states by 2030. Utah Valley University and Deer Valley Resort are also interested in procuring a greater percentage of renewable energy as part of their sustainability commitments. Accordingly, the Company has entered into professional services agreements to allow Salt Lake City, Park City, Summit County, Vail Resorts, Utah Valley University, and Deer Valley Resort to participate in the 2019R Utah RFP.

9. Each of these customers qualify for service under Schedule 34. Schedule 34 allows qualifying customers to receive renewable electric service from the Company, while protecting other customers from the financial impact of those decisions. Consistent with R-746-450, the facilities supplying the renewable energy can be Company-owned, customer-owned, or owned by a third party.

III. REQUEST FOR APPROVAL OF A SOLICITATION PROCESS

10. A Specific Customer Solicitation under R-746-450 allows the Company to acquire solar photovoltaic or thermal solar energy resources using rate recovery based on a competitive market price. The resources acquired may be owned by the Company, solely or jointly, or owned by another entity. The resource acquired must be used to provide renewable service under Schedules 32 and 34.

11. To approve a Specific Customer Solicitation, R-746-450, requires public notice of the application, an opportunity for interested parties to file comments within 30 days of the public notice, 15 days for interested parties to respond to any comments, and, unless the Commission determines that additional time is warranted, an order approving or denying the application within 60 days following the filing of the application.

12. The Company has worked with the participating customers to ensure that the 2019R Utah RFP "...will create a level playing field in which the qualified utility and other bidders can compete fairly, including with respect to interconnection and transmission requirements imposed on bidders by the solicitation..."¹ that make the interconnection and transmission requirements equally applicable to all bidders, and ensures that projects proposing to interconnect or deliver to

¹ See Utah Code Ann. 54-17-807(6)(b), and R-746-450-3(2)(a)(i)(A).

various locations on the Company's transmission system will have the impacts of those interconnection or delivery locations objectively considered in the selection process.²

13. Finally, the participating customers have signed professional service agreements with the Company to administer this RFP on their behalf. This Application demonstrates that the 2019R Utah RFP meets all of the criteria for Commission approval under R-746-450, and, when coupled with the strong desire of the participating customers to reach their renewable energy commitments within their respective timeframes, it is clear that the 2019R Utah RFP is in the public interest.

IV. DESCRIPTION OF THE SOLICITATION PROCESS

14. In addition to bids from solar resources, the 2019R Utah RFP allows bids from geothermal and wind resources, which do not qualify under Utah Code Ann. § 54-17-807 and are therefore not subject to R-746-450. However, the Company anticipates that a large percentage of bids will be from solar resources and therefore is seeking approval under Utah Code Ann. § 54-17-807 and R-746-450.

15. The 2019R Utah RFP seeks up to 205,000 megawatt-hours ("MWh") per year, for up to 25 years, of geothermal, solar, and/or wind renewable energy to supply Park City, Utah, Salt Lake City, Utah, Summit County, Utah, Utah Valley University, Deer Valley Resort, and Vail Resorts ("Participating Customers"), per their request, under Schedule 34. This equates to approximately 30 MW of geothermal capacity or approximately 65 to 80 MW of wind or solar capacity.

16. The Company selected non-price criteria to capture elements of the bids that do not translate well into dollar per megawatt-hour amounts, but that nevertheless help to ensure that only

² See, R-746-450-3(2)(i)(B).

high quality projects with reasonably low levels of risk make it through to final selection. The price based selection criteria are designed to allow each bid to be evaluated on a total cost basis.

17. The price and non-price selection criteria included in the 2019R Utah RFP operate to ensure a level playing field for all bidders, including those that may ultimately be purchased by the Company, so that Participating Customers will have the information they need to select the lowest cost resources. The selection criteria in the 2019R Utah RFP meet the requirements of Utah Code Ann. § 54-17-807(6) and (7) and are also designed to minimize the risk that non-participating customers will bear any cost burden related to the solicitation or acquisition of renewable resources under the RFP.

18. The proposed timeline for the 2019R Utah RFP is as follows:

Milestone	Date	Day of Week
RFP Submitted to UT Public Service Commission for review	12/28/18	Friday
RFP issued to market	2/28/19	Thursday
Bidders Conference Call	3/07/19	Thursday
RFP Bids Due	3/29/19	Friday
Bid Eligibility Screening Completed	4/12/19	Friday
Initial Shortlist (ISL) Evaluation/Scoring Completed	4/19/19	Friday
Best and Final Offer (BAFO) Price Update Requested from ISL	4/24/19	Wednesday
ISL's submit Pac Trans Consulting Study Requests	4/24/19	Wednesday
BAFO Due to Rocky Mountain Power	5/15/19	Wednesday
Final Shortlist (FSL) Evaluation Completed	5/22/19	Wednesday
Execute Agreements	6/28/19	Friday

19. For an application for a Specific Customer Solicitation under R-746-450 to be deemed complete several other items are required, and the 2019R Utah RFP meets each

requirement. Through the Application and testimony of Company witness Mr. Mark Tourangeau, Vice President of Customer Solutions and Business Strategy, the Company provides a description of the solicitation process and an explanation of the customers that the solicitation is being held for.³ A complete copy of the 2019R Utah RFP is provided as Exhibit RMP____(MT-1) to Mr. Tourangeau's testimony.⁴ This Application and Mr. Tourangeau's testimony further describe how the 2019R Utah RFP complies and will comply with §54-17-807 and R-746-450.⁵ The criteria and methods that will be used for bid evaluations are each described in Mr. Tourangeau's testimony and in the body of the RFP.⁶ As identified in the 2019R Utah RFP, the RFP will be available via a public website administered by the Company, and bidders may ask questions through a dedicated email address and all questions and answers will be posted on the 2019R Utah RFP Public website.⁷ Company costs and expenses will be tracked separately from general Company costs and expenses, including expenses associated with work performed by Company personnel.⁸ The 2019R Utah RFP seeks resources to serve several customers; so, it also includes details regarding how resources selected through the RFP will be apportioned among the participating customers, and allows bidders to place separate bids to supply individual participating customers.⁹

20. Further, due to the Company's involvement in administration of the RFP, Mr. Tourangeau describes in his testimony how no Company personnel will be submitting bids into the solicitation, because the Company will evaluate the potential purchase of winning bidders only after bid selection. Mr. Tourangeau also goes on to describe how the Company will establish

³ R-746-450-3(1)(a).

⁴ R-746-450-3(1)(b).

⁵ R-746-450-3(1)(c).

⁶ R-746-450-3(1)(d).

⁷ R-746-450-3(1)(e).

⁸ R-746-450-3(1)(f).

⁹ R-746-450-3(1)(g).

separate evaluation teams for power purchase agreements and build-transfer agreements. These teams will be walled from each other during the evaluation and selection process and prevented from sharing information on their analyses. Even though the risk for potential bias is low because the Company will only be evaluating purchase after bids are received, this separate evaluation process will further avoid bias in bid evaluation and selection and is in conformance with the rule requirements.¹⁰

V. CONCLUSION

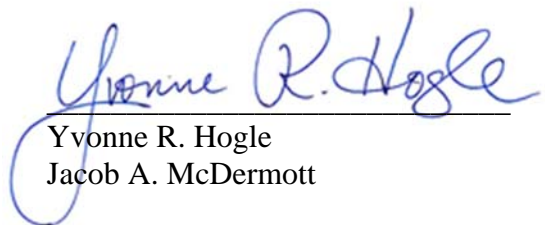
WHEREFORE, based on the foregoing and by this application, the Company respectfully requests that the Commission:

- a) Set a schedule in this matter that is consistent with R-746-450-3(2)(a)(ii).
- b) Approve the Company's application by February 26, 2019.
- c) Grant such other relief it deems just and reasonable and in the public interest.

DATED this 28th day of December, 2018.

Respectfully submitted,

ROCKY MOUNTAIN POWER



Yvonne R. Hogle
Jacob A. McDermott

Attorneys for Rocky Mountain Power

¹⁰ R-746-450-3(1)(h).

Rocky Mountain Power
Docket No. 18-035-47
Witness: Mark Tourangeau

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Direct Testimony of Mark Tourangeau

December 2018

1 **Q. Please state your name, business address, and current position with Rocky**
2 **Mountain Power, a division of PacifiCorp (“Company”).**

3 A. My name is Mark Tourangeau. My business address is 1407 W. North Temple, Salt
4 Lake City, Utah 84116. I am employed by Rocky Mountain Power as Vice President
5 of Customer Solutions and Business Development.

6 **Q. Please briefly describe your education and business experience.**

7 A. I received a B.A. in Economics from the University of New Hampshire, and an M.A.
8 in Economics from the University of New Mexico. I also am a Chartered Financial
9 Analyst charterholder. I have been employed by the Company since 2017. Prior to that,
10 I was employed by NextEra Energy, Inc. as Vice President Business Management and
11 Vice President Trading Risk Management; and before that I worked at Morgan Stanley
12 Commodities and Duke Energy.

13 **Q. What are your responsibilities in your current position?**

14 A. I am responsible for execution of Rocky Mountain Power’s Commercial Strategy. I
15 manage our commercial functions within the Company, including Commercial
16 Services, Customer Solutions, Customer and Community Management, and Economic
17 Development.

18 **Q. Have you appeared as a witness in previous regulatory proceedings?**

19 A. Yes. I have filed testimony with the Public Service Commission of Utah
20 (“Commission”), and the Wyoming Public Service Commission.

21 **Overview of Testimony**

22 **Q. What is the purpose of your testimony?**

23 A. My testimony supports the Company’s application for approval of the process proposed

24 in the Company’s 2019 Renewable Resources Utah Request for Proposals (“2019R
25 Utah RFP”) to solicit and potentially procure geothermal, solar, and/or wind renewable
26 energy that can begin commercial operation between June 30, 2020 and December 31,
27 2021 (“Application”) under two voluntary renewable resource program tariffs, Electric
28 Service Schedule No. 34—Renewable Energy Purchases for Qualified Customers
29 5000kW and over, or Electric Service Schedule No. 32—Service From Renewable
30 Energy Facilities. The Company’s Application is filed under Utah Code Ann. § 54-17-
31 807 (“HB 261”), and the related Commission Rule, R-746-450. My testimony also
32 provides a detailed description of the 2019R Utah RFP with a proposed timeline and
33 explains why it is in the public interest.

34 **2019R Utah RFP Background and History**

35 **Q. Please describe the 2019R Utah RFP.**

36 A. The Company intends to issue the 2019R Utah RFP to procure up to 205,000 megawatt-
37 hours (“MWh”) per year, for up to 25 years, of geothermal, solar, and/or wind
38 renewable energy to supply Park City, Utah, Salt Lake City, Utah, Summit County,
39 Utah, Park City Mountain Resort, Utah Valley University, and Deer Valley Resort
40 (“Participating Customers”), per their request, under Schedule 34. This equates to
41 approximately 30 megawatts (“MW”) of geothermal capacity or approximately 65 to
42 80 MW of wind or solar capacity.

43 **Q. Please provide some background on HB 261.**

44 A. During the 2018 Utah legislative session, HB 261 was passed by both houses and
45 signed into law. Primarily, HB 261 grants the Commission authority to approve the
46 Company’s acquisition of solar energy projects to offer service to contract customers

47 under Schedules 32 and 34, and to serve any other utility customer if the solicitation or
48 acquisition meets additional Energy Resource Procurement Act requirements. This new
49 law allows the utility to take advantage of federal tax credits so that it can compete
50 against non-utility solar developers on an equal footing to provide customers solar
51 energy resources using a rate based on the prevailing market for solar resources. To
52 establish the prevailing market rate for solar energy resources, the utility's application
53 must include a proposed solicitation process and the criteria used, either by the
54 requesting customer(s) or the utility, for the selection of winning bidders. For Schedule
55 34 customers, like those that are seeking renewables in the 2019R Utah RFP, the
56 Commission must also hold a public hearing and provide an opportunity for comments
57 following resource selection and before any acquisition by the Company. The
58 Application is consistent with HB 261, and consistent with the rules promulgated by
59 the Commission in Docket No. 18-R450-01.

60 **Q. Why is the Company seeking approval of the 2019R Utah RFP?**

61 A. The genesis of the Company's Application is customer-driven. Commercial, industrial
62 and municipal entities are increasingly interested in meeting a greater portion of their
63 electric energy requirements with renewable resources than they receive from the
64 Company's current mix of renewable and non-renewable resources. Schedule 34
65 allows the Company to work with these customers to help them meet their renewable
66 energy goals, while protecting the interests of non-participating customers from cost
67 shifting. The Participating Customers have goals to purchase set percentages of
68 renewable energy for their municipal operations by specific dates.

69 **Q. Why is it important that the Company receive Commission approval of the 2019R**
70 **Utah RFP by the end of February 2019?**

71 A. Salt Lake City has publicly committed to renewable goals that require the Company to
72 seek approval promptly. Salt Lake City has a stated goal of procuring renewable energy
73 for 50 percent of its annual municipal electricity requirements by 2020. To meet Salt
74 Lake City's deadline for purchasing renewable energy it is necessary to issue this
75 2019R Utah RFP now in order to allow time for the construction of new resources to
76 meet this goal.

77 The 2019R Utah RFP and this application have been structured to meet the
78 requirements of the Commission's R-745-450, which was recently promulgated by the
79 Commission through Docket No. 18-R450-01.

80 **Q. Please describe the Participating Customers on whose behalf the Company seeks**
81 **approval of the 2019R Utah RFP for acquisition of renewable resources.**

82 A. Since at least 2016 the Company has worked with Salt Lake City, Park City, and
83 Summit County to identify ways to help them meet their renewable goals. Park City
84 Mountain Resort, Utah Valley University, and Deer Valley Resort have more recently
85 approached the Company seeking similar solutions. The Company signed Joint Clean
86 Energy Cooperation Statements with each of Salt Lake City, Park City and Summit
87 County in 2016, 2017 and 2018, respectively. As previously noted, Salt Lake City has
88 made a public commitment to procure renewable energy for 50 percent or more of its
89 annual municipal electricity requirements by 2020. Park City committed to procure
90 renewable energy for 100 percent of its annual municipal electricity requirements by
91 2022. Summit County has committed to procure renewable energy for 50 percent of its

92 annual municipal electricity requirements by 2025. Vail Resorts, Inc. (parent of Park
93 City Mountain Resort) has made public commitments to move to renewable energy for
94 100 percent of its annual electricity requirements in Utah and other states by 2030.¹

95 Salt Lake City, Park City, Summit County, Deer Valley Resorts, and Park City
96 Mountain Resort have signed professional services agreements with the Company to
97 be RFP participants. Under those agreements the Company is obligated to issue a
98 solicitation to procure renewable resources to help each of them meet their renewable
99 energy commitments. These Participating Customers and the Company also committed
100 to work together to reduce emissions, increase energy efficiency and meet certain other
101 renewable energy goals for municipal government operations. In addition, Utah Valley
102 University has similar renewable energy, carbon neutral, and/or sustainability goals,
103 and indicated that it will participate in the 2019R Utah RFP.

104 **Q. Why is the Company seeking approval to solicit solar resources in accordance**
105 **with HB 261 under the 2019R Utah RFP when other resource types may also bid?**

106 A. While the 2019R Utah RFP is intended to garner bids for geothermal, solar and wind
107 resources, the requirement that the renewable resource(s) be located in Utah will likely
108 lead to more solar bids than from other types of renewable energy resources. The
109 Participating Customers are interested in evaluating bids from all types of renewable
110 resources to meet their renewable goals, including solar resources. The Company has
111 worked closely with the Participating Customers to develop a solicitation that meets
112 their requirements for renewable energy. This includes the desire to have a highly
113 creditworthy resource developer/owner, to have access to transmission capacity, and to

¹ See <https://www.denverpost.com/2017/07/25/vail-environmental-impact-changes/> (last accessed May 22, 2018).

114 find the lowest cost option to minimize financial impacts to their citizens while meeting
115 their renewable and sustainability goals. The RFP is designed to analyze the costs of
116 network upgrades required to interconnect the renewable energy resource and transmit
117 the power as a PacifiCorp designated network resource to ensure that non-participating
118 customers of the Company are not burdened with excess costs as a result of the
119 Participating Customers' election to utilize a higher percentages of renewable energy.
120 The 2019R Utah RFP is designed to meet each of these objectives.

121 **Compliance with Utah Statutes and Rules**

122 **Q. Have you attached a copy of the proposed solicitation with appendices and draft**
123 **pro forma contracts?**

124 A. Yes. Exhibit RMP___(MT-1) is the 2019R Utah RFP including the associated
125 appendices. The RFP requires Bidders to offer a few different structures. The first is an
126 up-to twenty-five year power purchase agreement (“PPA”) with exclusive ownership
127 by the Company and the Participating Customers of any and all environmental
128 attributes associated with the energy generated. The second is a build-transfer
129 agreement (“BTA”) whereby the bidder develops the project, assumes responsibility
130 for construction and ultimately transfers the operating asset to the Company before the
131 commercial operation date (“COD”). Under this structure, the bidder is responsible for
132 all development, construction, commissioning, and performance testing. The Company
133 is also allowing bidders to propose alternative PPA or BTA structures provided they
134 comply with the restrictions noted in the RFP. As required by R746-450-3(g)(ii)
135 bidders are also allowed to submit bids for a portion or all of the requested quantity,
136 and to submit separate bids for individual Participating Customers. Those proposals

137 will be considered at the Company's and Participating Customers' sole discretion and
138 they reserve the right to reject any non-compliant bids.

139 **Q. Does the draft 2019R Utah RFP provide a description of the solicitation process?**

140 A. Yes. The draft 2019R Utah RFP provides a description of the solicitation process and
141 contains numerous appendices that provide additional information and instructions to
142 potential bidders regarding the nature of the solicitation process.

143 **Q. Do the Participating Customers qualify for service under Schedule 34?**

144 A. Yes. The Participating Customers qualify for service under Schedule 34, a retail service
145 option that is available to any customer served by the Company whose total aggregated
146 electric load is at least 5,000 kW, based on annual peak load. Schedule 34 allows a
147 customer to receive electric service from the Company generated by a renewable
148 energy resource from one or more renewable energy facilities under a contract, while
149 protecting other customers from the financial impacts of those decisions. Under
150 Schedule 34, the facilities supplying the renewable energy can be Company-owned,
151 customer-owned, or owned by a third party.² The Company anticipates filing
152 applications for the Commission's approval of any Schedule 34 contracts with
153 Participating Customers prior to the effective date of any PPAs or the completion of
154 any resource acquisitions. The Company is seeking to issue the 2019R Utah RFP prior
155 to completion and approval of the Schedule 34 contracts in order to provide the
156 Participating Customers accurate pricing information to make decisions on whether to
157 execute Schedule 34 contracts and to better reflect the details of the initial resources
158 supplied under those contracts.

² See Schedule 34, Sheet No. 34.1, "Provision"; and Sheet No. 34.4.a.

159 **Q. Are different types of customers as classified under R-746-450 being included in**
160 **the 2019R Utah RFP?**

161 A. No. All of the Participating Customers will take the output of the renewable resources
162 procured by the 2019R Utah RFP through Schedule 34 contracts.

163 **Q. How will the output of any resources procured under the 2019R Utah RFP be**
164 **apportioned among the Participating Customers?**

165 A. The RFP includes a table in the “Introduction” (Section 1 of the RFP) that describes
166 each Participating Customer’s resource needs, and how selected resources would be
167 apportioned among them.

168 **Q. Will bidders be allowed to bid on portions of the requested load, or to meet the**
169 **needs of individual Participating Customers as required by R-746-450-3(g)(ii)?**

170 A. Yes. As stated in the “Minimum Eligibility Requirements For Bidders” (Section F of
171 the RFP) bidders may elect to submit bids for individual Participating Customers.
172 Bidders will be able to refer to the apportionment table in the “Introduction” (Section
173 1 of the RFP) for the necessary information to structure their bids to supply the
174 Participating Customers on an individual basis as required by the Commission’s Rules.

175 **Q. Will the Company administer the 2019R Utah RFP even though it may procure**
176 **the resources that are ultimately selected?**

177 A. Yes. The Company understands that there could be a perceived conflict of interest.
178 Therefore, the proposed HB 261 rules address this situation and require the Company
179 to provide a description of how the Company will ensure that personnel involved in
180 preparing bids will be prevented from sharing information that may lead to an unfair
181 advantage or the perception of such an advantage during the selection process.

182 **Q. How will the Company ensure separation between the personnel preparing bids**
183 **and the personnel involved in selections under the 2019R Utah RFP?**

184 A. Because the Company is not sponsoring a project to bid, and is instead evaluating
185 whether to purchase any of the third-party resources that bid into the RFP through the
186 requested BTA bids, there is a minimal risk of bias in the administration and selection
187 process. However, the Company will establish separate evaluation teams for power
188 purchase agreements and build-transfer agreements. These teams will be walled from
189 each other during the evaluation and selection process and prevented from sharing
190 information on their analyses. Even though the risk for potential bias is low because
191 the Company and the Participating Customers will only be evaluating a potential
192 purchase after bids are received, this separate evaluation process will further avoid bias
193 in bid evaluation and selection and is in conformance with the rule requirements.

194 **Q. Does the Company propose to separately account for the costs of managing the**
195 **solicitation?**

196 A. Yes. While the bid fees will cover some of the costs of the RFP, for informational
197 purposes the Company will also separately track the costs associated with its
198 administration of the RFP. This will include expenses associated with work performed
199 by the Company's personnel.

200 **Q. Please describe the criteria the Company proposes to use to evaluate the responses**
201 **to the solicitation as required by R-746-450.**

202 A. The Company has developed reasonable price and non-price selection criteria in the
203 2019R Utah RFP to ensure that the resources selected are both low cost and represent
204 a low risk to the Company and to the Participating Customers. In consultation with the

205 Participating Customers, the Company selected non-price criteria to capture objective
206 elements of the bids that do not translate well into dollar per MWh amounts, but that
207 nevertheless help to ensure that only high quality projects with reasonably low levels
208 of risk advance to final selection.

209 **Q. What non-price criteria does the Company propose to use in its evaluation of the**
210 **bids?**

211 A. The first non-price criteria is conformity to the RFP requirements, which helps ensure
212 that all bidders can be scored on a level playing field. Second, the bids will be evaluated
213 on whether the project is likely to meet its deliverability date, which is especially
214 important given the need to meet the Participating Customers' renewable goals in a
215 timely manner. This step will include an analysis of bidders' schedules, and their
216 documentation demonstrating that the projects are capable of completing their
217 interconnections in a timely manner. The RFP also includes standards for the
218 creditworthiness of potential bidders that ensures only those bidders that have credit
219 ratings from the major credit rating agencies equal to or greater than BBB- or the
220 equivalent will be selected, which minimizes default risk and ensures that bidders are
221 financially capable of seeing their project through to delivery and beyond. Finally, the
222 Company will evaluate whether the bids, if selected, have lease or other accounting
223 implications which may have potential tax or other accounting impacts on the
224 Company.

225 **Q. What price-based criteria will be used to evaluate the bids?**

226 A. The price-based selection criteria are designed to allow each bid to be evaluated on a
227 total cost basis. The Company will rank the bids based on the difference between the

228 dollar per MWh price of the proposed resource, and the Proxy/PDDRR method the
229 Company uses for determining the avoided costs for qualifying facilities. Under the
230 2019R Utah RFP, the Company may also use the Schedule 32 pricing methodology to
231 rank bids, because that method places a greater emphasis on the dollar per MWh price
232 and profile relative to a customer's load. The price evaluation will also incorporate any
233 network upgrade costs associated with interconnection and transmission to customers
234 to the extent such costs have not already been incorporated into the bid price. This
235 includes network upgrade costs identified for both interconnection and for transmission
236 service. These interconnection and transmission requirements are equally applicable to
237 all bidders, and ensures that the impacts of interconnection or delivery locations
238 proposed by bidders will be fairly considered in the selection process as required by
239 the Commission's rules.

240 **Q. How does the 2019R Utah RFP meet the requirement that the evaluation process**
241 **create a level playing field between the qualified utility and other bidders?**

242 A. The Company, in consultation with the Participating Customers, has designed price and
243 non-price criteria that will be applied to all bidders equally. While the RFP's non-price
244 selection criteria are not translatable into dollar per MWh equivalents, they are
245 objective rather than subjective. For example, the bids will be evaluated based on their
246 progression through the Company's interconnection process as described above, which
247 can be confirmed using information such as queue position, interconnections studies,
248 transmission service studies, and interconnection agreements. Financial capability is
249 determined based on an investment grade credit rating, which is also an objective
250 standard since the rating is determined by the independent credit rating agencies.

251 Without going through each of the non-price criteria, each is similarly structured to
252 provide an objective measure to justify the scoring of all bids, whether the resources
253 will be owned by the Company or not. Similarly, the price criteria have been designed
254 to enable an objective score for each bid based on a comparison to the Company's
255 avoided costs. These objective scoring criteria create a level playing field where all
256 bidders can compete fairly. Because they are objective measures, there will be a record
257 that supports the scoring for each bid.

258 **Q. Do you believe the 2019R Utah RFP is in the public interest?**

259 A. Yes. I believe the 2019R Utah RFP is in the public interest and recommend the
260 Commission approve the Application.

261 **Q. Does this conclude your direct testimony?**

262 A. Yes

Rocky Mountain Power
Exhibit RMP__(MT -1)
Docket No. 18-035-47
Witness: Mark Tourangeau

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Mark Tourangeau

Draft 2019R Utah RFP

December 2018



Request for Proposals

Renewable Resources

(2019R UTAH RFP)

ISSUED: TBD

DUE DATE: TBD

2019 UTAH RFP Responses:

**Rocky Mountain Power
2019R UTAH RFP
Commercial Services
1407 West N Temple, Suite 310
Salt Lake City, UT 84116**

TBD@pacificorp.com

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SECTION 1. INTRODUCTION

This 2019 Utah Request for Proposals for renewables energy resources (2019R Utah RFP), administered by PacifiCorp, d.b.a. Rocky Mountain Power (RMP or the Company), is seeking cost-competitive bids for wind, photovoltaic (PV) solar, or geothermal renewable energy located in Utah and interconnecting with or delivering to PacifiCorp's system. The renewable energy resources must meet the criteria developed by the customers sponsoring this RFP. The customers sponsoring the RFP include Park City, Salt Lake City, Summit County, Park City Mountain Resort, Deer Valley Resort, and Utah Valley University (Participating Customers). The Participating Customers are seeking to purchase renewable energy from renewable resources through Rocky Mountain Power's Utah Electric Service Schedule 32 or Schedule 34 (or any other applicable tariff allowed by Utah laws and regulations).

Proposals must demonstrate to the Company and Participating Customers' satisfaction, and as determined in their sole discretion, that the proposed project(s) can successfully interconnect, obtain transmission service, and achieve commercial operation within the timeframe listed in Section 2. The Company and Participating Customers are not bound to accept any bids, and may cancel this solicitation at any time and at their own discretion.

Bids must include a project/projects that are discrete generating assets not located behind any load served by a utility or net-metered, and the project(s) must be individually metered and remotely monitored. Renewable Energy Credits (RECs) associated with the project(s) will become the property of Rocky Mountain Power and its Participating Customers. The minimum discrete project size is 20.0 MW AC, and Rocky Mountain Power is seeking a project or projects that meet the Participating Customers' aggregate average annual forecasted demand of 205,000 MWhs in the project(s)' first full calendar year of operation. Additional consideration will be given to projects that have the capability of increasing their AC generation capacity by 10 MW or more in future years.¹

The Company will accept proposals for new greenfield renewable energy resource projects in Utah capable of directly interconnecting with and delivering energy to PacifiCorp's PACE network transmission system in Utah or capable of delivering energy to PacifiCorp's transmission system in Utah with the use of third-party firm transmission service.

The Company will consider proposals for the two following transaction structures, both of which must be submitted by the bidder in their proposal:

1. "Build-Transfer" transaction whereby the bidder develops the project, assumes responsibility for construction and ultimately transfers the operating asset to Rocky Mountain Power prior to the Commercial Operation Date (COD), all pursuant to the terms of a build transfer agreement (BTA). Bidder is responsible for all

¹ Per Section 1 of this solicitation, Bidders may submit bids for solar projects with less than 20 MW of capacity for specific Participating Customers if the project(s) meets all other criteria specified in this RFP.

- development, design², generation equipment supply, balance of plant (BOP) equipment, construction, commissioning, and performance testing.³
2. Power purchase agreement (PPA) for up to a twenty-five (25) year term with exclusive ownership by RMP and the Participating Customers of any and all environmental attributes associated with all energy generated.⁴ Respondents are urged to include PPA pricing for 15, 20 and 25 year terms for each individual project submitted.

Rocky Mountain Power and the Participating Customers are limiting the requested resource type to solar PV, wind, or geothermal energy sources, and will not accept bids that combine these sources with other technologies except for battery or other forms of storage. However, the Participating Customers are interested in creative proposal options that add value without creating additional technology or development risk. Rocky Mountain Power will allow bidders to propose alternative PPA and BTA structures that are in compliance with the restriction noted in this paragraph as well as with Utah Tariff Rate Schedule 32 and/or Schedule 34, however such proposals will be considered (or not considered) at the Company's and Participating Customers' sole discretion and they reserve the right to reject non-compliant bids.

At the bidder's option, the PPA bid submittal can include the right for Rocky Mountain Power to purchase the project assets during or at the end of the proposed contract term at fair market value (FMV) to retain the value of the site for customers.

For longer-term contract offers (i.e., PPA terms of 20 to 25 years without PPA extensions, or PPA terms that, after consideration of extension options, would result in a PPA term of 20 to 25 years), bidders should carefully consider the potential book and tax lease accounting treatment or Variable Interest Entity (VIE) treatment implications. For these PPA offers of 20 years or greater (Long Term), bidders that are selected to the initial shortlist will be required, if requested by Rocky Mountain Power, to supply projected cash flows through the life of the underlying asset so that the Company can assess potential accounting implications. Potential accounting treatment impacts will be incorporated into the bid evaluation and selection process. For instance, if Rocky Mountain Power determines that a Long Term PPA offering would be treated as a capital lease for tax purposes, Rocky Mountain Power would be treated as the tax owner for the proposed facility. Please also refer to Section 5.F of this RFP.

Per Utah Code §54-17-807 and associated rules, the Company is required to demonstrate how the output from a renewable solar resource will be apportioned to different customers given this RFP is intended to solicit resources for more than one customer in a specific customer solicitation. The following table demonstrates how the output is intended to be divided amongst the Participating Customers.

² The renewable energy resource design must comply with PacifiCorp's pro forma technical specification as identified in RFP Appendices.

³ H.B. 261 (as enacted UC §54-17-807) allows a utility in the state of Utah to acquire a solar resource >2 MW if the resource has been chosen by a customer through a competitive solicitation process and the acquisition is approved by the Public Service Commission of Utah.

⁴ As the term, Environmental Attributes, is defined in the pro-forma transaction documents for this RFP.

Customer	MWh/Year⁵	MW Capacity⁶
Salt Lake City Municipal Ops	100,000	38 MW
Park City Municipal Ops	12,000	5 MW
Summit County Ops	18,199	7 MW
Utah Valley University	38,706	15 MW
Vail Resorts	24,000	9 MW
Deer Valley Resort	11,792	4 MW

Also, per the rules for Utah Code §54-17-807, Bidders are permitted to place separate solar bids for each Participating Customer that meets the requirements of Utah Code §54-17-803 or Utah Code §54-17-806. If a Bidder bids on specific Participating Customers, each bid will be treated as a base proposal and will be subject to the fees outlined in **Section 2. Procedural Items**.

Per Utah Code §54-17-807 and associated rules, the Company is required to file an application for approval of the Utah Public Service Commission prior to entering into any BTA for a solar facility, and execution of any such BTA for a solar facility is contingent on the Company receiving such approval.

The Company is not required to conduct the RFP under the oversight of an independent evaluator (IE).

SECTION 2. PROCEDURAL ITEMS

Bids will be evaluated based on the following:

- Customer cost.
- Location within the state of Utah.
- Deliverability, including site control, development status (including status for all permits), developer's experience, and demonstration that the project's commercial operation date will be achieved between June 30 2020 and December 13, 2021.
- Transmission access and interconnection status in conformance with the 2019R Utah RFP requirements outlined in Section 5.B. Direct Interconnection or Third-Party Interconnection and Transmission Service.
- Bidder must include "Build-Transfer" pricing as well as PPA pricing for each base proposal.
- Exceptions to the pro-forma PPA and Build-Transfer Agreement terms as represented in **Appendix E-2 and Appendix F-2** respectively. Note that any bids that include exceptions that significantly alter the structure of the pro-forma Build-Transfer Agreement as described in Section 4.B of this RFP may be rejected as non-complaint without regard to any other evaluation factors.

⁵ The MWh/Year apportioned to each customer is based on load forecasts provided by the customers and validated by the Company.

⁶ The MW capacity apportioned to each customer is based on a solar resource annual capacity factor in year 1 of 30%.

- Compliance with and verification of major equipment availability defined in **Appendix A – Technical Specification**, and as outlined in **Appendices A-1 through A-10** for each type of renewable technology.
- Ability to provide acceptable credit security for the bidder’s proposed obligation and conformance to the *pro forma* agreements attached as **Appendices E-2 and F-2** to this RFP.

Each proposal will be prepared at the sole cost and expense of the bidder and with the express understanding that there will be no claims whatsoever for reimbursement from Rocky Mountain Power. The Company is not liable for any costs incurred by bidders in responding to this RFP, or for any damages arising out of or relating to the Company’s rejection of any proposal, or bidder’s reliance upon any communication received from Rocky Mountain Power, for any reason. Bidder shall bear all costs, expenses, and bidder fees of any response to Rocky Mountain Power in connection with its proposal for the 2019R Utah RFP, including providing additional information, the bidder fee and the success fee, if project is selected to the final shortlist, and bidder’s own expenses in negotiating and reviewing any documentation.

Appendix E-1 – PPA Instructions to bidder provides additional detail on preparation of bid document deliverables.

All proposals belong to Rocky Mountain Power and will not be returned. Confidentiality agreements (CA) and mutual nondisclosure agreements (NDAs) will be executed with initial short list projects as part of this RFP. Rocky Mountain Power will use reasonable efforts to protect information clearly and prominently marked as proprietary and confidential on the page it appears, but the Company reserves the right to release such information to the Participating Customers, agents or contractors to help evaluate the proposal, as well as to its regulators and non-bidding parties to regulatory proceedings subject to standard protective orders or confidentiality arrangements. Rocky Mountain Power shall not be liable for any damages resulting from any disclosure of such information, howsoever occurring.

Rocky Mountain Power will accept offers that include several different alternatives under the same proposal. For each bid proposal, bidders must submit a bid fee of \$5,000 which allows a bidder to submit a base proposal (combined PPA and BTA prices) and two (2) alternatives for the same \$5,000 bid fee. Bidders will also be allowed to offer up to three (3) additional alternatives to the base proposal at a fee of \$3,000 per alternative.

SECTION 3. LOGISTICS

A. SCHEDULE (PROVISIONAL)

Milestone	Date
RFP Submitted to UT Public Service Commission for review	12/28/18
RFP issued to market	2/28/19
Bidders Conference Call	3/07/19

RFP Bids Due	3/29/19
Bid Eligibility Screening Completed	4/12/19
Initial Shortlist (ISL) Evaluation/Scoring Completed	4/19/19
Best and Final Offer (BAFO) Price Update Requested from ISL	4/24/19
ISL's submit Pac Trans Consulting Study Requests	4/24/19
BAFO Due to Rocky Mountain Power	5/15/19
Final Shortlist (FSL) Evaluation Completed	5/22/19
Execute Agreements	6/28/19

The indicative schedule above is subject to change. Actual dates may vary from the indicative schedule for reasons that include, but are not limited to, negotiation time, availability of key personnel, due diligence, the evaluation or negotiation of any issues unique to any bid, bidder, or project, bidder's willingness to agree to forms of agreements desired by Rocky Mountain Power, the Company's evaluation of bidder's creditworthiness, and actions required by any third parties. Rocky Mountain Power accepts no liability to the extent the actual schedule varies from the indicative schedule. The Company is not obligated to develop a shortlist of bidders, to make a final selection, or to initiate or complete negotiations on any transaction.

Bidders should note the condensed schedule and be available for calls and meetings regarding bid submittals and be responsive to questions in a timely manner. Rocky Mountain Power will attempt to complete the bid review and screening as efficiently as possible but may require very short turnaround times on bid clarifications in order to meet the RFP milestones and schedule.

B. SUBMISSION OF QUESTIONS

Interested parties and bidders may submit questions related to this solicitation, and Rocky Mountain Power will respond in a timely fashion. All information, including pre-bid materials, questions, and Rocky Mountain Power's response to questions, will be posted on the PacifiCorp website at www.pacificorp.com/TBD

Email – Communications with Rocky Mountain Power can also be emailed directly at the following email addresses:

Rocky Mountain Power: TBD@pacificorp.com

C. RFP ROLES AND TEAMS

The RFP teams will be established by Rocky Mountain Power prior to the final approval of the RFP as described in **Appendix N**. The Company will ensure that the internal team identified to analyze the PPA components of the bids will be functionally separate from the internal team identified to analyze the BTA components of the bids.

D. SUBMISSION OF BIDS

All submitted bids must be transmitted by express, certified or registered mail, or hand delivery to the following address:

Rocky Mountain Power
2019R Utah RFP
Attention: Commercial Services
1407 West N Temple, Suite 310
Salt Lake City, UT 84116

A signed original hard copy of the bid shall be submitted prepared on standard 8 1/2 inch by 11 inch paper, duplex printed (2 sided). **THE BID MUST BE ORGANIZED IN THE SAME ORDER AS THE INFORMATION IS REQUESTED IN THIS RFP** and related Appendices. The hard copy bid should also include two (2) copies of the full proposal on individual USB flash drives or disks. Rocky Mountain Power may reject any bid that fails to follow these instructions.

In addition, bidders must submit one (1) electronic copy to Rocky Mountain Power at: TBD@pacificorp.com

Rocky Mountain Power will respond with a receipt email.

Bids will be accepted until 5:00 p.m. Mountain Prevailing Time on March 29, 2019

Rocky Mountain Power will not accept any late proposals. Any bids received after this time will be returned to the bidder unopened.

All bid proposals shall have a bid validity date through 5:00 pm MPT, May 22, 2019.
Bids selected to the initial shortlist will be asked to update their bid prices as part of the negotiation process.

Bidders must submit complete proposals that include the following items:

1. One (1) signed original hard copy of each bid and two copies on USB drives with all required forms including all exhibit sheets required in **Appendix A** and **Appendices E-1 and E-2 (PPA), and Appendices F-1 and F-2 (BTA)**.
2. One (1) electronic copy of the bid sent to the email address provided, which should include any required forms in PDF format and Microsoft Excel format, as required, including all exhibit sheets required in **Appendix A**.
3. One (1) electronic copy of the **Appendix C – Bid Summary and Pricing Input Sheet** in original Microsoft Excel format, and a hard copy.

For wind, the bidder must provide one (1) electronic and hard copy of an independent third-party wind assessment analysis/report supported by a minimum of (a) two years of wind data from the proposed site for BTA proposals or (b) one year of wind data from the proposed site for PPA proposals, and one (1) electronic copy of the wind data that support the capacity factor. Wind proposals must supply

a representative p-50 annual hourly (8760 hours) energy profile reflecting expected unit availability in Microsoft Excel format.

For pv solar, the bidder must provide a solar assessment analysis/report using PVSyst that supports the capacity factor. Bidder must provide a complete set of modeling input files in Microsoft Excel format that PacifiCorp can use to simulate the performance using PVSyst, PacifiCorp's preferred solar performance model. The performance estimation report must meet the requirements in **Appendix A (Solar) – Paragraph A-1.1**. Solar proposals must supply a representative annual hourly (8760 hours) energy profile reflecting expected unit availability, but before accounting for degradation. The hourly energy profile must present performance as alternating current and be in Microsoft Excel format. In the event the bidder chooses to use different performance modeling software than specified, the bidder must provide sufficient data and inputs for PacifiCorp to validate the expected performance of the proposed resource.

4. One (1) redline including the bidder's proposed variances to the pro-forma PPA (**Appendix E-2**), and one (1) redline including the bidder's proposed variances to the proforma Build-Transfer Agreement (**Appendix F-2**). Any bid that proposes exceptions to that significantly alter the structure described in Section 4.B of this RFP will be treated as non-compliant and is may be rejected by the Company.

E. BID EVALUATION FEES

Bidders shall pay a non-refundable fee (Bid Fee) of \$5,000 for each base proposal (including up to three different terms of 15, 20, and 25 years) and two (2) alternatives submitted. Bidders will also be allowed to offer up to three (3) additional alternatives to the base proposal at a fee of \$3,000 per alternative. Alternatives will be limited to different bid sizes, in service dates, and/or pricing structures. 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 and the bidder will pay one bid fee. Rocky Mountain Power's objective in offering bidders the opportunity to propose multiple alternatives is to allow Rocky Mountain Power to optimize the benefits from the solicitation by combining proposals of different sizes, terms and in-service dates. Proposals must be submitted in the legal name of the respondent who would be bound by any agreement with Rocky Mountain Power.

Payment of Bid Fees. Non-refundable Bid Fees shall be paid by wire transfer to Rocky Mountain Power. Rocky Mountain Power will email wire transfer instructions to bidders upon request, and such email requesting wire information will signify the bidder's intent to bid. Bidders will be given specific labeling to include on their wire transfer. No cashier's checks will be accepted. 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. Rocky Mountain Power will not refund any bid fees associated with any bid, regardless of the success or failure of that bid.

F. 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 Rocky Mountain Power and/or the Participating Customers, as determined in their sole discretion. If proposals do not comply with these requirements, Rocky Mountain Power has the option to deem the proposal non-conforming and eliminate it from further evaluation. Reasons for rejection of a bidder or its proposal include, but are not limited to:

1. Receipt of any proposal after the response deadline.
2. 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.
3. Failure to demonstrate a commercial operation date within the timeframe listed in Section 2.
4. Failure to permit disclosure of information contained in the proposal to Rocky Mountain Power's agents, contractors, regulators, or non-bidding parties to regulatory proceedings under appropriate confidentiality agreements.
5. Any attempt to influence Rocky Mountain Power/PacifiCorp in the evaluation of the proposals, outside the solicitation process.
6. Failure to provide a firm offer that includes a signed attestation from an officer of the bidder's company through the bid validity date outlined in Section 3.F. of this RFP.
7. Failure to disclose the real parties of interest in the submitted proposal.
8. Failure to provide BTA pricing in addition to PPA pricing in the base proposal.
9. Bidder is in current material litigation or has threatened material litigation against Rocky Mountain Power/PacifiCorp. For the purpose of this provision, material litigation shall mean a dispute in excess of five (5) million dollars in which bidder has issued a demand letter to Rocky Mountain Power/PacifiCorp, the bidder and Rocky Mountain Power/PacifiCorp are currently in dispute resolution, the bidder and Rocky Mountain Power/PacifiCorp have an unresolved dispute pending or bidder has noticed a pending legal action against Rocky Mountain Power/PacifiCorp. Material litigation excludes bidder complaints before a state regulatory utility commission. Rocky Mountain Power/PacifiCorp will consider on a case-by-case basis whether the bidder should be excluded if the bidder is threatening litigation against or in active litigation with the company.
10. Failure to clearly specify all pricing terms for each alternative(s).
11. Failure to offer unit contingent (as generated) or system firm capacity and energy, directly interconnected with Company's network transmission system in its PACE balancing areas or capable of delivering energy to PACE with the use of third-party firm transmission service (including appropriate contract term lengths and commercial operation dates).
12. Failure to provide evidence that the proposed project has either: (1) requested a direct interconnection with PacifiCorp's PACE system and executed an interconnection feasibility study or system impact study (SIS) agreement with PacifiCorp's transmission function; or (2) requested interconnection with a third party's system, executed an interconnection feasibility study agreement with the third party transmission provider, and requested long-term, firm third-party transmission service from the resource's point of interconnection with the third party's system to the proposed point of delivery on PacifiCorp's PACE system.

13. Failure to provide all interconnection costs and transmission service costs, if applicable, in bid proposal. Costs estimates shall be performed and provided by the project if a transmission provider study has not been completed or is not available at the time of submittal.
14. Proposal presents unacceptable level of development or technology risk including multiple resource types combined under a single bid.
15. Failure to materially comply with technical specification requirements in **Appendix A**.
16. Failure to demonstrate a process to adequately acquire or purchase major equipment (i.e., wind turbine generators and related equipment, solar photovoltaic panels, inverters, tracking system, generator step-up transformers) and other critical long lead time equipment.
17. Failure to demonstrate, to Rocky Mountain Power's and the Customer's satisfaction, that it can meet the credit security requirements for the resource proposed.
18. Failure to submit information required by Rocky Mountain Power to evaluate the price and non-price factors described herein.
19. Failure to or inability to abide by the applicable safety standards.
20. Bidder submits an unacceptable contract structure, including but not limited to exceptions that significantly alter the structure of the pro-forma Build-Transfer Agreement (**Appendix F-2**) as described in Section 4.B of this RFP.
21. Collusive bidding or any other anticompetitive behavior or conduct exists.
22. Bidder or proposed project being bid is involved in bankruptcy proceedings.
23. Failure of the bidder's authorized officer to sign the proposal.
24. Misrepresentation or failure to abide by Federal Trade Commission Green guidelines.
25. Any change in regulations or regulatory requirements that make the bidder's proposal non-conforming.
26. Any matter impairing the bidder, the specified resource or the generation of power or environmental attributes of the renewable resource.
27. Failure to provide a performance model output including hourly output values as identified in **Appendix A**.
Failure to provide **Exhibit D – Bidder's Credit Information**, and **Appendix C – Form 1 – Pricing Input Sheet**.
28. Any matter impairing bidder, specified resources or the generation of power or non-power attributes therefrom.
29. Failure to provide documentation of site control for the project excluding right-of-way or easements for transmission, roads, or access to the site.

G. COMPANY RESERVATION OF RIGHTS AND DISCLAIMERS

Rocky Mountain Power, in consultation with the Participating Customers, 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, Rocky Mountain Power reserves the right to reject as non-responsive any or all bid proposals received for failure to meet any requirement of this RFP outlined herein. Rocky Mountain Power 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 Rocky

Mountain Power, and/or any collusive bidding or other anticompetitive behavior or conduct of bidders.

Bidders who submit bid proposals do so without recourse against Rocky Mountain Power, its parent company, its affiliates and its subsidiaries, or against any director, officer, employee, agent, the Participating Customers 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. Bidders will be required to execute **Appendix G - Confidentiality Agreement** after the initial shortlist is identified and **Appendix G - Non-Reliance Letter** after being selected to the final shortlist, prior to entering into final negotiations.

H. ACCOUNTING

All proposals will be assessed by Rocky Mountain Power for appropriate accounting and tax treatment. Bidders must supply all information the Company reasonably requires in order to make these assessments if project is selected to the initial shortlist. According to Generally Accepted Accounting Principles, the Company will establish and maintain accounts for the revenue, expenses, assets, liabilities and owners' equity associated with any and all solar renewable resources acquired through this solicitation 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 the Company's personnel. Additionally, the Company will account for the power costs associated with the resource(s) in a separate account(s).

I. CONFIDENTIALITY

Rocky Mountain Power will attempt to maintain the confidentiality of all bids submitted, to the extent consistent with law or regulatory order, as long as such confidentiality does not adversely impact a regulatory proceeding. It is the bidder's responsibility to clearly indicate in its proposal what information it deems to be confidential. Bidders may not mark an entire proposal as confidential, but must mark specific information on individual pages to be confidential in order to receive confidential treatment for that information.

All information supplied to Rocky Mountain Power or generated internally by Rocky Mountain Power is and shall remain the property of Rocky Mountain Power. The bidder expressly acknowledges that Rocky Mountain Power may retain information submitted by the bidder in connection with this RFP. To the extent bidder receives information from Rocky Mountain Power, bidder shall maintain the confidentiality of such information and such information shall not be available to any entity before, during or after this RFP process unless required by law or regulatory order.

Only those Company and Participating Customer employees who are directly involved in the RFP process or with the need to know for business reasons will be afforded the opportunity to view submitted bids or bidder information.

Bidders should be aware that information supplied by bidders may be requested and supplied during regulatory proceedings, subject to appropriate confidentiality provisions applicable to that particular proceeding. This means that parties to regulatory proceedings

may request and view confidential information. If such a request occurs, Rocky Mountain Power will attempt to prevent such confidential bidder information from being supplied to intervening parties who are also bidders, or who may be providing services to a bidder, but Rocky Mountain Power cannot promise success in that endeavor and accordingly cannot be held liable for any information that it is ordered to be released or that is inadvertently released.

Lastly, Rocky Mountain Power intends to utilize its internal, proprietary models in its evaluation process. These models, the assumptions used in these models, and the bid evaluation results will not be shared with entities external to Rocky Mountain Power or its consultants, including bidders, unless required to support regulatory proceedings, required by law, or required by regulatory order.

SECTION 4. RFP CONTENT

A. ALL PROPOSALS

This section outlines the content and format requirements for all proposal structures and alternative proposal structures. Proposals that do not include the information requested and in a form described in this section may be deemed ineligible for further evaluation if the bidder does not provide information within 24-hours of a request by Rocky Mountain Power or not relevant as determined by Rocky Mountain Power and the Participating Customers in their sole discretion. All sections must be complete and in compliance with the RFP in order for the bid to be accepted. In addition to the requirements listed here, bidders must meet the requirements of **Appendix B – Information Required in Bid Proposals**.

While bidders may submit alternative ownership proposals, such alternative ownership proposals beyond those requested will be considered by Rocky Mountain Power in its sole discretion to determine whether these alternatives provide an attractive benefit for the Participating Customers and comply with Rocky Mountain Power’s requirement that the bids are renewable only. The RFP Appendices format is outlined in the table below. Each bidder must provide complete information as requested in all appendices, forms and attachments as outlined in the table below that is relevant to its proposal and for any alternative, as applicable.

	2019R Utah RFP Bid Applicability	PPA	Build/Transfer Agreement
Appendix A	Renewable Resource Technical Specification		
<i>Appendix A-1</i>	<i>Overview of Appendices</i>	--	--
<i>Appendix A-2</i>	<i>Interconnection Agreement</i>	X	X
<i>Appendix A-3</i>	<i>Permit-Matrix</i>	X	X
<i>Appendix A-4</i>	<i>Not used</i>	N/A	N/A
<i>Appendix A-5</i>	<i>Project One-line Drawing and Layout</i>	X	X
<i>Appendix A-6</i>	<i>Division of Responsibility</i>	N/A	X
<i>Appendix A-7</i>	<i>Owner Standards and Specification</i>	N/A	X
<i>Appendix A-8</i>	<i>Performance Summary Report</i>	X	X
<i>Appendix A-9</i>	<i>Product Data- Equipment Supply Matrix</i>	X	X
<i>Appendix A-10</i>	<i>Plant Performance Guarantee</i>	N/A	X
Appendix B	Intent to Bid	X	X

	2019R Utah RFP Bid Applicability	PPA	Build/Transfer Agreement
Appendix C	Bid Summary and Pricing Input Sheet for PPA, BTA and Other Alternative Structures	X	X
Appendix D	Bidder’s Credit Information	X	X
Appendix E-1	PPA Instructions to Bidders	X	N/A
Appendix E-2	PPA and Exhibits	X	N/A
Appendix F-1	BTA Instructions to Bidders	N/A	X
Appendix F-2	BTA and Appendices (A-Q)	N/A	X
Appendix G	Confidentiality Agreement and Non-Reliance Letter	X	X
Appendix H	Reserved – Intentionally Left Blank – see Appendix C for Pricing Input Sheet	N/A	N/A
Appendix I	FERC’s Standards of Conduct	X	X
Appendix J	QRE Agreement	X	N/A
Appendix K	General Services Contract-Operations & Maintenance Services or other resource type	N/A	X

B. BUILD TRANSFER AGREEMENT

A “Build-Transfer” is a transaction whereby the bidder develops the project, assumes full responsibility for construction and commissioning of the project, transfers title to the project, potentially in stages, to Rocky Mountain Power prior to mechanical completion and thereafter completes construction and commissioning of the project, all pursuant to the terms of the build transfer agreement (“BTA”).

Appendix C – Bid Summary and Pricing Input Sheet shows the form of project information required for a “Build-Transfer” transaction. This is an Excel-based worksheet that covers covers bid summary information, electrical interconnection information, 8760 energy production profile, PV degradation information, and pricing and other cost assumption inputs for the BTA. The bidder’s proposal must contain the information requested in **Appendix F-1 – BTA Instructions to Bidders**. The bidder must provide information, representations, and warranties sufficient to assure Rocky Mountain Power that any proposed project will successfully complete construction and 2019 UTAH RFP – pg. 15 achieve full commercial operation within the timeframe listed in Section 2. The bidder must also provide evidence that any new resource will be eligible to claim, as applicable, the full or partial federal PTC/ITC as interpreted by applicable guidelines and rules of the Internal Revenue Service. Under the BTA, the bidder will assume full responsibility for the loss of any PTC/ITC, including due to failure to achieve full commercial operation withinth the timeframe listed in Section 2 or to satisfy applicable guidelines and rules of the Internal Revenue Service.

The BTA *pro forma* documents are attached as **Appendix F-2 – Build Transfer Agreement (BTA)**. Bidders should include a redlined or marked up version of **Appendix F-2 Build Transfer Agreement** showing exceptions to the terms of the pro forma BTA document. Bidders objecting to terms should provide alternate language and context to the objections for Rocky Mountain Power to evaluate the alternate language. **Any exceptions to that significantly alter the structure described in this section of the RFP may result in rejection of the bid as non-compliant. RMP will reject as non-compliant any bid**

which proposes to transfer to RMP the stock or membership interest (as opposed to assets) of one or more companies which own the project.

The BTA is structured such that Rocky Mountain Power makes progress payments on an agreed-upon schedule in exchange for the developer meeting certain milestones and deliverables. All bidders in this category must complete the information requested in **Appendix C – Bid Summary and Pricing Input Sheet** (BTA tabs). Rocky Mountain Power will only accept BTA proposals in which Rocky Mountain Power purchases the project prior to “mechanical completion” (as further specified in the BTA) and the bidder retains full responsibility to complete construction and commissioning of the project thereafter through commercial operation.

The bidder will be responsible for, in accordance with the requirements of this RFP, all aspects of the development and construction of the facility, including, but not limited to, site control, permitting, engineering, procurement, construction, interconnection and all related costs up to achieving commercial operation. Without limiting the foregoing, the bidder will be responsible for obtaining all necessary real property interests, permits, rights and resources required to construct and provide an operational generation resource consistent with the bidder’s proposal. BTA bids must identify and provide all taxes including but not limited to property, sales and use incurred during construction and are the responsibility of the developer.

Bidders will be responsible for submitting an operation and maintenance (O&M) service proposal as part of the overall BTA bid submittal consistent with **Appendix K, General Services Contract for Operation and Maintenance Services**. **Any proposal that does not include an O&M proposal that provides pricing, scope and other key terms will be rejected as a nonconforming proposal.**

Bidders should note that any proposal submitted in this category that proposes new construction of a resource must comply with the applicable technical and construction specifications contained in **Appendix A – 2019 Utah Renewable Project Technical Specification** and must utilize the services of a single primary contractor.

To the extent the bidder uses a contractor or a separate legal entity other than the bidder itself, this entity must be experienced with the type of facility being proposed and meet credit criteria, all as deemed acceptable to Rocky Mountain Power in its sole discretion.

Bidders should indicate in their bid documents whether a purchase option for a BTA has already been negotiated or is in the process of being negotiated with the Company.

C. POWER PURCHASE AGREEMENT

Bidder’s proposal must contain all of the information requested in **Appendix E-1 – PPA Instructions to Bidders**. The term of the PPA shall range up to twenty-five (25) years, with or without the right for Rocky Mountain Power to purchase the project assets during or at the end of the proposed contract term at fair market value (FMV) to retain the value of the site for customers.

Appendix C – Bid Summary and Pricing Input Sheet shows the form of pricing information required for a bidder offering a PPA option. This is an Excel-based worksheet that covers bid summary information, electrical interconnection information, 8760 energy production profile, PV degradation information, and pricing for the PPA.

For longer-term contract offers (i.e., PPA terms of 20 to 25 years without PPA extensions, or PPA terms that, after consideration of extension options, would result in a PPA term of 20 to 25 years), bidders should carefully consider the potential book and tax lease accounting treatment or Variable Interest Entity (VIE) treatment implications. Bidders that make the initial shortlist and have PPA offers of 20 years or greater (Long Term), will need to supply projected cash flows through the life of the underlying asset so that Rocky Mountain Power can assess potential accounting implications. Potential accounting treatment impacts will be incorporated into the bid evaluation and selection process. For instance, if Rocky Mountain Power determines that a Long Term PPA offering would be treated as a capital lease for tax purposes, Rocky Mountain Power would be treated as the tax owner for the proposed facility. Please also refer to Section 5.F of this RFP.

The bidder's proposal must contain the information requested in **Appendix E-1 PPA Instructions to bidders**. The bidder must provide documentation and information, representations, and warranties sufficient to assure Rocky Mountain Power that any proposed project will successfully complete construction and achieve full operation within the timeframe listed in Section 2, and that any new resource will be eligible to claim, as applicable, the full or partial federal PTC/ITC as interpreted by applicable guidelines and rules of the Internal Revenue Service. Rocky Mountain Power reserves the right to request bid cashflow information in order to complete its evaluation for capital lease accounting for tax purposes on Long Term PPAs if necessary.

Bidders are required to include a redlined or marked up version of **Appendix E-2 Power Purchase Agreement** showing exceptions to the terms of the pro forma PPA document, unless they indicate that will accept the PPA "as-is". Bidders objecting to terms should provide alternate language and context to the objections for Rocky Mountain Power to evaluate the alternate language. Bidders should also submit comments to the pro forma agreement on issues that they have concerns with and identify alternatives to address the issues. Providing a redline is a requirement for eligibility; however substantive comments should also be provided to provide context to the redlined document.

Bidders should be aware, that if selected, each bidder will be required to complete **Appendix J – Qualifying Reporting Entity (QRE) Services Agreement** as part of the PPA which establishes WREGIS registration and reporting obligations for both parties.

D. ALTERNATIVE STRUCTURE PROPOSALS

As noted in Section 1, bidders may propose other alternative structures for sale of the output or the renewable asset to Rocky Mountain Power, such proposals will be considered (or not considered) at Rocky Mountain Power's sole discretion and Rocky Mountain Power reserves the right to reject non-compliant bids. Such bids should not create additional technology or development risk. Rocky Mountain Power is limiting the resource type to wind, pv solar, and geothermal only and will not accept bids that combine these technologies with other technologies except for battery or other forms of storage. Bidders

must submit the appendices that are relevant to the bidder's proposed structure. Such proposals must include full documentation on the proposed structure.

SECTION 5. RESOURCE INFORMATION

A. PRICE INFORMATION

Bidders must supply **Appendix C – Bid Summary and Pricing Input Sheet** in its original Microsoft Excel format with all submitted proposals. Price information that must be supplied by the bidder includes:

Information Requested	PPA	PPA with Purchase Option	Build/ Transfer or Alternative Structures
Term: start and end date of PPA	X	X	N/A
Point of delivery (POD) and Point of receipt (POR)	X	X	X
Expected annual dispatch pattern, or generation profile, that reflects availability ⁷	X	X	X
Availability rate and degradation assumed in annual dispatch or generation profile data	X	X	X
Designation of firm or unit contingent energy deliveries	X	X	N/A
Energy price (\$/MWh) including fixed price for the term or 1 st year price with escalation for the PPA. Energy price and related costs for each project should be stated using three separate term scenarios: 15, 20 and 25 years	X	X	N/A
Build Transfer price and milestone payment schedule (\$ and dates, as applicable)	N/A	X	X
Variable O&M cost (\$/MWh, as applicable) ⁸	N/A	X	X
Fixed O&M cost (\$/Year, as applicable) ⁹	N/A	X	X
Ongoing capital (\$/Year, as applicable)	N/A	X	X
Other variable costs, <i>i.e.</i> , royalties (% of energy revenue, or \$/MWh, as applicable)	N/A	X	X
Variable energy payment, with escalation (\$/MWh escalating at X%/year, as applicable)	N/A	X	X
Fixed capacity payment, with escalation (\$/Month growing at X%/year, as applicable)	N/A	X	X
Other fixed charges, <i>i.e.</i> land leases, with escalation (\$/MWh, \$/MW or \$/Year growing at X%/year, as applicable)	N/A	X	X
Taxes including but not limited to property, sales and use incurred during construction.	N/A	X	X

⁷ Section 3.E.3 of the 2019R Utah RFP describes the type of generation profiles required.

⁸ PacifiCorp may supply certain operational and maintenance costs for consistency across similar bids.

⁹ PacifiCorp may supply certain operational and maintenance costs for consistency across similar bids.

Information Requested	PPA	PPA with Purchase Option	Build/ Transfer or Alternative Structures
Buyout dates and prices (\$ or “fair market value,” as applicable if purchase option included in PPA)	X	X	N/A
Qualifying costs and term for any incentives that reduce delivered costs, such as federal, state or local incentives including among others; federal ITC, bonus depreciation, property tax exemptions, or local economic incentives	X	X	X

B. DIRECT INTERCONNECTION OR THIRD-PARTY INTERCONNECTION AND TRANSMISSION SERVICE

Rocky Mountain Power is seeking renewable resources physically located in Utah capable of: (1) directly interconnecting with PacifiCorp’s system in its PACE balancing area or (2) interconnecting with a third-party system and using third-party firm transmission service to deliver to the PACE transmission system. With either method, Rocky Mountain Power prefers bids that will not face significant transmission costs or constraints between: (1) the resource’s point of interconnection or the resource’s delivery point on PacifiCorp’s transmission system; and (2) PacifiCorp network load. While Rocky Mountain Power provides these general guidelines, the available transfer capability from the project or project delivery point to PacifiCorp’s network load cannot be known or estimated until the bidder identifies its proposed point of interconnection/point of delivery. Bidders are thus required to provide as much granularity and documentation as possible regarding their proposed point of interconnection/point of delivery. Bidders should also indicate with their bids whether their project will include any jointly owned generation tie lines or other shared facilities arrangements.

As noted above, the minimum eligibility requirements for bidders include the provision of evidence that the proposed project has either: (1) requested a direct interconnection with PacifiCorp’s transmission system and executed an interconnection feasibility study or system impact study (SIS) agreement with PacifiCorp’s transmission function; or (2) requested interconnection with a third party’s system, executed an interconnection feasibility study agreement with the third party transmission provider, and requested long-term, firm third-party transmission service from the resource’s point of interconnection with the third party’s system to the proposed point of delivery on PacifiCorp’s system.

BTA proposals that will require a new electrical interconnection or an upgrade to an existing electrical interconnection, regardless of the project’s interconnection to either PacifiCorp’s system or to another utility’s system, must include a firm statement of the cost of interconnection (broken out between network upgrade costs and facility specific or direct assigned interconnection costs), together with a diagram of the interconnection facilities. The interconnection costs included in the bids from all bidders will be considered as firm costs and included in the bid evaluation. Interconnection costs should be clearly identified in the resource cost proposal and differentiate the portion of costs associated with network upgrades and that portion that are facility-specific.

When the Company requests Best and Final Offers we will require a completed interconnection system impact study (SIS) (for projects directly interconnected to the Company's system) or a completed third-party interconnection SIS and a completed third-party transmission service study (for projects using third-party transmission) to determine the actual direct assigned cost for the interconnection or transmission services. Bids will be evaluated based on the direct assigned interconnection costs submitted in the bids, which will be considered firm costs for the initial shortlist evaluation. Bids that are selected to the initial shortlist will be held to their best and final pricing for final shortlist evaluation. If selected to the final shortlist, bidder's agreement with Rocky Mountain Power, any final transaction agreement, will include a condition precedent that states Rocky Mountain Power will compare the actual direct assigned and network upgrade costs associated with the interconnection from the completed SIS with the bidder's firm estimate provided in their best and final price. In the event the actual direct assigned SIS cost exceeds the bidder's interconnection cost in best and final pricing, bidder will be responsible for the cost above their best and final firm price. In the event the actual SIS direct assigned cost is less than the bidder's firm interconnection cost estimate, Rocky Mountain Power will require an adjustment of the final PPA price to reflect the reduction in interconnection costs. The Company will also compare the commercial operation date in the interconnection SIS and the transmission service study with the commercial operation date in the agreement to confirm operation within the timeframe listed in Section 2. Rocky Mountain Power will examine critical study information such as: (1) whether the studies support a commercial operation date within the timeframe listed in Section 2; (2) interconnection direct assigned and network upgrade costs; and (3) whether any third-party transmission arrangements will be available to the bidder during the full term of the offer(s) proposed or include contractual roll-over options if available to the bidder.

Bidders choosing the third-party interconnection and third-party transmission option are responsible for any current or future third-party tariff requirements or tariff changes including, but not limited to, interconnection, variable energy resource, electric losses, reserves, transmission, integration, imbalance, scheduling, and ancillary service arrangements required to deliver to the point of delivery on PacifiCorp's system. These costs will not be included in the evaluation of PPA proposals as they are assumed to be the responsibility of the bidder.

Bidders that propose bids relying on third-party transmission should also be aware that the use of transmission that is interruptible within the hour in any segment of the schedule or tagged from the source to the point(s) of delivery will require Rocky Mountain Power to evaluate the cost and need to carry reserves against the schedule, which can be up to 100% in the case of electricity moved from a third party control area to PacifiCorp's network transmission system.

All proposals will require firm transmission on PacifiCorp's network transmission system and proposed resources must be able to be designated by PacifiCorp's Energy Supply Management (ESM) function as a Network Resource under the network service contract between PacifiCorp Transmission (www.oasis.pacificorp.com) and PacifiCorp ESM.

C. FERC'S STANDARDS OF CONDUCT

Each bidder responding to this RFP must conduct its communications, implementation and operations in compliance with FERC's Standards of Conduct for Transmission Providers (see **Appendix I**), requiring the separation of its transmission and merchant functions. Any interconnection or transmission service is NOT a transmission service agreement with PacifiCorp's ESM merchant function; rather, it is with PacifiCorp's transmission function or other third-party transmission provider. As such, the bidder must follow the transmission provider's OASIS process. If requested, bidders shall execute a customer consent form consistent with FERC requirements that enables PacifiCorp's ESM merchant function to discuss the bidder's interconnection and/or transmission service application(s) with the transmission interconnection or transmission service provider.

D. RESOURCE TYPES ELIGIBLE TO BID

Rocky Mountain Power is seeking new renewable energy resources capable of directly interconnecting and/or delivering energy to PacifiCorp's network transmission system by March 31, 2020. Rocky Mountain Power is limiting the resource type to wind, pv solar, and geothermal only and will not accept bids that combine these technologies with other technologies except for battery or other forms of storage. These resources must be capable of being interconnected with PacifiCorp's transmission system, or capable of delivering energy to PacifiCorp's transmission system with the use of third-party firm transmission service.

E. TAX CREDITS AND/OR PROJECT INCENTIVES

Bidders must bear all risks, financial and otherwise, associated with bidder's or the facility's eligibility to receive any state or federal energy tax credits, sales tax waivers or exemptions or any other identified tax credit or incentive, or qualify for accelerated depreciation for bidder's accounting, reporting or tax purposes, as applicable. The obligations of the bidder to perform under any executed agreement as a result of this solicitation shall be effective and binding regardless of whether the sale of or output from the bidder's facility under such agreement is eligible for, or receives investment tax credits, or other identified tax credits/incentives.

Rocky Mountain Power will require written documentation of the amount, timing and control of any and all available tax credits/incentives that the bidder's facility is eligible for, applied for, and/or received. Such documentation shall include but not be limited to ownership rights to the credit, grant or incentive, timing including expiration dates and milestones to achieve the credit, grant, or incentive.

F. ACCOUNTING

All contracts proposed to be entered into as a result of this RFP will be assessed by Rocky Mountain Power for appropriate accounting and tax treatment. Bidders shall be required to supply Rocky Mountain Power with any and all information that the Company reasonably requires in order to make these assessments if the bid is selected to the initial shortlist. Specifically, given the term length of the PPA or alternative ownership proposal,

accounting and tax rules may require either: (i) a contract be accounted for by Rocky Mountain Power as a capital lease or operating lease¹⁰ for book purposes pursuant to ASC 840, (ii) a contract be accounted for by Rocky Mountain Power as a capital lease for tax purposes¹¹, or (iii) the seller or assets owned by the seller, as a result of an applicable contract, be consolidated as a variable interest entity (VIE) onto Rocky Mountain Power's balance sheet.¹²

As a result, bidders may be required by Rocky Mountain Power to certify, with supporting information sufficient to enable the Company to independently verify such certification, that their proposals will not be subject to VIE treatment. Bidders should carefully consider the potential book and tax lease accounting treatment or VIE treatment implications associated with a Long Term PPA offers (i.e., PPA terms over 20 years). For these Long Term PPA offers, bidders will need to supply, if selected to the initial short list, projected cash flows through the life of the underlying asset so that Rocky Mountain Power can assess potential accounting implications. Potential accounting treatment impacts will be incorporated into the bid evaluation and selection process. For instance, if Rocky Mountain Power determines that a Long Term PPA offering would be treated as a capital lease for tax purposes, Rocky Mountain Power would be treated as the tax owner for the proposed facility.

Each bidder must also agree to make available in the bid evaluation process any and all financial data associated with the bidder PPA or BTA that Rocky Mountain Power requires to determine potential accounting impacts. Such information may include, but is not limited to, data supporting the economic life (both initial and remaining), the fair market value, executory costs, nonexecutory costs, and investment tax credits or other costs (including debt specific to the asset being proposed) associated with the bidder's proposal. Financial data contained in the bidder's financial statements (e.g., income statements, balance sheets, etc.) may also be required to be supplemented.

G. COST ASSOCIATED WITH DIRECT OR INFERRED DEBT

Rocky Mountain Power will not take into account potential costs to the Company associated with direct or inferred debt (described below) as part of its economic analysis in the shortlist evaluation. However, after completing the shortlist and before the final resource selections are made, Rocky Mountain Power may take direct or inferred debt into consideration. In so doing, the Company may obtain a written advisory opinion from a rating agency to substantiate PacifiCorp's analysis and final decision regarding direct or inferred debt.

¹⁰ "Capital Lease" and "Operating Lease" - shall have the meaning as set forth in the Accounting Standards Codification (ASC) 840 as issued and amended from time to time by the Financial Accounting Standards Board.

¹¹ See IRS Code Section 7701(e) describing the test for capital lease for tax purposes.

¹² "Variable Interest Entity" or "VIE" - shall have the meaning as set forth in ASC 810 as issued and amended from time to time by the FASB.

Direct debt results when a contract is deemed to be a capital lease pursuant to ASC 840 and the lower of the present value of the nonexecutory minimum lease payments or 100% of the fair market value of the asset must be added to PacifiCorp's balance sheet.

Inferred debt results when credit rating agencies infer an amount of debt associated with a power supply contract and, as a result, take the added debt into account when reviewing PacifiCorp's credit standing.

SECTION 6. BID EVALUATION AND SELECTION

A. OVERVIEW OF THE EVALUATION PROCESS

Rocky Mountain Power's bid evaluation and selection process is designed to identify the combination and amount of new renewable projects bid into the 2019R Utah RFP that will maximize customer benefits. Rocky Mountain Power will not make any of the evaluation models available to bidders.

The bid evaluation process will occur in two phases. In the first phase, Rocky Mountain Power will establish an initial shortlist based on both price and non-price factors. During this phase of the bid evaluation process, Rocky Mountain Power will not ask for, or accept, updated pricing. Rocky Mountain Power will rely on the pricing and transaction structure as submitted into the 2019R Utah RFP for each bid. However, Rocky Mountain Power will contact bidders to confirm and clarify information presented in each proposal. Bids selected to the initial shortlist will be given an opportunity to provide best and final pricing, subject to certain limits as described later in this section.

In the second phase, initial shortlist bids, with updated pricing, will be analyzed. The customer cost and risk analysis, along with any other factors not expressly included in the formal evaluation process, but required by applicable law or commission order, will be used by Rocky Mountain Power to establish the final shortlist.

After the final shortlist is established Rocky Mountain Power will initiate negotiations with bidders that submitted proposals for projects selected to the final shortlist. Selection of a bid to the final shortlist does not constitute a winning bid. Only execution of a definitive agreement between Rocky Mountain Power and the bidder, on terms acceptable to Rocky Mountain Power, in its sole and absolute discretion, will constitute a winning bid proposal. Any definitive PPA or BTA will be in the form of the PPA or BTA contracts provided in **Appendices E-2** and **F-2**, respectively. If the bidder alters the PPA or BTA, or does not use it as the underlying agreement, bid evaluation and selection can be affected. Rocky Mountain Power welcomes bidders, at their own discretion, to provide written comments on the PPA or BTA provided in **Appendices E-2** and **F-2** as part of their bid. Rocky Mountain Power has no legal obligation to enter into any agreement of any kind with any bidder.

B. PHASE 1 – INITIAL SHORTLIST

1. Price Evaluation (up to 80%)

The Participating Customers are committed to procuring least cost/lest risk renewable energy through this solicitation. Rocky Mountain Power will rank bids based on the difference between the \$/MWh price of the PPA and the calculated avoided cost for the renewable energy resource using the revised Proxy/PDDRR method based on Utah Commission Order dated January 23, 2018 in Docket No. 17-035-37. This is the methodology suggested by the current Utah Schedule 34 to determine the final price existing customers will pay for energy purchased under this schedule. Alternatively, bids may also be ranked using the Schedule 32 pricing methodology, which places a greater emphasis on the absolute \$/MWh price of the renewable resource PPA as well as the generation profile vs the customer's load profile. The Price Evaluation will also take into account network upgrade costs associated with the interconnecting the resource if these costs have not already been incorporated into the PPA price and/or BTA bid. Bids must include documentation that demonstrates that the project(s) qualify for and will receive the full or partial value of the federal PTC or ITC as interpreted by applicable guidelines and rules of the Internal Revenue Service at commercial operation. The bids will be ranked to determine an initial shortlist, after also taking into account the Non-Price Evaluation, and the impact of network upgrade costs.

2. Non-Price Evaluation (Up To 20%)

The non-price analysis will gauge the development, construction and operational characteristics and associated risks of each bid. A matrix will be used for each non-price factor. For each non-price factor, proposals will be assigned one of three discrete scores: (1) 100% of the percentage weight; (2) 50% of the percentage weight; or (3) 0% of the percentage weight. Market bids will be evaluated based on their ability to demonstrate the proposal is thorough, comprehensive and provides limited risk to the buyer prior to Rocky Mountain Power performing due diligence on any given bid. Bidders that have a demonstrated track record and bids for mature proposals will receive higher scores. Any network upgrade costs that have been identified to date by PacifiCorp Transmission in either a Feasibility or System Impact Study when bids are submitted will be considered in the Non-Price Evaluation. The following table summarizes the basis for weighting each non-price factor.

NON-PRICE FACTOR WEIGHTING

Non-Price Factors	Non-Price Factor Weighting
1. Conformity to RFP Requirements: <ul style="list-style-type: none"> • Bids provided all required RFP information pursuant to RFP instructions and schedule, including the accuracy of such information. • Bids provided complete and accurate required RFP information of but not limited to documentation of site control and permitting process, environmental compliance plan, and interconnection or transmission arrangements. • Bids in compliance with technical specifications as outlined in Appendix A (applicable primarily to BTA bids or PPA bids with a purchase option) • Bidder’s development and construction experience related to equivalent scale renewable projects. • Exceptions to the pro-forma agreements (Appendix E-2 and Appendix F-2). 	40%
2. Project Deliverability: <ul style="list-style-type: none"> • Bids demonstrate the commercial operation date will be achieved within the timeframe listed in Section 2. • Quality & level of detail, including schedule(s) and documentation, to demonstrate the ability of meeting all of the project’s environmental compliance, permits, and equipment procurement. • Quality and level of detail regarding access to generation equipment and well defined O&M plan and financing plan. 	30%
3. Transmission Progression: <ul style="list-style-type: none"> • Quality and level of detail, including schedule(s) and documentation, for completing project interconnection and securing any required third party transmission service to support a commercial operation date within the timeframe listed in Section 2. 	30%

3. Initial Shortlist Selection

Rocky Mountain Power will seek to establish an initial shortlist that includes up to approximately 500 MW of aggregate renewable capacity. However, Rocky Mountain Power may establish an initial shortlist containing less or more aggregate capacity depending upon the relative total bid score among the bids. Rocky Mountain Power may select the base proposal and one or more bid alternatives proposed with any bid, as applicable, to the initial shortlist.

Rocky Mountain Power will use the combined price and non-price results to rank bids. Based on these rankings, Rocky Mountain Power will select an initial shortlist based on total bid score (maximum at 100%, with a maximum of 80% for price and a maximum of 20% for non-price factors).

Rocky Mountain Power also reserves the right to require ISL bidders to request a transmission consulting study from PacifiCorp transmission to further identify/update any network upgrade costs that are necessary in order for the bidder's facility to be designated as a network resource on PacifiCorp's transmission system. The cost of this study is to be paid by the bidder.

Rocky Mountain Power will assess initial short listed PPA bids for the appropriate accounting and tax treatment. PPA bids will be evaluated for: (i) whether a contract must be accounted for by Rocky Mountain Power as a capital lease or operating lease in accordance with ASC 840 for book purposes, (ii) whether a contract must be accounted for by Rocky Mountain Power as a capital lease for tax purposes, or (ii) whether the seller or assets owned by the seller, as a result of an applicable contract, be consolidated as a variable interest entity (VIE) onto PacifiCorp's balance sheet. For Long Term PPA offers that would result in a PPA term over 20 years, bidders should carefully consider the potential book and tax lease accounting treatment or (VIE) treatment implications. For these Long Term PPA offers that are selected to the initial shortlist, bidders will be required to supply, with their bid, projected cash flows through the life of the underlying asset so that Rocky Mountain Power can assess potential accounting implications. Potential accounting treatment impacts will be incorporated into the bid evaluation and selection process. For instance, if Rocky Mountain Power determines that a Long Term PPA offering would be treated as a capital lease for tax purposes, Rocky Mountain Power would be treated as the tax owner for the proposed facility. Please also refer to Section 5.F of this RFP.

4. Best and Final Pricing

Bids notified of their selection to the initial shortlist will be given an opportunity to provide best and final pricing. Best and final pricing must be provided for the same site using the same or similar project equipment as original proposed. Best and final pricing shall not exceed 10% of the original total bid cost, which Rocky Mountain Power will assess on a present value cash flow basis. In the event that best and final pricing increases the total bid cost by more than 10%, Rocky Mountain Power reserves the right to either (a) reject the best and final proposal or, (b) replace the short-listed bid or bid alternative with a final proposal solicited from another bid not originally selected to the initial shortlist. Accordingly, Rocky Mountain Power may request that certain indicative bids, not initially selected to the initial shortlist, remain open after the initial shortlist is established and that those bidders be prepared to provide best and final pricing on an expedited basis.

C. PHASE 2 – FINAL SHORTLIST

1. Processing of Best and Final Bids

After confirming that best and final pricing meets the requirements of the 2019R Utah RFP, as outlined above, Rocky Mountain Power will use the same method used for the initial shortlist price evaluation, with bids updated for best and final pricing, projected performance, and estimated network upgrade costs to process the Best and Final bids.

2. Other Factors: Applicable Law and Statutory Requirements

The bid methodology has been designed to capture applicable law and statutory requirements. Before establishing a final shortlist, Rocky Mountain Power 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.

3. Final Shortlist Selection

Rocky Mountain Power will summarize and evaluate the results of its price and non-price rankings. Based on these data and certain other factors as described above Rocky Mountain Power may establish a final shortlist. Once the final shortlist is established and bidders notified, Rocky Mountain Power will initiate negotiations with final-shortlist bidders.

SECTION 7. INVITATION TO BID

A. INVITATION

This RFP contains only an invitation to make proposals to Rocky Mountain Power. No proposal is itself a binding contract unless the parties execute definitive and complete documentation providing otherwise.

Rocky Mountain Power 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.
5. Select and enter into agreements with the bidders who, in Rocky Mountain Power's sole judgment, are most responsive to the RFP and whose proposals best satisfy the interests of Rocky Mountain Power and its customers, and not necessarily on the basis of price alone or any other single factor.
6. Issue additional subsequent solicitations for proposals.
7. Waive any irregularity or informality on any proposal to the extent not prohibited by law.
8. Reject any or all proposals in whole or in part.
9. Vary any timetable.
10. Conduct any briefing session or further RFP process on any terms and conditions.
11. Withdraw any invitation to submit a response.

B. CONFIDENTIALITY AGREEMENT

In addition to the confidentiality provisions set forth herein, bidders should note that all parties will be required to sign **Appendix G – Confidentiality Agreement** with Rocky Mountain Power upon bid submission, as well as a transmission voluntary consent notice

to authorize the release of data to PacifiCorp's ESM Market Function from PacifiCorp Transmission.

C. NON-RELIANCE LETTER

All parties will be required to sign **Appendix G - Non-Reliance Letter** if they qualify for the final shortlist prior to entering into negotiations with Rocky Mountain Power.

D. POST-BID NEGOTIATION

Rocky Mountain Power will further negotiate both price and non-price factors during post-bid negotiations. Rocky Mountain Power will also include in its evaluation any factor that may impact the total cost of a resource, including but not limited to all of the factors used in the final shortlist cost analysis plus consideration of accounting treatment and potential effects due to rating agency treatment, if applicable. Post-bid negotiation will be based on Rocky Mountain Power's cost assessment. Rocky Mountain Power will continually update its economic and risk evaluations until both parties execute a definitive agreement acceptable to Rocky Mountain Power in its sole and absolute discretion.

Rocky Mountain Power shall have no obligation to enter into any agreement with any bidder to this RFP and Rocky Mountain Power may terminate or modify this RFP at any time without liability or obligation to any bidder. In addition, this RFP shall not be construed as preventing Rocky Mountain Power from entering into any agreement that Rocky Mountain Power deems prudent, in Rocky Mountain Power's sole discretion, at any time before, during, or after this RFP process is complete. Finally, Rocky Mountain Power reserves the right to negotiate only with those entities who propose transactions that Rocky Mountain Power believes in its sole discretion to have a reasonable likelihood of being executed.

E. SUBSEQUENT REGULATORY ACTION

Unless mutually agreed between the parties or unless required by actual (or proposed) law or regulatory order, at the time of contract execution, Rocky Mountain Power does not intend to include a contractual clause whereby Rocky Mountain Power is allowed to adjust contract prices in the event that an entity who has regulatory jurisdiction over Rocky Mountain Power does not fully recognize the contract prices. As of the issuance date for this solicitation, Rocky Mountain Power is unaware of any such actual law or regulatory order.

APPENDICES

RFP APPENDIX A 2019-UT Renewables Project Technical Specification

RFP APPENDIX B Notice of Intent to Bid and Information Required in Bid Proposals

RFP APPENDIX C Bid Summary and Pricing Input Sheet (Instructions)

RFP APPENDIX D Bidder's Credit Information

RFP APPENDIX E-1 PPA Instructions to Bidders

RFP APPENDIX E-2 Power Purchase Agreement (PPA) and Exhibits

RFP APPENDIX F-1 RESERVED

RFP APPENDIX F-2 RESERVED

RFP APPENDIX G Confidentiality Agreement and Non-Reliance Letter

RFP APPENDIX H RESERVED

RFP APPENDIX I FERC's Standards of Conduct

RFP APPENDIX J Qualified Reporting Entity Services Agreement

RFP APPENDIX K RESERVED

RFP APPENDIX L RESERVED

RFP APPENDIX M Role of the Independent Evaluator

RFP APPENDIX N PacifiCorp's Intra-Company Relationships for RFP Process

RFP APPENDIX A

2019-UT Renewables Solar Project Technical Specification

[INCLUDED AS SEPARATE ATTACHMENTS]

RFP APPENDIX B

Notice of Intent to Bid and Information Required in Bid Proposals

This is to declare that the undersigned intends to respond to PacifiCorp’s Request for Proposals, Renewable Resources (2019-UT Renewables RFP):

Request for Proposals, Solar Resources (2019-UT Renewables RFP)

Bidder Company (legal entity of intended signatory to a contract)	
Company Ownership (direct and indirect owners of Company; include organizational chart)	
Contact Person	
Mailing Address	
Phone(s)	
Fax	
Email	
Number of Bids	
Resource type: New solar PV	
Structure of each bid: PPA	
Term in years	
Asset Purchase Option	
Size of each bid asset in MW capacity (nominal)	
Location (County, State) (GPS coordinates)	
Estimated Commercial Operation Date (month/year) for each bid or bid alternative	

PacifiCorp Affiliate Certification

By signing below Bidder represents that (a) neither Bidder Company nor any affiliate of Bidder Company has an affiliate relationship (whether by ownership, joint venture or other association) with PacifiCorp or any PacifiCorp affiliate; (b) the proposed bid(s) is for power generated by facilities that are not owned by, or otherwise associated with PacifiCorp, or any PacifiCorp affiliate. For purposes of this certification, PacifiCorp affiliates include any affiliates of Berkshire Hathaway, Inc. A list of Berkshire Hathaway, Inc., affiliates will be provided upon request.

Authorized Signature _____

Print Name _____

Title _____

Date _____

Bidders who intend to be considered as part of this RFP process must return both the “Intent to Bid Form” (Appendices B) and the “Bidder’s Credit Information” (Appendix D) as set forth below.

Bidders shall submit an electronic copy of Appendix B and Appendix D to the following PacifiCorp and IE’s email addresses, no later than **TBD**.

Email: [TBD](#)

[TBD](#)

Information Required in Bid Proposals

This Appendix B describes PacifiCorp's expectations and requirements for the 2019-UT Renewables RFP bids. In general, PacifiCorp expects bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. **RFP Appendix E-1 - PPA Instructions to Bidder** provides additional detail on bid document deliverables. Due to differences between PPA and BTAs, bidders should pay strict attention to instructions to ensure bids are in compliance with the instructions as outlined. For example, certain items in RFP Appendix B will only apply to PPAs with asset purchase options or BTAs.

Bids from a PacifiCorp affiliate, or for power from generating facilities owned in part or in whole by PacifiCorp or a PacifiCorp affiliate will not be accepted for evaluation in this RFP.

PacifiCorp believes the resource attributes that will define a renewable solar PV resource project consist of, but may not be limited to, the following information categories:

Impact of Ambient Conditions on Output – Bidder must provide the expected performance of the resource as it varies with ambient conditions, solar insolation (for solar proposals) and other factors that will impact the performance of the resource (**RFP Appendix A-8**). Bidder will provide the following:

Solar:

- 1) Resource Performance Summary Report using PVSyst;
- 2) 12 month x 24 hourly profile (in Excel); and
- 3) An 8760 hourly profile (in Excel) performance.

Wind:

- 1) Resource Performance Summary Report;
- 2) Two (2) years of meteorological tower data from the site if bid is a BTA or non-PPA submittal or one (1) year of data if bid submittal is for a PPA;
- 3) 12 month x 24 hourly profile (in Excel); and
- 4) 8760 hourly profile (in Excel) performance (**RFP Appendix A-8**).

To the extent pricing, capability and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the bidder must clearly identify that relationship in tabular form.

Impact of Other Factors on Output - PacifiCorp prefers generation facilities designed, permitted, and operated so that the proposed facility and related energy and Renewable Energy Credits (RECs) are provided to PacifiCorp without restriction related to:

- Environmental permits or other environmental limitations or environmental forfeitures;
- Hours of operation;
- Sales to other parties;
- Any other factor relevant to the technology (e.g., agreements with neighbors, etc.); and
- Non-environmental or technology factors that could encumber the facility.

Bidders must describe in detail any such limitations in their proposal.

Siting - Bidders are responsible for all construction and coordination with the applicable service provider(s) for any new generation interconnection, electrical transmission or distribution service required in response to this RFP. Bidders are responsible for satisfying all zoning, permitting and environmental requirements.

Facility Information – To the extent applicable, the bidder should clarify the following information with respect to any proposed facility site (see **RFP Appendix A**) - **Technical Specifications** for additional detail). Bidders will be required to provide all documentation, including actual studies, permits and site control documents that have been secured, in their proposal.

1. List of studies conducted; required environmental, construction and other regulatory permits and timelines. Study documents should be included in the proposal.
2. Proposed site plans, layouts, elevations or other aspects of the facility.
3. Type and location of transportation access required.
4. 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.).
5. Proximity and extent of nearest wetlands and description of types of all types of all nearby wetlands and water bodies, including any proposed impacts.
6. Information on fish, avian species and other wildlife and vegetation inhabiting the area of the project.
7. Proximity to nearest federal and state endangered or threatened or critical species habitat and information on all nearby endangered or threatened species which could potentially be impacted, including species protected under the federal Bald and Golden Eagle Protection Act and the federal Migratory Bird Treaty Act.
8. Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
9. Location and distance to population centers which could be impacted.
10. Location and distance to nearest residential, commercial or industrial developments.
11. Proximity to nearest electric transmission or distribution infrastructure.
12. Expected site ambient temperature extremes.

Proposal Format – PacifiCorp is requesting that bidders conform to the following format for presenting their bid information:

Section 1 - Executive Summary of Proposal - The executive summary section should provide an overall description of the proposal and its key benefits and advantages to PacifiCorp. It should include a general description of the technology, location, and business

arrangement for the bid. Bidder must state the period under which the terms and conditions of their proposal will remain effective. Failure of a bidder to honor the terms and conditions of its proposal for the period stated in its executive summary may result in the bidder being disqualified as a bidder in future RFPs. The executive summary must be accompanied by one or more completed tabs in **RFP Appendix C Bid Summary and Pricing Input Sheet**, characterizing the bid or bid options.

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

- Description of technology and configuration including:

Solar

- Solar insolation resource
- Type of generation equipment and description
- Manufacturers of major equipment (Bidders should complete **RFP Appendix A-9 Product Data Equipment Supply Matrix**).
- Date of manufacture or age of major equipment

Wind

- New or repowered wind resource
- Type of generation equipment and description
- Manufacturers of major equipment (Bidders should complete **RFP Appendix A-9 Product Data Equipment Supply Matrix**).
- Date of manufacture or age of major equipment
- Hours of operation and major maintenance performed for any previously owned/operated equipment

- Description of financing plan, if any
- Description of operation and maintenance plan and services
- Estimated annual availability, any guaranteed minimum annual availability and any guaranteed panel degradation rate (for solar, if different than the manufacturer's warranty degradation rate)
- Site control documentation, and, if not yet obtained, the plan and schedule for obtaining site control. A bid may be deemed non-conforming if the plan provided by bidder does not demonstrate, in the case of private land, at least substantial progress in obtaining necessary land options, and in the case of public lands, at least an application for rights-of-way or similar land rights submitted to the applicable state or federal land use agency(ies). Site control documentation should include evidence of site and required easements
- Site layout description and location including GPS coordinates
- Operating limits or any limits on the number of hours the resource may be operated per year or unit of time
- Expected and guaranteed annual energy production in megawatt-hours (MWh)

- Expected generation in average megawatt (aMW) on a 12 month by 24 hour basis (i.e. a representative day for each month of the year)
- Guaranteed output (minimum annual energy production in MWh)
- Solar - Performance estimate analysis using PVSyst, the energy performance software as specified for solar photovoltaic resources in **RFP Appendix A (Solar)**, and **RFP Appendix A-8**
- Wind - Performance estimate analysis prepared by an independent third party engineering firm
 - All BTA or non-PPA bid submittals must include a minimum of two years of on-site meteorological tower data, converted to an estimated MWh of production on an hourly time scale.
 - PPA bid submittals must include a minimum of one year of on-site meteorological tower data, converted to an estimated MWh production on an hourly time scale.
- Status of interconnection arrangements (location, transmission provider and control area), including copies of all interconnection studies completed for the proposed facility and any draft or final interconnection agreement
- Status of transmission service agreement, if applicable
- Information regarding location and electric transmission or distribution availability
- Project schedule, listing tasks and milestones with estimated completion dates
- Terms of warranties and/or guarantees on major equipment

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

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

Section 4 - Financial Information – Briefly summarize information provided pursuant to RFP Appendix D – Bidder’s Credit Information.

Section 5 - Pricing Proposal and Pro Forma Project Financing – Describe in detail the pricing proposal, including the use of any escalation factors, or other costs to PacifiCorp. If an BTA proposal is a bid other than a PPA, provide pro forma financial projections showing cash flow, income statement, and balance sheet, application of tax credits, incentives or grants, sources and uses of funds, construction draw schedule, and including all financing assumptions. At a minimum the pro forma financial projections should include the following:

- Expected annual energy production¹ and revenue
- Annual operating expenses including operations and maintenance costs, G&A expenses, land leases, royalty payments, property taxes, insurance and other expenses
- Transmission and ancillary services costs (if any)
- Debt service
- Debt coverage ratios (by year)
- Depreciation
- Taxes and tax credits, incentives, grants
- Working capital requirements
- Net income
- Equity rate of return

Section 6 – Interconnection & Transmission Service - Each proposal must include a description of the location of its proposed interconnection facilities, distribution or transmission facilities, including proposed delivery points, and must specify the interconnection and transmission provider and identify all applicable interconnection costs and transmission service costs. Costs estimates shall be performed by the project if a transmission provider study has not been completed or is not available at the time of submittal. Copies of all completed interconnection and transmission service studies must be provided.

The minimum eligibility requirements for bidders include the provision of evidence that the proposed project has either: (1) requested a direct interconnection with PacifiCorp’s transmission system and executed an interconnection feasibility study agreement with PacifiCorp’s transmission function; or (2) requested interconnection with a third party’s system, executed an interconnection feasibility study agreement with the third party transmission provider, and requested long-term, firm third-party transmission service from the resource’s point of interconnection with the third party’s transmission system to the proposed point of delivery on PacifiCorp’s transmission system in its service territory.

Although not required for initial bidding eligibility, PacifiCorp will ultimately require a completed interconnection system impact study (for directly interconnected projects) or a completed third-party interconnection system impact study (SIS) and a completed third-

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

party transmission service study (for projects using third-party transmission) to determine the actual direct assigned and network upgrade costs for the interconnection or transmission services. Bids will be evaluated based on the direct assigned interconnection costs submitted in the bids and considered firm costs for the initial short list evaluation. Bids that are selected to the initial short list will be held to their best and final pricing for final short list evaluation. If selected to the final short list, bidder's PPA agreement with PacifiCorp will include a condition precedent that states PacifiCorp will compare the actual direct assigned interconnection cost from the completed SIS with the bidder's firm estimate provided in their best and final price. In the event the actual SIS cost exceeds the bidder's firm interconnection cost in best and final pricing, bidder will be responsible for the cost above their best and final firm price. In the event the actual SIS cost is less than the bidder's firm interconnection cost estimate, PacifiCorp will require an adjustment of the final PPA or BTA price to reflect the reduction in interconnection costs. The company will also compare the commercial operation date in the interconnection SIS and transmission service study, if applicable, with the commercial operation date in the agreement to confirm operation by December 31, 2020. PacifiCorp will examine critical study information such as: (1) whether the studies support a December 31, 2020 commercial operation date; (2) interconnection and/or transmission costs; and (3) whether any third-party transmission arrangements will be available to the bidder during the full term of the offer(s) proposed or include contractual roll-over options if available to the bidder.

Bidders should be aware of any transmission requirements or specifications that could affect their solar module or balance of plant selection and costs and take those specifications into consideration in preparing their bid submittal.

Section 7 – Environmental and Siting - The bidder is exclusively and entirely responsible for meeting and satisfying all federal, state and local permits, licenses, approvals and/or variances required to assure physical delivery of energy in accordance with any PPA. Bidder must identify all applicable permits that bidder has secured or will be required to receive in order to construct and operate the facility (bidder must submit this information in **RFP Appendix A-3**). Copies of all secured permits and licenses, etc. should be provided in the proposal. Bidders must furnish applicable detailed project site, interconnection and electric distribution/transmission information, a description of all required permits (See **RFP Appendix A-3**), and a project timeline so PacifiCorp can assess site suitability, schedule risk, and project viability. The proposed site(s) must clearly be shown on a United States Geological Survey (USGS) 7.5-minute series map.

Bidder must provide information on and include any completed scoping, feasibility and other associated studies conducted to assess environmental impacts and to obtain necessary permits. This information must include all studies applicable to wildlife (including protected species, such as those protected under the federal Endangered Species Act, federal Bald & Golden Eagle Protection Act, federal Migratory Bird Treaty Act and applicable state laws), archeological, vegetation, hydrological, geotechnical, visual, noise, air quality, and other environmental impacts related to the project. Impacts to designated wilderness, national and state parks, and other protected areas should be noted. The studies provided by bidder should describe the methodologies for such studies and identify the person(s) or firm(s) who conducted and completed the work. If such studies are in progress,

bidder should describe the scope and schedule for completion and identify the person(s) or firm(s) doing the studies and methodologies to be employed. Bidder should describe measures that will be taken to minimize the potential for environmental, wildlife, visual and cultural impacts of the project. Finally, bidder should discuss plans to engage community and environmental stakeholders to support the proposed project.

Section 8 – Contract Terms - Bidder must identify with specificity any exceptions to the terms of the form of PPA, as applicable, as provided in **RFP Appendix E-2 (PPA)**. Bidder should include a mark-up of the pro-forma agreements and/or specific comments to terms and conditions that bidder has issues with. Conformity to the pro forma documents is strongly encouraged and significant revisions to the pro-forma agreements will impact PacifiCorp’s evaluation of the bid. Bidders objecting to terms are encouraged to provide suggested alternate language and provide context to the objection for PacifiCorp to evaluate the alternate language.

Section 9 – O&M Services Contract Terms (BTA Option Only) – BTA bidders must provide a comprehensive listing/description of all contract terms that the bidder would seek during contract negotiations regarding operating and maintenance services for the asset. Bidder may supply a markup of the documents found in **RFP Appendix K - O&M Services Contract** with their proposal, **although conformity to those documents is strongly encouraged**. Bidders objecting to terms are encouraged to provide suggested alternate language and provide context to the objection for PacifiCorp to evaluate the language.

RFP APPENDIX C

Bid Summary and Pricing Input Sheet (Instructions)

General Bid Summary Instructions for PPA and Alternative Structures.

Bidder should complete and submit **RFP Appendix C-1 - Bid Summary and Pricing Input Sheet**. This is an Excel-based worksheet that covers bid summary information, energy production profile, and pricing for PPA and BTAs. There are five (5) tabs on this worksheet:

Tab	Description	PPA	BTA
1	Bid Summary and PPA Terms	X	X
2	8760 Energy Production	X	X
3	PPA Pricing	X	
4	Purchase Option	X	
5	BTA Pricing		X

For both PPA and BTA structures, bidders shall provide the completed Bid Summary and 8760 Energy Production tabs. For PPAs with Purchase Option or BTAs involving PacifiCorp Ownership, Bidders should also provide a copy of the project's energy analysis completed by an independent third party.

Power Purchase Agreement

Bidder's submitting PPA bids, including purchase option and BTA, shall provide the information requested in **all applicable tabs in the Appendix C-1** spreadsheet.

In addition to completing the spreadsheet, the bidder shall submit an energy analysis for the project that provides a detailed explanation on how the energy projection was prepared; this should address the following:

Solar

1. How was the resource data collected, certified and correlated to the reference points?
2. Who provided the data analysis service?
3. What is the accuracy of the raw data for the resource and energy forecast?
4. Was a typical weather year (highly preferred), an average year, or a specific weather year (i.e. 2016) used as the basis of the energy analysis for the project? If a specific weather year or an average of weather years was used, are the reference years high, low, or average years?
5. How the generation output was calculated from the meteorological and solar insolation data.
6. Identify the specific de-ratings included in the energy forecast (i.e., soiling, mismatch, wiring, inverter, transformation losses, etc.)?

Wind

1. General Site Data
 - a. How was the wind data collected, certified and correlated to the reference points?
 - b. Who provided the wind data analysis service?
 - c. What is reference height, or heights, of the meteorological data?
 - d. How was the wind data adjusted for the turbine hub height?
 - e. What is the estimated wind shear and how was the wind shear calculated?
 - f. What is the accuracy of the wind and energy forecast?
 - g. What is the basis year of the underlying data? Are the references years high, low, or average years?
 - h. How was generation output calculated from the meteorological data?
 - i. Identify the specific de-ratings included in the energy forecast (wind array losses, line losses, blade degradation, site elevation, etc.)?
2. Energy Production Estimate
 - a. Predicted hub height mean wind speed and gross and net energy production for the full project
 - b. Predicted long-term site air density
 - c. Turbine power curve employed and description of any adjustments made to the power curve
 - d. Description of methodology employed to calculate energy losses due to array effects
 - e. Clear breakdown of applied energy loss factors
 - f. Monthly and diurnal pattern of predicted energy production with an explanation of the variation
 - g. Analysis of the uncertainty associated with the predictions provided in the assessment

Bidders may be asked to provide the following:

1. Site Wind Data
 - a. Raw hourly or ten-minute wind speed and direction data
 - b. Description of equipment used to record data
 - c. Calibration certificates for equipment
 - d. Conversion factors (e.g. m/s per Hz) applied in recording wind speeds
 - e. Maintenance records for the monitoring equipment
 - f. Location, height and orientation relative to mast of all sensors
2. Reference Wind Data
 - a. Hourly or ten-minute wind speed and direction data
 - b. Description of equipment used to record data
 - c. Calibration certificates for equipment
 - d. Maintenance records for the monitoring work
 - e. Location, height and orientation relative to mast of all sensors
3. Wind Project Information
 - a. Layout of wind project turbine array using latitude and longitude co-ordinates
 - b. Detailed topographic maps of project area with all mast and turbine locations
4. Verification and Analysis

- a. Details of instrument configurations and measurement periods for each site mast and reference station
 - b. Summary of mast maintenance records and explanations for significant periods of missing data
 - c. Data recovery rates and measured monthly means for masts employed in the assessment
5. Prediction of Wind Regime
- a. Description of methodology employed to adjust measured wind speeds on site to the long-term
 - b. Correlation plots and coefficients for relevant correlations in the assessments
 - c. Predicted long-term mean wind speeds at measurement heights and hub height at all masts employed in the assessment
 - d. Annual wind speed and direction frequency distribution for long-term site masts
 - e. Plot of annual wind rose for long-term site masts
 - f. Description of methodology employed to extrapolate mean wind speeds at measurement heights to hub height
6. Prediction of Wind Speed Variations
- a. Description of methodology employed to predict wind speed variations across the site
 - b. Details of wind flow modeling employed and any inputs to the model (where applicable)

Build-Transfer Agreement

For BTA, bidders shall complete **all applicable tabs in Appendix C Bid Summary and Pricing Input Sheet**. Bidders shall provide the information applicable.

In addition to completing the spreadsheet, and provide a copy of the project's independent third party energy analysis for the project that provides a detailed explanation on how the energy projection was prepared; this should address the following:

Solar

1. How was the resource data collected, certified and correlated to the reference points?
2. Who provided the data analysis service?
3. What is the accuracy of the raw data for the resource and energy forecast?
4. Was a typical weather year (highly preferred), an average year, or a specific weather year (i.e. 2016) used as the basis of the energy analysis for the project? If a specific weather year or an average of weather years was used, are the reference years high, low, or average years?
5. How the generation output was calculated from the meteorological and solar insolation data.
6. Identify the specific de-ratings included in the energy forecast (i.e., soiling, mismatch, wiring, inverter, transformation losses, etc.)?

Wind

1. General Site Data

- a. How was the wind data collected, certified and correlated to the reference points?
 - b. Who provided the wind data analysis service?
 - c. What is reference height, or heights, of the meteorological data?
 - d. How was the wind data adjusted for the turbine hub height?
 - e. What is the estimated wind shear and how was the wind shear calculated?
 - f. What is the accuracy of the wind and energy forecast?
 - g. What is the basis year of the underlying data? Are the references years high, low, or average years?
 - h. How was generation output calculated from the meteorological data?
 - i. Identify the specific de-ratings included in the energy forecast (wind array losses, line losses, blade degradation, site elevation, etc.)?
2. Energy Production Estimate
- a. Predicted hub height mean wind speed and gross and net energy production for the full project
 - b. Predicted long-term site air density
 - c. Turbine power curve employed and description of any adjustments made to the power curve
 - d. Description of methodology employed to calculate energy losses due to array effects
 - e. Clear breakdown of applied energy loss factors
 - f. Monthly and diurnal pattern of predicted energy production with an explanation of the variation
 - g. Analysis of the uncertainty associated with the predictions provided in the assessment

Bidders may be asked to provide the following:

1. Site Wind Data
 - a. Raw hourly or ten-minute wind speed and direction data
 - b. Description of equipment used to record data
 - c. Calibration certificates for equipment
 - d. Conversion factors (e.g. m/s per Hz) applied in recording wind speeds
 - e. Maintenance records for the monitoring equipment
 - f. Location, height and orientation relative to mast of all sensors
2. Reference Wind Data
 - a. Hourly or ten-minute wind speed and direction data
 - b. Description of equipment used to record data
 - c. Calibration certificates for equipment
 - d. Maintenance records for the monitoring work
 - e. Location, height and orientation relative to mast of all sensors
3. Wind Project Information
 - a. Layout of wind project turbine array using latitude and longitude co-ordinates
 - b. Detailed topographic maps of project area with all mast and turbine locations
4. Verification and Analysis
 - a. Details of instrument configurations and measurement periods for each site mast and reference station

- b. Summary of mast maintenance records and explanations for significant periods of missing data
 - c. Data recovery rates and measured monthly means for masts employed in the assessment
5. Prediction of Wind Regime
- a. Description of methodology employed to adjust measured wind speeds on site to the long-term
 - b. Correlation plots and coefficients for relevant correlations in the assessments
 - c. Predicted long-term mean wind speeds at measurement heights and hub height at all masts employed in the assessment
 - d. Annual wind speed and direction frequency distribution for long-term site masts
 - e. Plot of annual wind rose for long-term site masts
 - f. Description of methodology employed to extrapolate mean wind speeds at measurement heights to hub height
6. Prediction of Wind Speed Variations
- a. Description of methodology employed to predict wind speed variations across the site
 - b. Details of wind flow modeling employed and any inputs to the model (where applicable)

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

Bidder shall provide the following information:

Operating Expense Assumptions

- Warranty Period and Characteristics for the overall project and the major equipment
- Annual O&M – Facilities, \$ per year
- Annual O&M - Substation/Interconnection, \$ per year
- Auxiliary services electric energy costs, \$ per year
- Land Lease costs (describe), \$ per year
- Royalty payments (describe), \$ per year and/or \$/MWh
- Property Tax
 - Expected Rate %
 - Rate Escalation %
 - Initial Cost Assessed Value \$000
 - Replacement Cost Escalation %
 - Depreciation
 - Method

Additional Information

Bidder should provide any other information considered to be germane to PacifiCorp’s analysis of bidder’s submittal.

RFP APPENDIX D

Bidder's Credit Information

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

Bidder's Credit Information

1. Credit information for bidder

A. Exact legal name and address of bidder:

B. Debt Ratings from S&P and/or Moody's (please provide senior unsecured long term debt rating (or corporate rating if a debt rating is unavailable). Please indicate type of rating, rating, and source:

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

D. Identify pending legal disputes (describe):

E. Please state whether bidder is or has within the past five (5) years been the debtor in any bankruptcy proceeding.

F. If bidder is unable to provide audited financial statements or is relying upon another entity(ies) to provide credit assurances on its behalf, bidder must indicate so here and complete the following section.

Is bidder unable to provide audited financial statements?

Is bidder relying upon another entity(ies) to provide credit assurances on bidder's behalf?

G. Bidder should demonstrate its ability and/or the ability of its credit support provider to provide the required security, including its plan for doing so including type of security, sources of security, and a description of its credit support provider.

H. Bidder should provide a reasonable demonstration of its ability to finance the proposed project based on past experience and a sound financial plan identifying the proposed sources for debt and equity and evidence that the project is financeable.

2. Credit information for entity(ies) providing credit assurances on behalf of bidder (if applicable)

A. Exact legal name and address of entity(ies) providing credit assurances on behalf of bidder:

B. Describe relationship to bidder and describe type of credit assurances to be provided (e.g., parental guaranty, cash deposit, or a letter of credit from an acceptable financial institution). Bidder must provide to Company a letter of commitment acceptable to Company from the entity(ies) providing the credit assurances on behalf of the bidder executed by an authorized signatory and indicating the amount and form of credit assurances it will provide. It should be noted that more than one commitment letter, or more than one form of commitment letter, may be necessary.

C. Debt Ratings from S&P and/or Moody's (please provide senior unsecured long term debt rating (or corporate rating if a senior unsecured long term debt rating is unavailable). Please indicate type of rating, rating, and source:

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

E. Pending legal disputes (describe):

F. Please state whether entity(ies) providing credit assurances on behalf of the bidder is or has within the past five (5) years been the debtor in any bankruptcy proceeding.

CREDIT REQUIREMENTS

The bidder may be required to post credit assurances for the applicable bid categories of PPA or BTA, each of which will be expected to have a commercial operation date of no later than December 31, 2021.

If necessary, the bidder will be required to demonstrate 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. PacifiCorp will require each bidder to provide an acceptable commitment letter(s), if applicable, twenty (20) business days after the bidder is notified that the bidder has been selected for the Shortlist. Bidder will be required to provide any necessary guaranty commitment letter from the entity(ies) providing guaranty credit assurances on behalf of the bidder and/or any necessary letter of credit commitment letter from the financial institution providing credit assurances in the form of a Letter of Credit. Forms of commitment letters are part of this **RFP Appendix D**. The timing of when credit security must be posted is detailed in the Credit Security Requirements Methodology section, which is also part of this **RFP Appendix D**.

In addition, please note that a financial institution providing credit assurances on behalf of the bidder must be a major U.S. commercial bank and have at all times a Credit Rating of at least 'A' and 'A2' from S&P and Moody's, respectively, and have assets (net of reserves) of at least \$10,000,000,000. Should the financial institution providing credit assurances on behalf of the bidder fail to meet these minimum requirements PacifiCorp will require credit assurances from a replacement financial institution that does meet the requirements.

The Credit Rating is defined as the lower of: x) the most recently published senior, unsecured long term debt rating (or corporate rating if a debt rating is unavailable) from Standard & Poor's (S&P) or y) the most recently published senior, unsecured debt rating (or corporate rating if a debt rating is unavailable) from Moody's Investor Services. If option x) or y) is not available, the Credit Rating will be determined by the Company through an internal process review utilizing a proprietary credit scoring model developed in conjunction with a third party. All bidders will receive a Credit Rating which will be used in determining the amount of any credit assurances to be posted.

Amount of Credit Assurances to be Posted

The RFP selected resources have the potential to expose PacifiCorp and its ratepayers to credit risk in the event a selected bidder is unable to fulfill its obligations pursuant to the terms of an executed agreement. The credit risk profile is a function of several factors:

1. Type of resource agreement
2. Size of resource
3. Expected energy delivery start date
4. Term of underlying contract
5. Creditworthiness of bidder and bidder's credit support provider, if applicable

Power Purchase Agreement and Alternative Bid Structures

PacifiCorp views its potential credit exposure as the cost it would incur in the event the resource failed to reach commercial operation by December 31, 2021 or the bidder failed at any time during the life of the contract. The potential for this cost to change is greater for this resource group due to the term of the underlying contract. PacifiCorp will hold any credit security for a longer period, due to the length of the contract. PacifiCorp has determined the amount of credit assurances required for these types of transactions as **\$200.00/kW**, based upon nameplate project size, to be provided at contract execution. The amount of credit assurances required will be reduced to \$100.00/kW upon the project achieving commercial operation date and will be held until the agreement expires.

For all bid structures, PacifiCorp will also explore with a bidder, if selected, other commercial avenues to reduce security requirements, such as, but not limited to, reduction in security amounts as project development milestones met, a stipulated acceleration of commercial operation date(s) (i.e., prior to October 2021) or PacifiCorp's review of bidder's underlying third party contractual terms, provisions and/or incentives that further support bidder achieving commercial operations prior to December 31, 2021.

Posting of Credit Security

Provisions on the posting of security are set forth in the applicable pro-forma contracts which as noted above can be negotiated relative to milestones and amounts.

For a PPA bid, the bidder is to refer to **Appendix E-2**, the PPA, for the types and amounts of credit assurances required – these are outlined in sections 8 and 11 of the PPA.

If applicable, the bidder will be required to demonstrate 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. Forms of commitment letters are a part of this Appendix D.

FORM OF GUARANTY COMMITMENT LETTER

(Must be on letterhead of bidder's guarantor)

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

To Whom It May Concern:

[NAME OF GUARANTOR] ("Guarantor") is [INSERT RELATIONSHIP TO BIDDER] ("Bidder").

In connection with Bidder's submittal in PacifiCorp's 2019-UT Renewables Solar Request for Proposals ("RFP"), this commitment letter contains Guarantor's assurance to PacifiCorp that, should PacifiCorp enter into a transaction with Bidder arising out of any bid submitted by Bidder in the RFP, with terms and conditions mutually acceptable to PacifiCorp and Bidder, Guarantor will at that time issue an unconditional guaranty in form and substance reasonably satisfactory to PacifiCorp, and that Guarantor will guarantee all obligations of payment and performance of Bidder to PacifiCorp as Guarantor's independent obligation (up to a maximum amount of \$_____, plus expenses of enforcing the guaranty).

Guarantor understands that PacifiCorp will not enter into a transaction with Bidder without said guaranty. Guarantor further understands that PacifiCorp is under no obligation to enter into any transaction with Bidder, under the RFP or otherwise.

Yours truly,

(name of committing guarantor)
(name and title of authorized officer)

FORM OF LETTER OF CREDIT COMMITMENT LETTER

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

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

To Whom It May Concern:

In connection with Bidder's submittal in PacifiCorp's 2019-UT Renewables Solar Request for Proposals ("RFP"), this commitment letter contains [ISSUING BANK]'s assurance to PacifiCorp that, should PacifiCorp enter into a transaction with Bidder arising out of any bid submitted by Bidder in the RFP, with terms and conditions mutually acceptable to PacifiCorp and Bidder, [ISSUING BANK] will at that time issue an irrevocable standby letter of credit in form and substance reasonably satisfactory to PacifiCorp, up to a maximum amount of \$_____.

[ISSUING BANK] understands that PacifiCorp will not enter into a transaction with Bidder without said letter of credit. [ISSUING BANK] further understands that PacifiCorp is under no obligation to enter into any transaction with Bidder, under the RFP or otherwise.

Yours truly,

(name of entity(ies) providing the letter of credit)
(name of authorized officer)

RFP APPENDIX E-1

PPA Instructions to Bidders

[INCLUDED AS SEPARATE ATTACHMENTS]

RFP APPENDIX E-2

Power Purchase Agreement (PPA) and Exhibits

[INCLUDED AS A SEPARATE ATTACHMENT]

RFP APPENDIX F-1

[INCLUDED AS SEPARATE ATTACHMENTS]

RFP APPENDIX F-2

RESERVED

RFP APPENDIX G

Confidentiality Agreement and Non-Reliance Letter

MUTUAL CONFIDENTIALITY AGREEMENT

This MUTUAL CONFIDENTIALITY AGREEMENT (this "Agreement") is entered into as of the ___ day of _____, 2019 (the "Effective Date"), by and between PacifiCorp, an Oregon corporation ("PacifiCorp"), and _____ ("Counterparty").

WHEREAS, Counterparty is submitting a bid in response to PacifiCorp's 2019-UT Renewables Solar Request for Proposals (the "Bid"), and in connection therewith the parties wish to exchange certain Confidential Information (as hereinafter defined).

NOW, THEREFORE, in consideration of the above and the mutual promises herein contained, the parties hereto agree as follows:

1. Confidential Information. "Confidential Information" means information made available by one party (the "Disclosing Party") to the other (the "Recipient") on or after the Effective Date, that is in a writing marked conspicuously as "CONFIDENTIAL," and is any of the following in relation to the Bid or PacifiCorp's evaluation of the Bid: (a) non-public financial information of the Disclosing Party or its proposed guarantor, if any, (b) the specifics of the price and business terms and conditions of the Bid; or (c) documentation exchanged between the parties pertaining to PacifiCorp's evaluation of the Bid or negotiation with Counterparty on a definitive agreement in relation to the Bid. Confidential Information does not include information which at the time of disclosure: (x) is generally available to the public (other than as a result of disclosure by Recipient), (y) was available to Recipient on a non-confidential basis from a source other than a Disclosing Party not actually known by Recipient to be under a duty of confidentiality to a Disclosing Party, or (z) independently developed by Recipient without reliance on the Confidential Information.

2. Confidentiality; Disclosure.

(a) Until the establishment of a docket or proceeding relating to the Bid before any public service commission, public utility commission, or other agency having jurisdiction over PacifiCorp, the Confidential Information will be kept confidential by Recipient and will not be used knowingly for any purpose by Recipient other than for the purpose set forth above and Recipient must restrict the dissemination of the Confidential Information to its employees who have a need to see it.

(b) Upon the establishment of a docket or proceeding relating to the Bid before any public service commission, public utility commission, or other agency having jurisdiction over PacifiCorp, Recipient's obligations to Disclosing Party with respect to the Confidential

Information will automatically be governed solely by the rules and procedures governing such docket and not by this Agreement.

3. Protective Order. Except as provided in Section 2(b) of this Agreement, if Recipient becomes legally compelled to disclose any Confidential Information, it must provide Disclosing Party with prompt prior written notice so that Disclosing Party may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained, Recipient must (i) furnish only that portion of the Confidential Information which, in accordance with the advice of its own counsel, is legally required to be furnished, and (ii) exercise reasonable efforts to obtain assurances that confidential treatment will be accorded the Confidential Information so furnished. Notwithstanding the foregoing, and without limiting Section 2(b), the parties acknowledge that PacifiCorp is required by law or regulation to report certain information that could embody Confidential Information from time to time, and may do so from time to time without providing prior notice to Counterparty. Such reports include models, filings, and reports of PacifiCorp's net power costs, general rate case filings, power cost adjustment mechanisms, FERC-required reporting such as those made on FERC Form 1, Form 12, or Form 714, market power and market monitoring reports, annual state reports that include resources and loads, integrated resource planning reports, reports to entities such as the North American Electric Reliability Corporation, Western Electricity Coordinating Council, Pacific Northwest Utility Coordinating Committee, Western Regional Generation Information System, or similar or successor organizations, or similar or successor forms, filings, or reports, the specific names of which may vary by jurisdiction, along with supporting documentation. Additionally, in regulatory proceedings in all state and federal jurisdictions in which it does business, PacifiCorp will from time to time be required to produce Confidential Information, and may do so without prior notice and use its business judgment in its compliance with all of the foregoing and the appropriate level of confidentiality it seeks for such disclosures.

4. Conduct of Process. Neither PacifiCorp nor Counterparty is under any obligation, and each party is free to elect not to consummate an agreement or to furnish or receive information. Nothing contained in this Agreement will prevent PacifiCorp from negotiating with or entering into a definitive agreement with any other person or entity without prior notice to Counterparty. Until PacifiCorp and Counterparty enter into a definitive agreement, no contract or agreement or other investment or relationship is deemed to exist between them as a result of this Agreement, the issuance of a term sheet, the issuance, receipt, review or analysis of information, the negotiation of definitive documentation, or otherwise, and none of the foregoing may be relied upon as the basis for an implied contract or a contract by estoppel.

5. Intellectual Property Rights. Nothing contained herein grants any rights respecting any intellectual property (whether or not trademarked, copyrighted or patented) or uses thereof.

6. Costs and Expenses. Except as otherwise provided in any other written agreement between the parties, the parties will bear their own costs and expenses, including without limitation fees of counsel, accountants and other consultants and advisors.

7. Remedies. Disclosing Party is entitled to equitable relief, including injunction and specific performance, in the event of any breach hereof, in addition to all other remedies available

to it at law or in equity. In no event will any party be liable to the other for punitive or consequential damages for any alleged breach hereof. No failure or delay by a party in exercising any right, power or privilege hereunder will operate as a waiver, nor will any single or partial exercise or waiver of a right, power or privilege preclude any other or further exercise thereof. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. SUCH WAIVERS WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

8. Venue and Choice of Law. This Agreement is governed by the laws of the State of Oregon. Any suit, action or proceeding arising out of the subject matter hereof, or the interpretation, performance or breach hereof, will be instituted in any State or Federal Court in Multnomah County, Oregon (the "Acceptable Forums"). Each party agrees that the Acceptable Forums are convenient to it, and each party irrevocably submits to the jurisdiction of the Acceptable Forums, and waives any and all objections to jurisdiction or venue that it may have any such suit, action or proceeding.

9. Miscellaneous. The term of this Agreement is two years from the date hereof. This Agreement constitutes the entire agreement of the parties relating to its subject matter, and supersedes all prior communications, representations, or agreements, verbal or written. This Agreement may only be waived or amended in writing. Notices hereunder must be in writing and become effective when actually delivered. This Agreement may be executed in counterparts, each of which, when taken together, will constitute one and the same original instrument. Neither party may assign or otherwise transfer its rights or delegate its duties hereunder without the prior written consent of the other party, and any attempt to do so is void.

IN WITNESS WHEREOF, the undersigned parties have executed this Mutual Confidentiality Agreement as of the date first written above.

PACIFICORP
an Oregon corporation

a _____

By: _____
Its: _____

By: _____
Its: _____

Non-Reliance Letter

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

Date

[Name]

[Address]

Re: PacifiCorp's 2019-UT Renewables Solar Request for Proposals Renewable Resources

Dear [_____]:

This letter clarifies PacifiCorp's rights relating to its further evaluation and discussion of your possible involvement with _____ ("Counterparty") proposal submitted in response to PacifiCorp's 2019-UT Renewables Solar Request for Proposals ("RFP") (collectively with Counterparty's proposal and all matters relating thereto, the "Project") and any subsequent negotiations regarding the terms of any agreement or agreements entered into with you or any other party in connection with the Project. PacifiCorp will agree to enter into further discussions with you only upon your prior acknowledgement of these rights. "You" and similar words (whether or not capitalized) refer to the addressee of this letter, Counterparty, and any Project development entity or other affiliate of the addressee in any way involved in the Project.

PacifiCorp is committed to following a fair process in selecting the winning proposal. However, PacifiCorp reserves the right, in its sole discretion, to terminate the consideration of the Project and any discussions with you or any other parties (such as your lenders) relating to the Project at any time and for any reason without incurring any liability for costs or expenses incurred by you in the course of, or as a result of, your participation in the bidding process or negotiations respecting the Project, including but not limited to any costs or expenses related to or arising from the preparation or submission of your proposal, your legal fees, transmission or environmental studies or reviews, expenses of any third party incurred at your behest, your participation in discussions with PacifiCorp, the Project, or any development costs incurred by you in connection with this process. The submission of a proposal by Counterparty and PacifiCorp's decision to engage in further discussions with you does not constitute acceptance of the Project, and will not obligate PacifiCorp to accept or to proceed further with the Project. The acceptance of any proposal and the commencement of the Project are contingent on a number of factors, including but not limited to financial and creditworthiness considerations, strategic decisions, resource planning, regulatory approvals, and the approval of PacifiCorp's board of directors and/or shareholders. PacifiCorp makes no representation as to the likelihood of Counterparty's proposal

being accepted or of the Project being commenced and, if PacifiCorp decides not to accept Counterparty's proposal or the Project, you hereby fully and forever release and discharge PacifiCorp of all liability whatsoever, whether arising from your alleged reliance on PacifiCorp's acceptance of the Project or any part thereof or whether based upon any other action or claim in tort, contract, promissory estoppel, equity, negligence or intentional conduct, and PacifiCorp will not be liable for any amount of liability or damages, including but not limited to any amounts for incidental, special, consequential or punitive damages.

PacifiCorp reserves the right to engage in discussions with multiple parties simultaneously with respect to this RFP or any other matter, and to accept or reject any type of proposal of any party in its sole discretion. PacifiCorp also reserves the rights to reject all proposals relating to this RFP, and to pursue any other course it deems appropriate, including without limitation the development of a cost-based, self-build alternative.

PacifiCorp will have no obligations to you with respect to the Project unless and until the execution by all applicable parties of one or more definitive written agreements (the "Definitive Agreements") in form and substance satisfactory to the parties entering into such Definitive Agreements and then only to the extent stated therein. No contract will nor will be deemed to exist, whether by estoppel or otherwise, in any other way than execution and delivery (if ever) of the Definitive Agreements. The execution (if any) of any Definitive Agreements would be subject, among other things, to the satisfactory completion of due diligence by such parties as well as the satisfaction of applicable financial, environmental and other regulatory requirements as determined by PacifiCorp. If PacifiCorp selects the Project, then except as specifically set forth in the Definitive Agreements, PacifiCorp will have no obligations to you in the event that the Project or any part thereof is discontinued, cancelled, stopped, or terminated for any reason whatsoever, including without limitation financial or creditworthiness considerations concerning you or any contemplated source of Project-related funds, third-party delay or failure (with PacifiCorp's transmission function constituting a third party for purposes hereof), regulatory restrictions, transmission infrastructure restrictions, environmental or community challenges, or the Project is embargoed, restrained, subject to labor strike or lockout, destroyed, subject to terrorist attack or any other force beyond your control, is incapable of receiving required electricity transmission or network service, or is otherwise rendered impossible to complete by the times set forth in the Definitive Agreements for any other reason, whether your fault or not.

Whether or not the Project is commenced and Definitive Agreements executed, you will be responsible to pay your own fees and expenses, including without limitation legal fees and expenses, incurred in connection with the preparation, discussion and negotiation of the Project as well as the preparation, negotiation, execution and delivery of the Definitive Agreements and any other agreements or documents contemplated thereby, and PacifiCorp will not be responsible for any of those fees and expenses.

If the foregoing is acceptable, please indicate so by executing and dating this letter in the space indicated below.

Sincerely,

PacifiCorp

By: _____

Name: _____

Title: _____

Date: _____

ACCEPTED AND AGREED:

[Insert Name of Party]

By: _____

Name: _____

Title: _____

Date: _____

RFP APPENDIX H

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RFP APPENDIX I

FERC's Standards of Conduct

As a transmission provider, PacifiCorp is required to comply with FERC's Standards of Conduct which govern interactions between PacifiCorp's Transmission Function and its Marketing Function. Under the Standards of Conduct, PacifiCorp's Transmission Function employees must function independently of PacifiCorp's Marketing Function employees. Marketing Function employees cannot have access to transmission control center or other transmission facilities or information systems that differ in any way from the access provided to non-affiliated transmission customers. The Standards of Conduct prohibit Marketing Function employees from gaining access to any information about PacifiCorp's transmission system that is not posted on the OASIS or otherwise made publicly-available to all other market participants.

Under the Standards of Conduct, FERC will allow certain non-operating employees to be shared between the Transmission Function and Marketing Function. Under FERC's "no-conduit rule", shared employees may receive confidential transmission system or marketing information, but they are prohibited from sharing such information with Marketing Function employees through any non-public or off-OASIS communications.

Market Function Employees

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

- Energy Supply Management
- Energy Trading
- Origination

Transmission Function Employees

PacifiCorp's Transmission Function includes: employees, contractors, consultants or agents of PacifiCorp who conducts transmission system operations or reliability functions, including, but not limited to, those who are engaged in day-to-day duties and responsibilities for planning, directing, or carrying out transmission-related operations.

Shared Employees

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

Information Status

PacifiCorp's Marketing Function (as defined above) will not be involved in a Bidder's transmission interconnection request and integration with the balancing authority area. PacifiCorp's employees will at all times abide by FERC's Standards of Conduct. If an issue arises about compliance with FERC's Standards of Conduct, PacifiCorp's FERC Standards of Conduct Compliance Officer, Colt Norrish at 503-813-5545, should be contacted immediately.

RFP APPENDIX J

Qualified Reporting Entity Services Agreement C & T Master v4.1a dated May 10 2017²

[See PPA Exhibit 4.6 (2)]

² Most current version would be included in any execution-ready PPA.

RFP APPENDIX K

[INCLUDED AS SEPARATE ATTACHMENTS]

RFP APPENDIX L

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RFP APPENDIX M

Reserved

RFP APPENDIX N

PacifiCorp's Intra-Company Relationships for RFP Process

EVALUATION TEAM

The evaluation team will be made up of employees from several PacifiCorp departments.

As set forth below in the information status, no members of the evaluation team will have contact or 2019-UT Renewables RFP-related communication with any bidder unless the IE is included. If any attempts to contact a member of the Evaluation Team, such member of the evaluation team will only respond if the IE is included.

The roles and responsibilities of the members of the evaluation team are set forth below, along with the individual member's name and title and information status restrictions.

Evaluation Team: Origination, Structuring and Pricing, Environmental and Credit

1. Origination

Roles: Members of origination will be responsible for overall coordination of the RFP process, including bid process management for all proposals. Origination will have responsibility to coordinate with the IE and all of the evaluation team. Origination will perform the evaluation of the non-price components of the bid analysis. Origination will participate on the Intent to Bid team.

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

Information Status: No members of the evaluation team will have 2019-UT Renewables RFP-related contact or communication with any bidder unless the IE is included.

2. Structuring and Pricing

Roles: Members of PacifiCorp's structuring and pricing will be responsible for the economic analysis and modeling for the initial shortlist.

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

Information Status: No members of the evaluation team will have 2019-UT Renewables RFP-related contact or communication with any bidder unless the IE is included.

3. Environmental and Operations

Roles: Environmental will be responsible for evaluation of the applicable environmental, siting and facilities permits and other environmental reviews of the project bid.

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

Information Status: No members of the evaluation team will have 2019-UT Renewables RFP-related contact or communication with any bidder unless the IE is included.

4. Credit

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

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

Information Status: No members of credit will have 2019-UT Renewables RFP-related contact or communication with any bidder unless the IE is included. Credit will also participate on the Intent to Bid team.

CERTIFICATE OF SERVICE

Docket No. 18-035-47

I hereby certify that on December 28, 2018, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Cheryl Murray cmurray@utah.gov

Michele Beck mbeck@utah.gov

Division of Public Utilities

Erika Tedder etedder@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov

Justin Jetter jjetter@agutah.gov

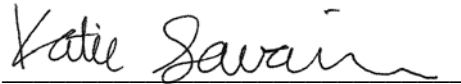
Robert Moore rmoore@agutah.gov

Steven Snarr stevensnarr@agutah.gov

Rocky Mountain Power

Data Request Response Center datarequest@pacificorp.com

Jana Saba jana.saba@pacificorp.com;
utahdockets@pacificorp.com



Katie Savarin
Coordinator, Regulatory Operations