

July 30, 2020

Bidders and Interested Parties:

PacifiCorp wishes to thank all 2020AS RFP participants for their interest and information provided as part of the notice of intent (NOI) submittal process conducted early last week. The 2020AS RFP NOI response was both robust and informative. PacifiCorp provides this update to clarify and reemphasize a number of items prior to the bid submittal by August 10, 2020.

BID SUBMITTAL CLARIFICATIONS

Bid Structures. PacifiCorp has had the opportunity to review and analyze the NOI results, and after consultation with the IEs, PA Consulting and Merrimack Energy, believes several rules and guidelines require clarification which are discussed below.

1. Individual project bids, each with its own generating resource, consolidated into one single project bid (“portfolio bid”) will not be accepted if individual projects making up the portfolio bid deliver to different points of interconnection (“POI”) into PacifiCorp’s transmission system;
2. A portfolio bid may be accepted if the individual projects that comprise the portfolio bid deliver to the same POI into PacifiCorp’s transmission system and:
 - All projects bid in as a portfolio bid are the same technology;
 - Bidders provide documentation from PacifiCorp Transmission stating that the portfolio bid is considered a non-material modification to their interconnection request;
 - PacifiCorp will require a single contract, in which the successful completion of all individual projects in the portfolio bid and the ongoing operation of all projects within the portfolio bid is required; any project that is not completed or defaults during project development or operations would create a default and possible termination under the single contract applicable to the portfolio bid;
 - Seller’s performance guarantees in the underlying agreement will be applied at the portfolio bid level;
 - PacifiCorp, consistent with RFP requirements, will require the portfolio bid package to be represented with one Appendix C, including a consolidated 8760 and bid pricing;
 - All projects bid in as a portfolio must be for PPA contracts; PacifiCorp will not accept portfolio bids as build-and transfers (BTA) or any combination of PPA / BTA.
3. Multiple resource technologies bid as one project bid will not be accepted, whether or not they all deliver to the same point of interconnection on PacifiCorp Transmission.
 - PacifiCorp requires that each project bid be accompanied by one (1) (*and only one*) Appendix C will all applicable tabs populated. Individual project bids representing multiple technologies (wind, solar, etc.) would hamper PacifiCorp’s ability to:
 - Evaluate the resource estimates of each project in that they will be combined in the consolidated 8760 provided in Appendix C;

- Evaluate the economic benefit of each individual project as part of the combined project because all cost data cannot be differentiated by PacifiCorp between the individual projects in Appendix C.

However, bidder are welcome to bid each individual project for evaluation, so long as such bids are not offered on a contingent basis.

4. Bids offered with multiple, contingent contract structures as part of the same project/portfolio proposal will not be accepted.
 - By example, a portfolio bid offered as a combination of both a BTA and PPA will be rejected.
5. Off-system bids with storage (or batteries) will be evaluated only considering the energy arbitrage value of storage (e.g. cost of power stored less sale price of power sold inclusive of battery losses). No reserve value will be considered because PacifiCorp cannot realize such value for off-system resources.

The list above clarifies PacifiCorp’s position on proposed bid structures identified as part of a thorough review of NOI results and reviewed with the IEs. This list is not necessarily all-inclusive or exhaustive, and as a result, PacifiCorp suggests all bidders carefully review the 2020AS RFP document and the RFP Q&As to assure bid compliance and acceptance.

Interconnection Consistency. Many of the NOI submissions appeared to be inconsistent with the publicly available information in the Generation Interconnection Queue posted to OASIS particularly with respect to Max MW Output, Point of Interconnection, and Type of request. PacifiCorp requests bidders to take into consideration the accuracy of the bid information. Bidders will be required to provide documentation from PacifiCorp Transmission stating that the inconsistency is considered a non-material modification to their interconnection request. PacifiCorp suggests all bidders carefully review the 2020AS RFP document and the RFP Q&As to assure bid compliance and acceptance.

Project Location Coordinates. PacifiCorp would also request that bidders please provide each project’s latitude and longitude coordinates in decimal degrees vs. degrees/hours/minutes/seconds. This will improve PacifiCorp’s ability to import such data into our models.

For example: 46°05'16"N, -108°15'37" W (degrees/hours/minutes/seconds)

$$46^{\circ}05'16"N = 46 + (5/60) + (16/3600) = 46.087778 \text{ N}$$

$$-108^{\circ}15'37" \text{ W} = -108 - (15/60) - (37/3600) = -108.260278 \text{ W}$$

Bid submittal should be entered as:

$$= 46.087778 \text{ N}, -108.260278 \text{ W (decimal degrees)}$$

Update to Table 3 – Bid Fee Guidelines. Below is an updated Table 3. Bid Fee Guidelines, found in Section G of the 2020A RFP main document for consideration, reflecting the discussion above as well as

incorporating responses in PacifiCorp’s Q&A posted on the RFP webpage. PacifiCorp has enhanced several definitions below to help provide clarity to bidders as to what constitutes a base bid or an alternative bid. The definitions below are consistent with prior RFP Q&A responses on the 2020AS RFP website. For potential bidders, PacifiCorp encourages them to complete and submit the bid fee spreadsheet as soon as possible for PacifiCorp to review.

	Base Bid	Bid Alternatives
Wind	PPA and BTA bids for the same generating resources are considered separate and non-contingent base bids. While PPA/BTA combinations will not be accepted, bidders may bid a PPA and a BTA so long as they pay two base bid fees. BTA bids only accepted for projects directly interconnecting with PacifiCorp’s system. Changes in bids specific to capacity (MW) constitute a base bid, not a bid alternative.	Limited to different contract tenure, in-service dates, and/or pricing.
Solar	PPA and BTA bids for the same generating resources are considered separate base bids. BTA bids only accepted for projects directly interconnecting with PacifiCorp’s system. Changes in bids specific to capacity (MW) constitute a base bid, not a bid alternative.	Limited to different contract tenure, in-service dates, and/or pricing
Collocated BESS	PPA or BTA collocated with BESS. PPA and BTA bids for the same generating resources are considered separate bids. Changes in bids specific to capacity (MW) constitute a base bid, not a bid alternative – this includes changes to the BESS capacity size.	Collocated bids that include a BESS must submit a base bid that includes both battery augmentation and non-augmentation. Augmentation and non-augmentation storage offers are required of the bidder, and therefore i) do not impact the number of bid alternatives or ii) are not assessed an incremental bid fee. Alternatives are limited to different contract tenure, in-service dates, pricing, and/or storage/battery duration.
Standalone BESS	BSA or BTA would be separate bid. Changes in bids specific to capacity (MW) constitute a base bid, not a bid alternative.	Standalone BESS bids must submit a base bid that includes battery augmentation and non-augmentation. Augmentation and non-augmentation storage offers are required of the bidder but will not impact the number of bid alternatives or be assessed. Other alternatives limited to different in-service dates and/or pricing. Additionally, changes in storage/battery duration constitute only a bid alternative.
Other renewables	PPA or BTA would be separate bid. Changes in bids specific to capacity (MW) constitute a base bid, not a bid alternative.	Limited to different contract tenure, in-service dates, and/or pricing
Non-renewables	PPA or BTA would be separate bid. Changes in bids specific to capacity (MW) constitute a base bid, not a bid alternative.	Limited to different contract tenure, in-service dates, and/or pricing

Appendix C-2. All Appendix C-2 submissions MUST be submitted in an **unprotected excel format** as provided in the 2020AS RFP bid package. Non-compliance with this requirement will ultimately lead to bid disqualification if not cured consistent with the RFP 2-day cure period.

Bid Delivery. As a reminder, **PacifiCorp is not requiring the hard copy delivery of the full bid package.** PacifiCorp has revisited its bid submission requirements in the wake of the pandemic and delayed re-entry of PacifiCorp's workforce into its Portland office. To reduce handling of large documents by our mailroom and others, we will only be requiring two methods of bid delivery. First is the electronic email delivery of the full RFP bid package including all required Appendices to the RFP mailbox and the two IE mailboxes as listed in the RFP document. Note, RFP documents requested to be provided in non-PDF format should be included as separate files in readable format for input. Second is a USB drive with the bid on it accompanied by a signed letter from the officer. The USB should be sent by FedEx, UPS, or mail, no hand delivery. Both methods have a delivery deadline of August 10, 2020 5:00PM Pacific time.

If you have further questions, please email the 2020AS RFP or the IEs mailbox and the PacifiCorp RFP team will respond promptly. Further updates will continue to be posted on the RFP webpage.

Again, thank you for your participation and interest in this process. We look forward to the same robust response in the bid submittal phase.

Regards,

PacifiCorp RFP Team