



November 1, 2006

Oregon Public Utility Commission
550 Capitol Street NE, Suite 215
Salem, OR 97310-2551

Attn: Vickie Bailey-Goggins, Administrator
Regulatory and Technical Support

Re: **PacifiCorp Request for Proposals - Docket No. UM 1208**
Revised RFP

Pursuant to the revised schedule adopted on October 26, 2006 in Docket No. UM 1208, PacifiCorp submits its revised draft request for proposal ("RFP"). Both clean and redlined versions of the RFP are being filed. The redlined version will reflect the changes made since the October 4, 2006 version was filed; however, only the documents that have been revised since October 4, 2006 are being resubmitted.

If you have any questions about the filing please contact Laura Beane at 503.813.5542 or Stacey Kusters at 503.813.5351.

Very truly yours,

A handwritten signature in cursive script that reads "Andrea Kelly/p.a.". The signature is written in dark ink and is positioned above the typed name.

Andrea Kelly
Vice President, Regulation

Enclosures
cc: Service List UM 1208 (w/ enclosures)

I hereby certify that on this 1st day of November, 2006, I caused to be served, via E-Mail (if address available) and U.S. mail, a true and correct copy of PacifiCorp's Revised Draft 2012 Request for Proposal 2012 in Docket No. UM-1208.

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A handwritten signature in black ink that reads "Peggy Ryan". The signature is written in a cursive style and is positioned above a solid horizontal line.

Peggy Ryan
Supervisor, Regulatory Administration



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November 1, 2006

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Re: PacifiCorp DRAFT 2012 Request for Proposals - Docket No. UM 1208

On July 11, 2006 PacifiCorp filed its final draft request for proposal 2012 - 2014 ("RFP") with the Commission, under the competitive bidding guidelines established in Commission Order No. 91-1383. PacifiCorp asked the Commission to approve the RFP within 90 days, an extension of the normal 60-day review process contemplated under Order No. 91-1383. At the pre-hearing conference in this case, PacifiCorp agreed to a further extension of the review period for the RFP to permit the Commission to consider the RFP at its October 26, 2006 public meeting. On August 30, 2006, PacifiCorp submitted a revised RFP to comply with Commission Order No. 06-446.

Since that time, PacifiCorp has been actively engaged in discussions with interested stakeholders and as a result of these discussions, PacifiCorp modified the RFP on October 4, 2006, primarily to address resource diversity concerns. To address other issues, including concerns about the size and scope of the RFP, PacifiCorp agreed to further modify the RFP. On October 25, 2006, PacifiCorp filed supplemental comments in advance of the public meeting which identified several substantive modifications to the RFP. As a result of these modifications, parties requested additional time to review PacifiCorp's RFP and PacifiCorp agreed to refile its revised final RFP on November 1, 2006 for further comment and review.

The following summarizes the changes made to the RFP since it was filed on August 30, 2006 and updated on October 4, 2006:

1. **Term/Title of RFP:** PacifiCorp is shortening the term of the RFP from 2012-2014 to 2012-2013. As a result, PacifiCorp has revised the title of the RFP to reflect the more limited scope of the RFP.
2. **RFP/IRP Alignment:** In order to more closely align the RFP with its acknowledged IRP, PacifiCorp has made several changes to the RFP in the modeling process. PacifiCorp is treating planned renewable resources and front office transactions consistent with its acknowledged 2004 IRP. Additionally, the downsizing of this RFP is consistent with application of a more aggressive planning reserve margin than the 15 percent margin used but not acknowledged in the 2004 IRP. PacifiCorp is reviewing its approach to front office transactions and the proper planning reserve margin in PacifiCorp's 2006 IRP. As redesigned, the RFP avoids prejudging the outcome of this

review, while permitting PacifiCorp to move forward now with an approved RFP to meet its minimum resource needs. (See page 6 of the RFP).

3. **IGCC Proposals:** PacifiCorp has accelerated its IGCC benchmark resource from 2014 to 2013 to respond to parties' interest in IGCC resources and effectively compare the cost adjusted for risk for an IGCC benchmark resource against a supercritical pulverized coal benchmark resource for 2013. In order to facilitate IGCC proposals and ensure comparability of bids from the market, PacifiCorp has added a new Eligible Resource Alternative Category for IGCC proposals and has made it clear that it is interested in receiving IGCC proposals for either 2012 or 2013. The addition of the new Eligible Resource Alternative Category will permit evaluation of IGCC proposals separately from non-IGCC bids and will ensure that IGCC proposals will make it through the initial shortlist screening and will be considered when evaluating the final shortlist. In addition to allowing tolling service agreements and power purchase agreements for IGCC proposals, PacifiCorp has also agreed to consider asset purchase and sale agreements on bidder's sites for IGCC projects. (See pages 6, 18-19, Appendix C-5 and Attachment 24 of the RFP).
4. **Flexibility in Proposals:** PacifiCorp is interested in creative proposal options that add value to our customers; therefore, PacifiCorp has added a provision which encourages bidders to offer several different alternatives under the same base proposal. Flexibility is being offered through deferred or accelerated in-service dates of contracts or buy-out options. (See, e.g., Page 7 of the RFP). In addition, bidders may submit a base proposal and up to two alternatives for the same bid fee, and bidders can offer three additional alternatives at a reduced fee of \$1,000 each in order to encourage the maximum level of market participation. (See, e.g, page 8 of the RFP).
5. **Benchmark Resource Options:** PacifiCorp originally offered four (4) different benchmark resource options for the term of the RFP. PacifiCorp has reduced the number of benchmark resource options it will be proposing to the following: IPP 3 (340 MW super-critical pulverized coal plant) will be the only benchmark resource for 2012; IGCC (500 MW at Jim Bridger site) or Hunter 4 (575 MW super-critical pulverized coal plant) will be the benchmark options for 2013.
6. **Geothermal and Biomass:** PacifiCorp has established a new Eligible Resource Category for geothermal and biomass power purchase agreements for resources with a minimum duration of 5 years and 20 MW providing additional resource diversity. (See, e.g, page 22 of the RFP). The addition of the IGCC resource proposal category will also provide additional resource diversity consistent with Guideline 9(a).
7. **O&M Agreements:** In order to ensure cost effectiveness, availability, and reliability of resources prior to the Company's full acceptance of a coal resource pursuant to an Asset Purchase and Sale Agreement ("APSA"), PacifiCorp has included a requirement that the bidder enter into an Operating and Maintenance Agreement ("O&M agreement) with specific performance guarantees and requirements over a 10-year term for a coal resource and over a 12-year term for an IGCC resource. While PacifiCorp also initially proposed that this be required for any gas-based resources, it has determined that it will not be required for gas resources and has removed this requirement. A new Attachment 23

which contains a term sheet for an O&M agreement for a coal-based resource has been provided. (*See, e.g.*, pages 17-18 and Attachment 23). PacifiCorp has provided a term sheet for the O&M agreement in Attachment 24. (*See, e.g.*, page 21 and Attachment 24).

8. **Load Curtailment:** PacifiCorp has modified its requirements for load curtailment to remove any barriers to participation by this resource on similar grounds to other supply side resources. In addition, PacifiCorp has modified its credit requirements for load curtailment to more accurately reflect the nature of the resource. The credit assurances required for this resource type will depend on the terms of the curtailment and whether there is an acceptable physical asset behind the curtailment agreement. (*See Appendix B – Credit Matrices and notes*).
9. **Credit:** Several further refinements to the credit provisions have been included in this revised RFP. For example, PacifiCorp has clarified that to the extent a bidder uses a contractor or a separate legal entity other than the bidder itself to serve as an Engineering Procurement Contractor for a project, that entity must satisfy the applicable credit provisions (credit rating that is BBB-/Baa3 or greater from S&P/Moody's or if not publicly rated must have an equivalent credit rating as determined by PacifiCorp Credit). (*See, e.g.*, pages 18-19 of the RFP). In addition, PacifiCorp has clarified that the bidders are not required to be investment grade; however, a bidder must be investment grade or have the ability to post the credit assurances set forth in the credit matrix to qualify as an investment grade entity. (*See page 28 of the RFP*).
10. **RFQ Team:** PacifiCorp has added a separate Request for Qualifications ("RFQ") Team who will be responsible for working with the Independent Evaluators ("IEs") to assess the bidders' qualifications. Although the RFQ is not blinded, having an RFQ team comprised of members from PacifiCorp Legal, Credit and IRP will ensure that no non-blinded members of the Bid Evaluation Team or the Benchmark Team access any of the non-blinded qualification information submitted by bidders. (*See page 24 of the RFP and Attachment 20*).
11. **Role of the IE:** PacifiCorp has made several modifications to the RFP to highlight the focus of the role of the IEs and to reflect the use of separate IEs for Utah and Oregon (*See page 5 of the RFP*). Given the safeguards associated with the use of blinded bids, the active involvement of the IEs, and the voluntary adoption of a Code of Conduct (Attachment 20), PacifiCorp has removed the prohibition on affiliate bidding which is consistent with Guideline 3 and Guideline 10(d). (*See page 7 of the RFP*).
12. **Effectiveness of Bids:** The RFP has been modified to allow bidders to index variable components of their proposal to publicly available indices (i.e., inflation rates). (*See page 27 of the RFP*). In addition, PacifiCorp may allow bidders who make the initial shortlist the option to refresh or update their pricing before the final shortlist evaluation occurs. (*See page 43 of the RFP*). In addition, due to the long lead time of these resources, PacifiCorp has incorporated flexibility which will allow bidders to propose deferral and acceleration options, as well as buy-out options. (*See page 7 of the RFP and Forms 1 and 2*). Finally, under the evaluation process, PacifiCorp has added a Step 4 to the process which is intended to address the issue that certain differences may exist between the Company's benchmark resources and resource alternatives provided through the solicitation process due to the inherent differences between cost of service regulated

entities and market based entities. These differences may create different risk profiles for the resources covered by this RFP and therefore should be considered in the evaluation process. (*See* page 51 of the RFP).

13. **Price/Non-Price Factors:** The price factor will be weighted up to 70% and the non-price factor will be weighted up to 30%. Based on feedback from parties, the non-price factors have been modified to remove the non-pricing scoring for compliance with the proforma agreements. The RFP makes clear however, that the proforma agreements will be used as a starting point to negotiate mutually agreeable final contract terms consistent with Guideline 6 and bidders are requested to identify any significant exceptions to the proforma agreements as part of their proposals. (*See* page 30 of the RFP).

The non-price factors which will constitute 30% of the initial shortlist screen have been developed to include the following considerations:

Development Feasibility/Risk which is intended to assess the likelihood the project can be successfully developed as proposed based on a number of factors which influence project development feasibility and the risk of development (including critical path schedule, engineering design and technology, fuel supply and transportation strategy).

Site Control and Permitting which is intended to assess a bidder's plan for site control and permitting (including permits required, access to water supply, rights of ways).

Operational Viability/Risk Impacts which is intended to evaluate key viability and risk factors associated with project operations (including environmental compliance/strategy, environmental impact, O&M plan).

(*See* pages 48-51 of the RFP).

14. **Minimum Eligibility Requirements:** The minimum eligibility requirements for bidders have been modified to address concerns that IGCC proposals be fully backed with performance and availability guarantees by the respective gasifier technology supplier and constructors consistent with industry standards and to put bidders on notice that failure to address both the price and non-price factors can serve as grounds for rejection of a bid. (*See* pages 31-32 of the RFP).
15. **Variable Interest Entity ("VIE") Treatment:** The RFP has been modified to allow bidders an opportunity to provide an alternate structure that does not trigger VIE treatment. Any proposal rejected by PacifiCorp because it triggers VIE treatment will be justified with documentation to the IEs. (*See* pages 33-34 of the RFP).
16. **Debt:** As modified, PacifiCorp will not take into account potential costs to the Company associated with direct or inferred debt as part of its economic analysis in the initial or final shortlist evaluation. After completing the final shortlist and before final resource selections are submitted for acknowledgement, PacifiCorp may take into consideration any projected costs of direct or inferred debt as a factor to be considered in seeking acknowledgement of the final shortlist of resources. PacifiCorp will be required to justify and defend its use of debt costs in the resource selection/acknowledgement process. Consistent with Guideline 9(c), at the Commission's request, the Company will be

required to obtain a written advisory opinion from a rating agency to substantiate the utility's analysis and final decision regarding direct or inferred debt. (*See* pages 34-35 of the RFP (deleting most of the provisions on debt)).

17. **Access to Models and Inputs:** Consistent with Guideline 9(b), PacifiCorp has modified the RFP to clarify that the IEs will be provided full access to the necessary inputs and all models used in the evaluation process. (*See* page 46 of the RFP).
18. **Evaluation Process:** In order to respond to concerns about comparability of the benchmark resources and market bids, PacifiCorp has expressly recognized in the revised RFP the inherent differences between cost of service regulated entities and market based entities which may create different risk profiles for the RFP resources. After selecting the final shortlist through the formal evaluation process, PacifiCorp, in consultation with the IEs, will take into consideration other factors not adequately considered in the formal evaluation process but required by applicable law or Commission order to be considered. Consistent with Guideline 10(d), the IE is required to evaluate the unique risks and advantages associated with the Benchmark Resources, including the regulatory treatment of costs or benefits related to actual construction cost and plant operation differing from what was projected for the RFP. (*See* page 54 of the RFP).
19. **Refinement of RFP Appendices, Attachments and Forms:** Many of the changes in the body of the RFP necessitated changes in the corresponding appendices, attachments and forms. Many of the forms were formatted for consistency; however, the following is a list of the forms which contain substantive revisions:
 - Appendix B – Bidder's Qualifications and Credit Information
 - Appendix C – Information Request Forms for Proposal Types
 - Appendix D – Fuel Supply Form
 - Attachment 1 – Benchmark Resources
 - Attachment 4 – Role of IE
 - Attachment 19 – Due Diligence Items
 - Attachment 20 – Code of Conduct
 - Attachment 21 – Credit Methodology
 - Attachment 23 – O&M Agreement for coal-based resources
 - Attachment 24 – O&M Agreement for IGCC resources
 - Form 1 – Pricing Input Sheet
 - Form 2 – Permitting and Construction Milestones

PacifiCorp - Docket No. UM 1208

November 1, 2006

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In order to more easily identify the changes, PacifiCorp has provided both a clean and redlined version of the RFP documents that have changed since the August 30, 2006 filing. If you have any questions about the filing or the RFP, please do not hesitate to contact Laura Beane at 503.813.5542 or Stacey Kusters at 503.813.5351.

Sincerely,

A handwritten signature in black ink, appearing to read "Natalie L. Hocken", with a long horizontal flourish extending to the right.

Natalie L. Hocken

Assistant General Counsel

PacifiCorp

Draft RFP ~~2012~~

Responses due ~~February~~[January](#) 2007

~~2012~~ **Request for Proposals**
Base Load Resources

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PacifiCorp
Draft RFP ~~2012~~
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SECTION 1. INTRODUCTION

A. Purpose and Scope

The purpose of this document is to prescribe the process by which PacifiCorp (“the Company”) will request and evaluate proposals from third parties to fulfill a portion of the supply-side resource need identified in the Company’s 2004 Integrated Resource Plan (“IRP”) ~~and the 2004 IRP update~~. The scope of this Request for Proposals (“RFP-~~2012~~”), subject to the limitations described herein, is focused on all Base Load -supply-side resources capable of delivering energy and capacity in or to the Company’s Network Transmission system in the Company’s Eastern Control Area (“PACE”) (~~www.oasis.pacificorp.com-~~) and that fulfills the requirements of being a Network Resource. A Base Load supply-side resource is defined as any resource with any type of fuel source that provides unit contingent or firm capacity and associated energy that are incremental to the Company’s existing capacity and energy resources and are available for dispatch or scheduling by June -1, 2012 ~~and/or~~; June 1, 2013 ~~and/or June 1, 2014~~.

[An Independent Evaluator \(“IE”\) hired by the Utah Public Service Commission will be involved in all aspects of receiving, evaluating, and ranking bids in response to this RFP, and in ensuring fairness throughout the RFP process. A second IE will be retained for the Oregon process. PacifiCorp will request the Utah Public Service Commission to approve the resources selected. PacifiCorp will also request the Oregon Public Utility Commission to acknowledge the final shortlist of resources. Potential bidders are invited and encouraged to contact either of the IEs with questions or concerns. Contact information for the IEs is as follows:](#)

Utah Independent Evaluator
Merrimack Energy Group, Inc.
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111
www.merrimackenergy.com

Oregon Independent Evaluator
Independent Evaluator Oregon
[Insert Name Once Selected];
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301

~~Potential Bidders should note that the Company’s affiliates will not be eligible to respond to the RFP-2012.~~ As described in more detail below, the Company has ~~adopted~~put in place prudent safeguards to assure that no bias occurs. The Company seeks proposals from all potential suppliers who can meet the conditions of ~~this RFP-2012.~~

Bidders should note that although from a planning basis the IRP ~~and the IRP update~~ uses specific types of resources in the base case and in the preferred portfolio this should not be considered by Bidders to be the only resource type or technology that the Company is willing to consider. **Any Bidder who has a question with respect to any resource characteristic it is considering to bid is instructed to contact the**

~~Independent IE Evaluator (“IE”) described below after the final and approved issuance of the RFP.~~

~~2012.~~

The Company may opt to contract for more or less power, depending among other things, on the quality of bids received in response to ~~the RFP-2012~~, updates to the Company’s forecasts, regional transmission availability and timing, and changes in the wholesale energy market conditions.

This introductory section describes the type, timing and amount of Base Load resources sought for 2012 ~~and through 2014-2013~~ (“the Term”). Section ~~2~~ covers logistics such as where and when proposals must be submitted, ~~Bidder-bid~~ fees and important policies and procedures. Section ~~3~~ provides information related to power delivery requirements, including RFP related requirements for those proposals involving interconnection of new generation facilities directly to the transmission system. Section ~~4~~ outlines the requirements to be included within each proposal. Section ~~5~~ outlines the evaluation process. Section ~~6~~ outlines the awarding and rejecting of proposals. ~~The Appendices include a~~ All of the required ~~Appendices, Attachments and Forms for each of the Eligible Resource Alternatives are included.~~

The resource need assessment for the Term is outlined below. The total resource need is a combination of supply ~~side resources and front office transactions~~ required for PacifiCorp’s system during the Term. ~~The 2004 acknowledged IRP assumed a 15% planning margin. For the purposes of this RFP the planning margin has been adjusted to 12% in both the 2004 IRP and the 2004 IRP update. The planned renewable targets and the Front Office Transactions (“FOT”) set forth in the IRP are not included in the RFP for purposes of calculating resource needs in the following table; 2012 however, the fixed amount of the renewable targets and the FOT will be inputs into the Capacity Expansion Model EM model (which is discussed in more detail in Section 5) based on IRP forecasted price.~~

~~The resource need in the IRP and the IRP update has changed. The supply side resources, from both the IRP and the IRP update, assume a 15% planning margin and the inclusion of front office transactions. The IRP identified a resource need of 2743MW 2360MW for the Term and the IRP update identified a resource need for the Term of 1775 1495 MW. The range of the resource need identified in the IRP and the IRP update for the Term is between 1775MW 1495MW and 2743MW 2360MW. The resource need previously filled with market purchases, i.e. front office transactions, on a planning basis will use specific generation assets for the purposes of a benchmark in this RFP.~~

The chart below shows the total resource need identified in the IRP ~~and the IRP update~~ by year during the ~~term~~ Term ~~and~~; the range of benchmark resource options ~~evaluated in~~

this RFP by year and the difference between the total resource need and the Company Benchmark Resource(s) being solicited in this RFP.

Total Resource Requirements (East-Side)	2012	2013
A combination of S supply- S side resources and Front Office Transactions <u>needed as per</u> the 2004 IRP <u>and 2004 IRP Update</u>	1800 MW (2004 IRP) (includes prior years)	560 MW
<u>RFP Company 2012 Benchmark Resources</u>	<u>HPIP 3</u> 340 MW	<u>Hunter 4 – 575 MW or IGCC Bridger 500 MW</u>
Annual Benchmark Resources <u>to be evaluated</u> in the RFP 2012	340 MW to 940 MW	<u>500 MW 250 MW to 750575 MW</u>
Total Benchmark Resources <u>to be evaluated</u> in the RFP RFP 2012	-	<u>8840590 MW to 1090915 MW</u>
Total Resources in the 2004 IRP <u>and 2004 IRP Update</u> with a 12% planning margin	<u>-808 MW</u>	<u>1109 MW Total need for the Term = 1927MW</u>

Total Resources in the 2004 IRP update with a 12% planning margin

460MW730MW

Total need for the Term = 1190MW

The issues of timing and requirements of resources in light of uncertain load growth, changes in technology, environmental requirements and costs (i.e. CO₂ and mercury impacts), market prices and resources availability and other factors are exacerbated by the trend toward long lead time coal based benchmark resources. To address such uncertainty the Company has included ~~two~~one benchmark option for 2012 and two benchmark options for 2013 that have different risk and cost profiles ~~for the benchmark for 2012~~. While the Company has proposed an IGCC benchmark option for only 2013, this RFP invites Bidders to submit IGCC proposals for either 2012 or 2013. The Company will submit a detailed evaluation for each Benchmark Resource, with supporting cost information, to the Oregon Commission and the IEs prior to the opening of proposals submitted by the Bidders. If during the course of the RFP process, the Company, with input from the IEs, determines that a Bidder update is appropriate, the Company will then also be entitled to update the assumptions in the Benchmark Resource(s). The IEs will review the reasonableness of the Benchmark Resource(s).

As a result of the uncertainties identified above, PacifiCorp is interested in proposals which offer PacifiCorp flexibility in terms of the commencement date of delivery in the contract and which provide PacifiCorp the ability to defer or accelerate the in-service date of the contract or buy-out the contract at its option. To the extent Bidders want to propose in-service date deferral or acceleration options, Bidders should provide a complete description of their proposed deferral or acceleration option as an attachment to Form 2. Bidders should provide a schedule that offers a one and/or two-year in-service date deferral option and a one year acceleration option along with the strike price (in total dollars) for which PacifiCorp would compensate the Bidder for exercising the option at each milestone date identified in Form 2. The schedule should also include the milestone dates prior to the proposed in-service date at which PacifiCorp could decide to

exercise the deferral or acceleration option. Bidders can also offer a price schedule associated with the option for PacifiCorp to buy-out the contract at different milestone dates prior to commercial operations. For the buyout option, Bidders should use Form 2 as a component of their bids. Bidders can provide breakup fees for all the milestone dates listed in Form 2, or identify select milestones and submit breakup fees for those dates. The milestones may be modified by the bidders to address the specific project and proposal. For each option, Bidders should identify the option proposed along with specific triggers (i.e., triggers associated with specific milestones) within the Bidder's proposal. Concerning deferral, acceleration, and breakup options, Bidders must complete Form 2 with suggested milestones and strike price. For each resource and alternative proposed, Forms 1 and 2 should be completed, if applicable.

~~To the extent Bidders want to propose in service date deferral options (, use Form 1) and/or contract buyout options (, use Form 2), as a component of their bids, they should identify them clearly with specific triggers (i.e., triggers associated with specific milestones) within the Bidder's proposal. The Company has included, in Form 1, for Bidders to provide proposals with different on line dates as options to the Company and Form 2 with suggested milestones and breakup fees for the Bidders to consider For each resource and option Form 1 and Form 2 should be completed for each resource and option. Each base proposal will be evaluated under one bid fee if it is the same project with up to two alternatives. However, each proposal and any given option will have separate bid numbers. This will allow Bidders to structure different pricing associated with different on line dates and provide break up fees for specific resource proposals.]~~

Potential Bidders should note that pursuant to applicable law, this RFP process will be subject to the safeguards of review by, and involvement of, an IE independent evaluator consistent with the Utah Energy Resource Procurement Act Section 54-17-203, and Oregon Order No. 06-446 Guideline 5. More information concerning the role of the Independent Evaluator ("IE") is provided below. An IE has been hired by the Utah Commission and a separate IE is in the process of being hired in Oregon and will be retained prior to receiving proposals. More information concerning the role of the IEs is provided in Attachment 4.

B. Eligible Resource Alternatives

The Company is seeking up to ~~four~~ two Base Load resource(s) for the ~~T~~ term of 2012 ~~and/or~~, 2013, ~~and/or~~ 2014. (See Attachment 1 for a description of the engineering specifications, fuel type, technology, efficiency, location, projected life, transmission requirements and operation and dispatch characteristics of each Company Benchmark). Unless a resource qualifies for one of the exceptions outlined below, the minimum bid that will be accepted is for 100 MW or greater of dependable capacity ~~or greater~~ and a minimum term of five (5) years. Any Base Load resource(s) bid must provide unit contingent or firm capacity and associated energy that are incremental to the Company's existing capacity and energy resources and are available for dispatch or scheduling by June ~~_~~ 1, 2012 ~~and/or~~, June 1, 2013, ~~and/or~~ June 1, 2014.

For each proposal submitted by a Bidder, the Bidder **must** submit its individual proposal under only one of the ~~ten~~ eight Eligible Resource Alternatives or one of the two exceptions ~~listed contained in Section 1.C below~~. The Company will not consider a proposal unless the Bidder has selected one of the ~~eight~~ nine alternatives **or** one of the two exceptions of Eligible Resource Alternatives listed in the Request for Qualifications (Appendices ~~A~~ and Appendix B).

PacifiCorp is interested in creative proposal options that add value to customers. As a result, PacifiCorp encourages bidders to offer several different alternatives under the same proposal. For each proposal, Bidders are allowed to submit a base proposal and up to two alternatives for the same bid fee. Bidders will also be allowed to offer up to three additional alternatives at a fee of \$1,000 each. Alternatives will be limited to different bid sizes, contract term, pollution control technologies, water cooling technologies, carbon capture design components, in-service dates and/or pricing structure (including, with respect to bids in the IGCC proposals category, a federal loan guarantee or tax credit support). To the extent a Bidder's proposal is subject to a federal loan guarantee or tax credit support, the Company will analyze the proposal with and without the guarantee or tax credit. A Bidder may submit more than one proposal, but each proposal can be for only one Eligible Resource Alternative. A proposal for a different Eligible Resource Alternative at a different site or using a different combustion technology will be considered a separate proposal and will be subject to a separate bid fee. For example, if the Bidder submits the same Eligible Resource Alternative proposal but with three different bid sizes, the proposal will be considered one proposal with two alternatives and the Bidder will receive three separate bid numbers for the proposal and pay one bid fee. The Company's objective in offering Bidders the opportunity to propose multiple alternatives is to allow the Company to optimize the benefits from the solicitation by combining proposals of different sizes, terms and in-service dates.

~~Bidder may submit more than one proposal, but each proposal can be for only one Resource Alternative, which must specify the year within the Term or specify the Company's options within the Term for the Eligible Resource, designated by the Bidder. If the Bidder submits the same Eligible Resource proposal in different years or in the form of an alternative proposal however, it is the same resource, the proposal will be considered one proposal with two alternatives and the Bidder will receive three separate bid numbers for the resource and pay one bid fee.~~

The Company will not accept proposals where the Bidder retains the option to displace any resource for economic reasons and/or where the Bidder holds the unilateral option to select one or more alternate Point(s) of Delivery. In addition, the Company will not accept any proposal that provides for planned maintenance or planned derates (as defined by NERC) during the months of June- through September- or December- through February- in any year.

Qualifying Facilities ("QFs"), as defined under the regulations implementing the Public Utility Regulatory Policies Act of 1978 ("PURPA"), with 10 MW or greater of capacity are eligible to participate in this RFP ~~2012~~. Firm QFs with 10 MW or greater of capacity

and a minimum term of five (5) years or longer will fall under the Eligible Resource [Alternative](#) exception as outlined in Section [C.11B](#). Each QF Bidder must submit the required information in **Attachment-2** in order to be evaluated under this RFP ~~2012~~. Any QF Bidder that has a question regarding these provisions is instructed to contact the [IEs](#).

C. [Eligible Resource Alternatives](#)

The Company will consider bids that take one of the following forms: (1) Power Purchase Agreement; (2) Tolling Service Agreement (~~,-which~~ may include gas or coal); (3) Asset Purchase and Sale Agreement (PacifiCorp site and PacifiCorp’s specifications); (4) Asset Purchase and Sale Agreement (Bidder site); (5) ~~,-~~Engineering, Procurement and Construction Contract (Currant Creek site only); (6) ~~,-~~purchase of an existing facility; (7) purchase of a portion of a facility jointly owned or operated by the Company; (8) restructuring of an existing Power Purchase Agreement or Exchange Agreement; [\(9\) IGCC resource proposals \(Power Purchase Agreement, Tolling Service Agreement or Asset Purchase and Sale Agreement on Bidder’s site\); \(10\) Geothermal and/or Biomass Power Purchase Agreements; or \(11\) Exceptions which include \(a\) Load Curtailment or \(b\) Qualifying Facilities.](#) Descriptions of each of these [Eligible Resource Alternatives](#) are set out below.

Each bid [proposal](#) must be for ~~one and~~ only one of the ~~categories~~ [Eligible Resource Alternatives](#), although a Bidder may submit separate bids for energy and capacity from a single resource for any of the [Eligible Resource Alternatives](#). The chart outlines a summary of the eligible forms which are then discussed in more detail [in Section C.1-C.11 below](#). The Company has attached ~~Pro Forma~~ [Proforma](#) Agreements to the ~~RFP~~ [Request for Proposals \(see Attachments 3, 5, 6, 16, 17 and 18\)](#). There are ~~teneight~~ [Eligible Resource Alternatives](#), with two exceptions. ~~Although there are more types of resource options than there are Proforma agreements,~~ ~~these Proforma Agreements will be used to initiate the negotiations between the Company and those Bidders on the final shortlist.~~ [Bidders should contact the IEs if they are uncertain about the appropriate Proforma Agreement applicable to the Eligible Resource Alternative being proposed.](#)

Eligible Resource Alternatives	Term	Location	Requirements
1) Power Purchase Agreements	Fixed term specified in the bid up to the life of the asset from a single resource located in or delivering to PACE under the PPA. Must be a minimum of 5 years and 100MW.	Bidders can bid on their sites or on PacifiCorp (“PPW”) sites; however, PPW is not required to operate the facilities, and it can not impact PPW existing generation on	If the Bidder bids on one of the PPW sites the Bidder must bid a minimum of 420 MW and 85% of the facility’s dependable generation with no less than 420 MW nominal generating

Eligible Resource <u>Alternatives</u>	Term	Location	Requirements
		the site.	capacity a minimum of 20 years and a maximum of the life of the asset. Life of asset will be evaluated consistent with IRP Tables C.27 and C.28.
2) Tolling Service Agreements (<u>Gas or Coal</u>)	Same as #1 under the PPA	Same as #1	Same as #1
3) Asset Purchase and Sale Agreements on PPW sites	Life of asset will be evaluated consistent with IRP Tables C.27 and C.28.	Currant Creek or Lake Side facilities <u>sites</u> .	Must be bid <u>Bid to-to</u> result in the development and construction of a facility that complies with the specifications in the APSA and the specification for each site set forth in the Appendices. The Company will require that the project be operated and maintained by Bidder for up to a 10 year term to ensure cost effectiveness; availability and reliability of the resources prior to the Company's acceptance of the resource.
4) Asset Purchase and Sales Agreement <u>on Bidder's Site for</u> (Gas or Coal)	Life of asset will be evaluated consistent with IRP Table C.27 and C.28.	Facility built on a Bidder's site which is a new facility. If it is an existing facility, it	Must be Bid pursuant to the APSA <u>Contract</u> ; PPW will own and operate the

Eligible Resource <u>Alternatives</u>	Term	Location	Requirements
		should be bid under #6.	facility following commercial operation. All Bidders must complete Appendix C-2. The Company will require that the <u>bidder enter into an Operating and Maintenance Agreement with specific performance guarantees and requirements over a 10-year term for a coal resource project be operated and maintained by Bidder for up to 10 years</u> in order to ensure cost effectiveness, availability, and reliability of the resources prior to the Company's acceptance of the resource.
5) EPC Contract for Currant Creek	Life of asset will be evaluated consistent with IRP Table C.27.	Currant Creek site.	<u>Must be Bid</u> pursuant to the EPC Contract with a F fixed price bid in accordance with Attachment 189 and the specifications for Currant Creek. Must complete the information in Appendix C-3. The Company will require that the project be operated and maintained by Bidder

Eligible Resource <u>Alternatives</u>	Term	Location	Requirements
			for up to 10 years in order to ensure cost effectiveness, availability and reliability of the resources prior to the Company's acceptance of the resource.
6) Purchase of an existing facility	Evaluation will be completed based on the remaining depreciated life of the asset. Life of the asset will be determined by the IRP Table C.27.	A single resource located in or delivering to PACE and integrated as a Network Resource.	Due Diligence <u>diligence</u> of facility that PPW deems appropriate. <u>(see Attachment 19)</u> . Must complete information in Appendix C-4. PPW would own and operate the facility.
7) Purchase of a portion of a facility jointly owned by and/or operated by PPW.	Same as #6	Same as #6	Same as #6
8) Restructuring of Existing Power Purchase Agreement or Exchange Agreement <u>and/or Buyback of an Existing Sales Agreement</u>	Fixed term specified in the bid up to the life of the PPA or Exchange Agreement must be a minimum of 5 years and 100MW.	Same as #6	The <u>Restructuring of the PPA or Exchange Agreement and/or buyback of an existing sales agreement</u> must result in incremental capacity and energy.
9) <u>IGCC Options Power Purchase Agreements, Tolling Agreements and/or Asset Purchase and Sales Agreement on Bidder's Site for an</u>	<u>Life of asset will be evaluated consistent with IRP Table C.27 or Bidder's expected design life</u>	<u>Facility built on a Bidder's site which is a new facility</u>	<u>Bid in the form of the APSA, PPW will own the facility bid. The Company will require that the bidder enter into an Operating and</u>

Eligible Resource <u>Alternatives</u>	Term	Location	Requirements
IGCC			Maintenance Agreement with specific performance guarantees and requirements over a 12-year term for an IGCC resource in order to ensure cost effectiveness, availability, and reliability of the resources prior to the Company's acceptance of the resource. All Bidders must complete Appendix C-5.
10) Geothermal and/or Biomass Power Purchase Agreements	Fixed term specified in the IRP up to the life of the asset from a single resource located in or delivering to PACE under the PPA. Must be a minimum of 5 years and 20 MW.	Bidders can bid on their own sites.	Life of asset will be evaluated consistent with IRP Tables C.27 and C.28.
Exceptions			
911 (a) Load curtailment	Same as above Fixed term must be a minimum of 5 years and 25MW.	Existing end use PPW customers with a load that can be physically curtailed and must be not less than 25MW. The load must respond within 30 minutes prior to the hour and remain curtailed for one continuous hour blocks.	Bidder must adhere to the same terms and conditions as other supply side resources in the RFP 2012. PPW will not accept proposals for the financial curtailment nor will it accept proposals that result in PPW having a residual delivery obligation for the

Eligible Resource <u>Alternatives</u>	Term	Location	Requirements
			<u>curtailment of load</u> via any other contract, law or <u>regulatory regulation</u> or order.
119 (b) <u>Qualified Qualifying Facility</u>	Same as above <u>Fixed term must be a minimum of 5 years and 10MW.</u>	Same as #6	Bidder must adhere to the same terms and conditions as other supply side resources in the RFP 2012. QFs are as defined u nder the regulations implementing PURPA. Each QF Bidder must submit the required information in <u>Attachment 2</u> in order to be evaluated under this RFP 2012 .

1. Power Purchase Bid Agreement

Power purchase ~~_~~ bids must be for a fixed term at a stated price which may be indexed or vary in price by year from a single resource located in or into PACE, and must be in the form of the Power Purchase Agreement (“PPA”). A Proforma Agreement is attached as Attachment 3. The source of energy and capacity for the PPA should be (a) ~~_~~ a generation facility located on a Bidder-supplied site, (b) ~~_~~ a generation facility located on one of the PacifiCorp sites identified in this RFP, or (c) ~~_~~ from the Bidder’s electrical system. For purposes of this RFP ~~2012~~, the PacifiCorp sites consist of real property currently owned by the Company immediately adjacent to the Company’s Currant Creek and Lake Side facilities.

In the event a Bidder proposes to locate a facility on a PacifiCorp site, the Bidder must propose a PPA for quantity equal to no less than 85% of the facility’s dependable generation capacity, with such amount being no less than 420 ~~_~~ MW nominal generation capacity, and a minimum term equal to or greater than 20 ~~_~~ years or a maximum consistent with the design plant life as contained in IRP Tables C. 27 and C.28 ~~_~~ life of the asset.

Design evaluation criteria that the Company will use for bid screening and evaluation purposes can be located in Appendix C (Tables C.27 and C.28) of the IRP. These minimums ~~are put in place apply to on~~ PacifiCorp sites because both of these sites are capable of second units, and PacifiCorp must ensure the value of these assets are used in the best interest of customers.

The Bidder should assume that the Company will not own or operate any facility bid into this category. All Bidders in this category must complete the information requested in **Appendices C-1, ~~and D,~~ and G.**

In the event a facility is proposed to be located on a PacifiCorp site, the Bidder must negotiate and enter into a lease or land purchase agreement acceptable to the Company, together with a Construction Coordination Agreement substantially in the form attached as **Appendix H**. These negotiations will occur if and when the Bidder is selected in the final shortlist. **THIS RFP ~~2012~~ IS NOT AN OFFER TO SELL A PACIFICORP SITE TO ANY BIDDER, AND IN NO EVENT WILL PACIFICORP BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND OTHER DOCUMENTS NECESSARY AND PROPER FOR THE SALE OF PROPERTY, AND TO PACIFICORP'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF PACIFICORP'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER PACIFICORP'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO THE PACIFICORP SITES.**

At the Bidder's request, the Company may agree to provide certain facility connection points at a PacifiCorp site for facilities located at a PacifiCorp site. The estimated cost and description of these points are contained in **Attachments 7 ~~and through 108;~~** however, actual costs to the Bidder may vary.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single engineer, procure, construct ("EPC") contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. Any Contractor must be experienced with the type of facility being proposed and, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

2. Tolling Service Agreement

Tolling Service Agreement bids must be for a fixed term at a stated price from a single resource (~~which may be either~~ coal or gas) which is located in or delivering to PACE, and must be in the form of the Tolling Service Agreement ("TSA"). A Proforma Agreement is attached as **Attachment-5**. The facility from which the TSA is bid can be located on (a) a Bidder-supplied site, or (b) a PacifiCorp site. In the event the Bidder proposes to

locate a facility on a PacifiCorp site(s), the Bidder must propose a TSA for an amount equal to no less than 85% of the facility's dependable generating capacity, with such amount being no less than 420-MW nominal generating capacity, and a minimum term equal to or greater than 20-years or a maximum consistent with IRP Tables C. 27 and C.28 life of the asset. Design evaluation criteria that the Company will use for bid screening and evaluation purposes can be located in Appendix C (Tables C.27 and C.28) of the IRP.

The TSA Bidder should assume that the Company will not own or operate any facility bid into this category. All Bidders in this category must complete the information requested in **Appendices C-1** ~~and~~, **D** and **G**.

In the event a facility is proposed to be located on a PacifiCorp site, the Bidder must negotiate and enter into a land purchase agreement acceptable to the Company, together with a Construction Coordination Agreement substantially in the form attached as **Appendix H** if and when the Bidder has been advised that they are on the Final Shortlist. **THIS RFP ~~2012~~ IS NOT AN OFFER TO SELL A PACIFICORP SITE TO ANY BIDDER, AND IN NO EVENT WILL THE COMPANY BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND OTHER DOCUMENTS NECESSARY AND PROPER FOR THE SALE OF PROPERTY, AND TO THE COMPANY'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF THE COMPANY'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER THE COMPANY'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO PACIFICORP'S SITES.**

At the Bidder's request, the Company may agree to provide certain facility connection points at a PacifiCorp site for facilities located at a PacifiCorp site. The estimated cost and description of these points are contained in **Attachments ~~7 through 10~~ 7 through 8**; however, actual costs to the Bidder may vary.

The Bidder must specify in its bid whether the TSA will take the form of a financially settled physical TSA or physical TSA, if applicable. Provided the TSA is (1) a financially settled physical tolling arrangement, the Bidder will be responsible to purchase the fuel, transportation, fuel-related O&M, and start-up charges, if any, or (2) a physical tolling arrangement, the Company may supply the fuel. ~~In the case of physical tolling arrangements, the Bidder may be responsible to obtain or demonstrate the ability to provide fuel, fuel transportation, long-term coal contract(s) and identify the coal quality in such contract(s), lime and/or limestone for Air Quality Control System, and/or rail arrangements in quantities sufficient to operate the facility at its maximum capacity, and shall make all necessary assignments of rights to the Company for the term of the TSA.~~

If a TSA Bidder proposes to locate a facility on a PacifiCorp site, and the Bidder proposes the utilization of the existing natural gas lateral to the site, then the Company will accept only a physical tolling arrangement that does not adversely impact the Company's existing fuel resource deliveries and cost at a PacifiCorp site. PacifiCorp maintains contractual rights to 190,000 Dth/day of transportation capacity on each natural gas lateral connection to the Currant Creek and Lake Side sites. Assuming a capacity to burn natural gas at each plant of 95,000 Dth/day, PacifiCorp would release for such plant up to 95,000 Dth/day of transportation capacity on the respective laterals to each site.

Bidders are not limited to a physical tolling arrangement on a PacifiCorp site as the Bidder may make its own arrangements for delivery of natural gas to a PacifiCorp site.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single ~~engineer, procure, construct (EPC)~~ contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. Any Contractor must be experienced with the type of facility being proposed and, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

3. Asset Purchase and Sale Agreement on PacifiCorp Site

Bids for construction on a PacifiCorp site must take the form of an Asset Purchase and Sale Agreement ("APSA"). ~~bids for construction on a PacifiCorp site must be in the form of the APSA. The Proforma Agreement is~~ attached as **Attachment 6** and its Appendices which have the PacifiCorp site specifications set forth therein. Any APSA proposal for development and construction of a facility on a PacifiCorp site (Lake Side or Currant Creek); must be bid ~~that results in the development and construction of a facility that complies in compliance~~ with the specifications in the APSA. Pricing for the purchase and sale of the facility can be structured to include progress payments, or as a single lump sum payment due upon achievement of commercial operation. The Company will in no event make progress payments to a Bidder unless each such payment results in the transfer of a tangible asset or a percentage ownership of

an asset at the time each payment is made. Bidders must submit bids that comply with one of these two payment structures. All Bidders in this category must complete the information requested in **Appendix C-2. ~~Agreement based on the terms and conditions set forth in Attachment 23.~~**

The Bidder will be required to enter into an APSA ~~Contract~~, and a Construction Coordination Agreement (**Appendix H**), which is also attached to the APSA as **Appendix S**. The Bidder shall be responsible for all aspects of the development and

construction of the facility, including, but not limited to, permitting, engineering, procurement, construction and all related costs up to achieving commercial operation, with the exception of those costs to be borne by the Company to support start-up, testing, commissioning, and acceptance that are explicitly defined in the Bidder's proposal. ~~The Operating and Maintenance (O&M) contract will be negotiated between the Parties after the final shortlist is selected.~~ Without limiting the foregoing, the Bidder shall be responsible for obtaining all rights and resources required to construct and provide an operational generation resource consistent with the Bidder's proposal. Such rights and facilities may include, without limitation, water, emissions reduction credits, wells, and pipelines.

The Company may, but will not be required to, make available for the successful Bidder's purchase those rights and facilities outlined in **Attachment_7** for Lake Side and **Attachment_8** for Currant Creek. Bidder costs related to such rights and facilities subsequent to commercial operation of the facility shall be as negotiated under the APSA. ~~The Company will require that the project be operated and maintained by Bidder for up to 10 years in order to ensure cost effectiveness, availability and reliability of the resources prior to the Company's acceptance of the resource. The Parties agree to negotiate an O&M Agreement after the final shortlist is selected.~~

In the event a facility is proposed to be located on a PacifiCorp site, the Bidder must negotiate and enter into a lease or land purchase agreement acceptable to the Company, together with a Construction Coordination Agreement substantially in the form attached as **Appendix HS to the APSA** after the Bidder has been notified that it is on the Final Shortlist. **THIS RFP 2012 IS NOT AN OFFER TO SELL A PACIFICORP SITE TO ANY BIDDER, AND IN NO EVENT WILL THE COMPANY BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND OTHER DOCUMENTS NECESSARY AND PROPER FOR THE SALE OF PROPERTY, AND TO THE COMPANY'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF THE COMPANY'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER THE COMPANY'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO THE PACIFICORP SITES.**

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single EPC engineer, procure, construct (EPC) contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. Any 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, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

The aggregate of the “all-in” capital cost for the APSA resource shall include all payments to be made to the Bidder under the APSA and all ~~Company-Owner’s Development~~ costs. A complete listing of categories of ~~Company-Owner’s Development Cost Assumptionseosts~~ can be found in **Attachment- 10**.

4. Asset Purchase and Sales Agreement on a Bidder’s Site

~~APSA-b~~Bids for construction on a Bidder-owned site must be in the form of ~~the an~~ APSA. A Proforma Agreement is attached as **Attachment- 6**. A Bidder may propose an APSA for a facility located on a Bidder-owned site. Pursuant to the APSA-~~Contract~~, the Company will own and operate the facility following commercial operation. All Bidders in this category must complete the information requested in **Appendices C-2 and G**. The Company will require that the Bidder enter into an Operating and Maintenance Agreement with specific performance guarantees and requirements over a 10-year term for a coal resource in order to ensure cost effectiveness, availability, and reliability of the resources prior to the Company’s acceptance of the resource. Bidders should also submit a form O&M Agreement based on the terms and conditions set forth in Attachment 23.

Pricing for the purchase and sale of the facility can be structured to include progress payments or as a single lump sum payment due upon achievement of commercial operation. The Company will in no event make progress payments to a Bidder unless each such payment results in the transfer of a tangible asset or percentage ownership of an asset at the time each payment is made according to a schedule set forth in the associated bid and acceptable to the Company.

This bid category is only for facilities that have not reached commercial operation as of the bid response date. In the event the facility being proposed is existing and commercially operable as of the bid response date, then the Bidder should submit a bid pursuant to Eligible Resource Alternative #6 (Purchase of an Existing Facility). The Bidder shall be responsible for all aspects of the development and construction of the facility, including, but not limited to, permitting, engineering, procurement, construction and all related costs up to commercial operation with the exception of those costs to be borne by the Company to support start-up, testing, commissioning, and acceptance that shall be explicitly defined in the Bidder’s proposal. The Company will require that the project be operated and maintained by Bidder for up to 10 years in order to ensure cost effectiveness, availability and reliability of the resources prior to the Company’s acceptance of the resource. The pParties agree to negotiate an O&M Agreement agreement after the final shortlist is selected.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single ~~engineer, procure, construct (EPC)~~ contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. To the extent the Bidder uses a Contractor or a separate legal entity other than the Bidder itself, this entity Any Contractor must be experienced with the type of facility being proposed and, in

addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

The Company will own and the Bidder will operate the facility following commercial operation for up to ten years. Any existing power supply obligations (if any) associated with the facility shall not be assigned to the Company unless the Company, in its sole discretion, accepts [such assignment](#).

The aggregate of the "all-in" capital cost for the APSA resource shall include all payments to be made to the Bidder under the APSA and all [Company Owner's](#) costs. A complete listing of categories of [Company Owner's](#) costs can be found in **Attachments-9** and **Attachment-10**.

5. Engineering, Procurement, and Construction Contract ("EPC Contract") for the Currant Creek Site (~~no proposals for an EPC contract at the Lake Side site will be accepted~~)

An EPC proposal can be bid at ~~the PacifiCorp's~~ Currant Creek ~~PacifiCorp~~ site only. The EPC Contract must be in the form of a fixed price bid, and may be structured to include progress payments or a single lump sum payment due upon achievement of commercial operation. The Company will, in no event, make progress payments to the Bidder unless each such payment results in the simultaneous transfer of a tangible asset or a percentage ownership of an asset at the time each such payment is made. Bidders must bid one of these two payment structures and [shall take the form of an EPC Agreement and must comply with the specifications for Currant Creek. A Proforma Agreement in accordance with the EPC Contract is attached as Attachment 18 and which includes the specifications for Currant Creek contained therein.](#) All Bidders in this category must complete the information requested in **Appendix C-3**.

The Company will be responsible for the development and permitting of the proposed facility at the Currant Creek site. The Company's assumptions for all aspects of development on the Currant Creek site are outlined in **Attachments-8 and 10**. The successful Bidder shall be responsible for all development and permitting and any other costs not identified in **Attachments-8 and 10**.

The aggregate of the "all-in" capital cost for the EPC resource and Owner's Cost in **Attachment-10** shall include all payments to be made to the Bidder and all [Company Owner's](#) costs. A complete listing of categories of [Company Owner's](#) costs can be found in **Attachment-10**.

Bidders should note that any proposal submitted in this category shall result in the Bidder directly performing the EPC services, as opposed to utilizing a sub-EPC contractor or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. [To the extent the Bidder uses a Contractor or a separate legal entity other than the Bidder itself, this entity](#)

~~must be experienced~~ **A Bidder in this category must be experienced with the type of facility being proposed and, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.**

6. Purchase of an Existing Facility

In the event sale of an existing facility is proposed by a Bidder, and if the facility is interconnected to PACE and commercially operable as of the bid response date, the Company will consider purchasing, owning, and operating the facility. Any such purchase would be contingent on disclosure to the Company by the Bidder of all information regarding the facility that may be material to the Company's decision to make the purchase, including without limitation all potential or existing claims or liabilities, on the Company's completion of and satisfaction with the results of such due diligence inquiries that the Company may deem appropriate in its sole discretion, and on the transfer of good and marketable title to the Company by the Bidder, free and clear of any and all liens and encumbrances. Such inquiries may include, but will not be limited to, site inspections, interviews, audit of all applicable books, contracts, forecasts, and records, and/or an assessment of past, future, or potential environmental liabilities. In addition, any existing network or point-to-point transmission rights associated with the facility's output must be released and reassigned to the Company, at the Company's option.

Such due diligence will be performed by qualified generation experts, who may be third-party legal and environmental experts and consultants satisfactory to the Company in its sole discretion, in addition to Company personnel. The Company reserves the right to no longer consider the resource, if in its sole discretion; it determines that there are aspects of the resource not in the best interest of the Company and its customers. The Company will require the following information outlined in **Appendix C-4** to be provided by the Bidder in order to determine if the asset will be evaluated and the priorities of the evaluation.

Existing power supply obligations associated with the facility, if any, shall not be assigned to the Company unless the Company, in its sole discretion, accepts such assignment.

The Company's aggregate "all-in" capital cost for the EPC resource shall include all payments to be made to the Bidder.

7. ~~Agreement~~ Purchase of a Portion of a Facility Jointly Owned and/or Operated by PacifiCorp

A Bidder may propose that the Company purchase all or an additional portion of a facility in which the Company already has an existing ownership interest or one that the Company currently operates. Any such purchase by the Company would be contingent

upon disclosure to the Company by the Bidder of all information regarding the facility and the Bidder's interest that may be material to the Company's decision to make the purchase, including without limitation, potential or existing claims or liabilities, on the Company's completion of and satisfaction with the results of such due diligence inquiries that the Company may deem appropriate in its sole discretion, and on the transfer of good and marketable title to the Company by the Bidder of the Bidder's interest, free and clear of any and all liens, claims and encumbrances. The Company's due diligence inquiries may include, but will not be limited to, an audit of all applicable books and records, and/or an assessment of past, future, or potential environmental liabilities. In addition, any existing network or point-to-point firm transmission rights associated with the facility's output owned or controlled by the Bidder must be released and reassigned to the Company, at the Company's option.

Such due diligence will be performed by qualified generation experts, which may be third-party legal and environmental experts and consultants, in addition to Company personnel. The Company reserves the right to no longer consider the resource, if in its sole discretion it determines that there are aspects of the resource that are not in the best interests of the Company and/or its customers. The Company will require the following information outlined in **Appendix C-4** to be provided by the Bidder, in order to determine if the asset will be evaluated and the priorities of the evaluation.

The Company would own and operate the prospective facility following closing on the sale. Existing power supply obligations associated with the facility, if any, shall not be assigned to the Company unless the Company, in its sole discretion, accepts such assignment.

8. Restructure of an Existing Power Purchase Agreement or an Exchange Agreement and/or Buyback of an Existing Sales Agreement.

The Company will accept proposals under this category of bids for one or more of (a) ~~-restructuring of an existing PPA between the Company and the Bidder;~~ (b) ~~-an Exchange Agreement between the Company and the Bidder;~~ and (c) ~~-the termination or buyback of an existing agreement for the sale of energy and capacity by the Company to the Bidder~~ in the in PACE.

If the bid calls for the restructuring of an existing PPA between the Company and the Bidder, such restructuring must result in making available to the Company incremental dependable energy and capacity in an amount of not less than 100 MW within PACE during the summer season (June ~~-~~through September) for delivery as provided in this RFP ~~2012~~ starting June ~~-~~1, 2012 ~~and/or;~~ June 1, 2013 ~~or June 1, 2014~~ for a minimum term of five (5) years. The Bidder would assign any and all existing network or point-to-point firm transmission rights associated with the incremental energy and capacity to the Company at the Company's request at no additional cost should the Company select this bid.

If the bid calls for an exchange agreement, such agreement would provide for the delivery by the Bidder to the Company of dependable energy and capacity in an amount of not less than 100 MW for delivery of a minimum of a five (5) year term as described in this RFP, in exchange for power to be supplied by the Company to the Bidder at another location (~~;~~ other than PACE) and/or during another time period.

9. IGCC Proposals

Bidders may submit IGCC resource proposals as a PPA, a TSA, or an APSA for a facility located on a Bidder-owned site. The applicable Proforma Agreements are attached as Attachment 6 (APSA), Attachment 5 (TSA), and Attachment 3 (PPA). The Company will require that the Bidder enter into an Operating and Maintenance Agreement with specific performance guarantees and requirements over a 12-year term for an IGCC resource. The Company will not own and/or operate the resources to the extent the Bidder submits a proposal for either a PPA or a TSA. All Bidders in this category must complete the information requested in Appendices C-5 and G. Bidders should also submit a form O&M Agreement based on the terms and conditions set forth in Attachment 24.

Pricing for the purchase and sale of the facility can be structured to include progress payments or as a single lump sum payment due upon achievement of commercial operation. The Company will in no event make progress payments to a Bidder unless each such payment results in the transfer of a tangible asset or percentage ownership of an asset at the time each payment is made according to a schedule set forth in the associated bid and acceptable to the Company.

This bid category is only for facilities that have not reached commercial operation as of the bid response date. The Bidder shall be responsible for all aspects of the development and construction of the facility, including, but not limited to, permitting, engineering, procurement, construction and all related costs up to commercial operation with the exception of those costs to be borne by the Company to support start-up, testing, commissioning, and acceptance that shall be explicitly defined in the Bidder's proposal. The Company will require that the project be operated and maintained by Bidder for up to twelve (12) years in order to ensure cost effectiveness, availability and reliability of the resource prior to the Company's acceptance of the resource. The parties agree to negotiate an O&M agreement after the final shortlist is selected.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single EPC contract or equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. 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, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's

or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

The Company will own and the Bidder will operate the facility following commercial operation for up to twelve (12) years.

10. Geothermal and/or Biomass Power Purchase Agreements

Bids for geothermal and/or biomass must be for a fixed term at a stated price which may be indexed or vary in price by year from a single resource located in or into PACE, and may be in the form of a PPA. A Proforma Agreement is attached as **Attachment 3**. The source of energy and capacity for the PPA should be (a) a generation facility located on a Bidder-supplied site or (b) from the Bidder's electrical system.

Design evaluation criteria that the Company will use for bid screening and evaluation purposes can be located in Appendix C (Tables C.27 and C.28) of the IRP.

The Bidders should assume the Company will not own or operate any facility bid into this category. All Bidders in this category must complete the information requested in **Appendices C-1, D and G**.

11. Eligible Resource Alternatives Exceptions

~~As noted above, all resources must be for 100 MW of dependable capacity and for a minimum period of five5 years, except to the extent that~~The following~~the~~ resources qualify for one of the two exceptions set forth below:

a) Load Curtailment

The Company has found that bilateral agreements with large end-use customers for the physical curtailment of load have proven to be effective in reducing the need for incremental energy and capacity at critical times. As a result, the Company invites end-use customers to bid physical load curtailment under this RFP-~~2012~~. Any such bid must meet the following requirements: (a)-~~the~~ Bidder must be an existing end-use customer of the Company; (b)-~~the~~ load to be curtailed must be not less than 25 MW; (c)-~~the~~ curtailment must be a physical curtailment of the load; (d)-~~the~~ load to be curtailed must respond to the curtailment order 30-~~minutes~~ prior to the hour within -and -remain curtailed for continuous one-hour blocks; (e)-~~the~~ Company must not have any residual delivery obligation for the curtailed load after~~upon~~ exercising its curtailment rights hereunder under any other contract, law, regulation or order, and Bidder must waive any and all rights to assert any such contrary rights; and (f)-~~the~~ Bidder must provide the Company with reasonable contractual surety and ~~adequate~~-credit assurances that such load curtailment will take place at times and in amounts required by this RFP-~~2012~~. The level of required security will be negotiated by the Bidder, the Company and the IE, based upon the nature of the resource offered, the remedies or options available in the event of default, and other relevant factors. The Company will not accept proposals for

~~the financial curtailment of load~~ ~~nor will it accept physical load curtailment proposals that result in the Company having a residual delivery obligation via any other contract, law, or regulatory rule or order.~~ The Bidders must should start with the Power Purchase Agreement (Attachment 3) as the underlying agreements.

b) Qualifying Facility

~~Qualifying Facilities (“QFs”), QFs~~ as defined under the regulations implementing ~~the Public Utility Regulatory Policies Act of 1978 (“PURPA”),~~ with 10 MW or greater of capacity are eligible to participate in this RFP-~~2012~~. QFs must be 10 MW or greater of firm capacity and a minimum term of five (5) years or longer. All Bidders in this category must complete the information requested in Appendices C-1, F, and G. Each QF Bidder must also submit the required information in ~~Attachment-2~~ in order to be evaluated under this RFP-~~2012~~.

SECTION 2. LOGISTICS

A. ~~Schedule of RFP 2012~~ Actions: ~~RFP 2012 is anticipated to be issued in November, 2006~~

The anticipated schedule ~~will be~~is:

Event	Anticipated Date
RFP 2012 -issued	November 2006
RFP bid conference	Issued + 15 days
RFQ form- due	Issued + 30 days
Responses due	Issued + 75 days
Evaluation complete	Issued + 120 days
<u>Oregon Commission acknowledgement of final shortlist¹</u>	<u>Issued + 130 days</u>
Bidder negotiation	Issued + 270 days
<u>Oregon Commission acknowledgement of Finalfinal Short Listshortlist⁺⁺</u>	<u>Issued + 275 days</u>
PacifiCorp decision	Issued + 280 days
Utah Public Service Commission approval proceeding (-180 days)	Issued + 460 days
Avoided cost filing ²⁻²	Issued + 500 days
¹ The Oregon Commission may acknowledge the final shortlist. See Oregon Order No. 06-446 Guideline 13.	
² Updated avoided costs filing by state will be made to the extent required by law or regulatory order.	

¹The Oregon Commission may acknowledge the Final Short list. See Oregon Order No. 06-446 Guideline 13.

²Updated avoided costs filing by state will be made to the extent required by law or regulatory order.

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Bidders should note that the above schedule is an anticipated schedule only and is subject to change. The Company accepts no liability to the extent the actual schedule is different from the anticipated schedule.

B. Prebid Conference

- ⊕ Time: tbd
- ⊕ Date: tbd
- ⊕ Location: tbd

Interested parties and Bidders may submit questions prior to the RFP bid conference, so that such questions may be addressed in a more timely fashion. All information, including the pre-bid conference materials, questions and answers will be posted by PacifiCorp on the PacifiCorp website at www.pacificorp.com prior to the issuance of the final approved RFP ~~2012~~. After the final approval of the RFP ~~2012~~ the ~~IEs~~ and the Company will be responsible to maintain and post all material on a website established by the ~~IEs~~ at www.merrimackenergy.com/pacificorp2012rfp, **[insert Oregon IE website ~~if any~~]** and on the Company's website at www.pacificorp.com. **Any questions on the RFP or related documents should be sent to the IEs' websites.**

C. Request for Qualification (RFQ) Bid ~~f~~Forms ~~(Appendix A and B)~~

Bidders who intend to be considered as part of this RFP ~~2012~~ process must ~~fr~~return the "RFQ Form" (~~Appendices~~ **Appendices A and B**) ~~to~~ ~~to~~ the IEs no later than close of business on the date indicated in Section ~~2-2~~. The RFQ is not blinded; however, PacifiCorp will identify a separate RFQ Team comprised of legal, credit and IRP who will work with the IEs to assess the Bidders' qualifications. The IEs will provide each Bidder who has met the qualifications under the RFQ (which will include creditworthiness, demonstrated capability, experience, performance references and qualifications to deliver the indicated Eligible Resource Alternative option selected on the form) ~~with~~ a bid number.

Five (5) copies of the Request for Qualifications RFQs must be sent to each of the following addresses by the date indicated in Section 2.:

PacifiCorp RFP 2012

Independent Evaluator Utah
Merrimack Energy Group, Inc.: PacifiCorp RFP ~~2012~~
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111

and

Independent Evaluator Oregon

PacifiCorp
Draft RFP ~~2012~~
Responses due ~~January-February~~ 2007

[Insert Name Once Selected]: PacifiCorp RFP ~~2012~~
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301

D. Submission of Bids

Each Bidder must submit its bids to the offices of the Utah Public Service Commission **and** the Oregon Public Utility Commission to the attention of the ~~IEs~~Independent Evaluators. The Bidder will be required to submit its proposal(s) utilizing only the bid number provided, and with no other identifying information. Bidders are responsible to check all of their document headers and footers and the ~~Property~~ “properties” tab of the electronic copies that are submitted to ensure that no reference to their company is on the electronic copies. ~~Utah Independent Evaluator Merrimack Energy Group, Inc.;~~
~~PacifiCorp RFP 2012~~

- ~~1. a signed original and five (5) hard copies of each bid and any required forms, and~~
- ~~2. two (2) electronic copies of the bid and any required forms (on two separate compact discs) that are in PDF format.~~

The bidders must submit the following to both the Utah Public Service Commission and the Oregon Public Utility Commission to the attention of the respective IEs:

1. a signed original and five (5) hard copies of each bid and any required forms, and
2. two (2) electronic copies of the bid and any required forms (on two (2) separate compact discs) that are in PDF format.

All bids must be submitted utilizing only the assigned bid number(s) and ~~such~~ must be transmitted by express, certified or registered mail or hand delivered to both addresses:

_____~~PacifiCorp RFP 2012~~
Independent Evaluator Utah
Merrimack Energy Group, Inc. ~~;~~~~PacifiCorp RFP 2012~~
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111

and

~~Oregon Independent Evaluator (TBA); PacifiCorp RFP 2012~~
~~3. a signed original and five (5) hard copies of each bid and any required forms, and~~

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~~4.two (2) electronic copies of the bid and any required forms (on two separate compact discs) that are in PDF format.~~

~~The IE will review all submissions, to ensure that only bid numbers are in the proposals and electronic submissions, prior to forwarding them to the RFP 2012 Evaluation Team. All bids must be submitted utilizing only the assigned bid number(s) and such must be transmitted by express, certified or registered mail or hand delivered to:~~

~~PacifiCorp RFP
Independent Evaluator Oregon
[Insert Name Once Selected]: PacifiCorp RFP 2012
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301~~

~~Bids will be accepted until 5 -p.m. -Pacific Prevailing Time on ~~January-February~~ X, 2007. Any bids received after this time, ~~at the Company's discretion~~, will be subject to returned ~~by the IEs~~, unopened to the Bidder following a decision based on consultation between the IEs and PacifiCorp.~~

~~All bids will be reviewed by both IEs to determine that they are adequately blinded and ~~then before they~~ will be provided to the RFP ~~2012~~-Evaluation Team for further analysis. The IEs will provide an original copy (with a cross-reference table to Bidders) to the Company's credit, risk and legal departments who will have access to the ~~unblinded~~non-blinded Bids and will not be allowed to discuss specific bids with the Blinded individuals in the Evaluation Team or with the Benchmark Team (See Code of Conduct in **Attachment 20**). To the extent the IEs determines that any proposal is not adequately blinded, the IEs will determine if the IEs can effectuate effective blinding itself or, as determined by the IEs, may request that the Bidder undertake the appropriate blinding. If the Bidder is nonresponsive to the IEs's requests, then the bid will be rejected by the IEs and returned to the Bidder.~~

E. ~~RFP 2012~~ Team

~~A Bid Team will be established by the Company prior to the final approval of the RFP ~~2012~~. The Bid Team shall consist of an Evaluation Team and a Benchmark Team which will be made up of various work groups within the Company. The composition of the Bid Evaluation Team and the Benchmark Team and their primary roles and responsibilities of each Team are shown below.~~

~~Additional pProtocols between the Teams are outlined in **Attachments 4** and ~~in Attachment 20~~ and specifically detail how access to blinded and non-blinded information will occur:~~

Work Group	Roles
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Independent Evaluators (IEs)	The IEs has been hired by the Utah Public Service Commission to will ensure a fair and reasonable process is used in the RFP 2012 . The IEs will provide oversight of the RFP 2012 process and will validate, audit and review all aspects of all proposals, providing an oversight to the process and validation on the models, inputs, assumption(s), risk assessment, and generation specifications for the PacifiCorp sites and the Benchmark resources. See Attachment 4 for Role of the IEs, Function and Communications of IE.
Evaluation Team: Origination and generation engineer (not a part of the Benchmark Team) or Engineering Consultants as required. (Blinded prior to Short List shortlist)	Overall coordinator of the process. Bid process management for all proposals and coordination with the IEs and all of the work groups. Evaluation of the non price components of the analysis. Specifying, evaluating and confirming conformity with design specifications; conducting, as needed, technological and operational due diligence, generation expertise, environmental due diligence on all resources.
Evaluation Team: Structuring and Pricing (S&P); and Integrated Resource and or Third-Party Engineering Consultant as required. Planning (Blinded prior to shortlist Short List)	Economic analysis and modeling including the validation on the inputs to the risk assessment of the bid.
Evaluation Team: Commercial and Trading Regulated Transmission Manager (Blinded prior to shortlist Short List)	Assist S&P and Origination with transmission requests and evaluations in determining the appropriate costs and/or agreements.
Evaluation Team: Environmental (Blinded prior to shortlist Short List)	Air, water- and discharge, emission credits, site permits and facilities.
Evaluation Team: Credit (Unblinded Non-blinded)	Credit screening, evaluation and monitoring throughout the process.
Evaluation Team: Legal and Risk (Unblinded Non-blinded)	Legal will confirm compliance of bids to requirements of RFP and its Forms, Attachments and Appendices; conduct of legal process; conducting due diligence inquiries; supervising any documentation entered into as part of the RFP process. Risk will validate the internal modeling of the proposals and the Company benchmark.
Benchmark Team: Generation	Development of the Benchmark Resources.
RFQ Team: Legal, Credit and IRP (Non-blinded)	<u>Will work with the IEs to assess Bidder qualifications pursuant to the RFQ process. No blinded team members will participate in this process.</u>

F. Bidder Evaluation Bid Fees

To help defray the cost of the Utah IE, each Bidder shall submit with each of its bid proposals a nonrefundable “~~Bbid Fee~~” of \$10,000. Bidders submitting a bid in Eligible Resource Alternative category #11 (load curtailment or QFs) shall have a nonrefundable bid fee of \$1,000. A bid in each Eligible Resource Alternative may consist of one base proposal in addition to two alternatives alternatives for the Base Load resource under for the same bid fee. The alternatives may consist of a different bid size, contract term, in-service date or pricing structure for the same Eligible Resource Alternative. In addition,

~~bidders will have the option of submitting up to three additional alternatives for a fee of \$1,000 per alternative. A proposal for a different Eligible Resource Alternative, at a different site or using a different technology will be considered a separate proposal and will be subject to a separate bid fee. The alternatives may consist of a different term or eligible resource option for the same Base Load resource. Bidders submitting a bid in Resource Alternative category #9 (load curtailment and QF) shall have a per bid fee of \$1,000. A Bidder submitting more than one bid will be required to submit a bid fee for each bid. The bid fee(s) must be submitted with the proposals to Merrimack Energy Group, Inc. The Bidder must attach to its proposal a certified check written in the required amount payable to the order of PacifiCorp.~~

~~Bidders may submit multiple base bid proposals in response to this RFP 2012. The Utah IE, in consultation with and the Company shall confirm determine in their sole discretion whether a Bidder's submission constitutes one or more proposals, for purposes of assessing bid fees the foregoing fee. Any questions regarding bid fees should be directed to Merrimack Energy Group, Inc.~~

~~Bid proposals for the same site and the same generation technology and size will be considered a single bid proposal; provided, that all such proposals are submitted under only one Resource Alternative. If a bid is submitted under more than one Resource Alternative then the bid will be considered as two separate proposals, and two separate bid fees will be required. A single proposal that offers two in-service years will only be required to pay for one bid evaluation fee.~~

~~bid fee of \$1,000. A bid in each Eligible Resource Alternative may consist of one base proposal in addition to two alternatives for the same bid fee. The alternatives may consist of a different bid size, contract term, pollution control technologies, water cooling technologies, carbon capture design components, in-service date and/or pricing structure for the same Eligible Resource Alternative (including, with respect to bids in the IGCC proposals category, federal loan guarantee or tax credit support). In addition, bidders will have the option of submitting up to three additional alternatives for a fee of \$1,000 per alternative. A proposal for a different Eligible Resource Alternative, at a different site or using a different technology will be considered a separate proposal and will be subject to a separate bid fee. The bid fee(s) must be submitted with the proposals to Merrimack Energy Group, Inc. The Bidder must attach to its proposal a certified check written in the required amount payable to the order of PacifiCorp.~~

~~Bidders may submit multiple base bid proposals in response to this RFP. The Utah IE, in consultation with the Company shall confirm whether a Bidder's submission constitutes one or more proposals, for purposes of assessing bid fees. Any questions regarding bid fees should be directed to Merrimack Energy Group, Inc.~~

G. Effectiveness of Bids

~~Each bid proposal must remain open for acceptance by the Company from the date of submittal through February X, 2008, unless earlier released in writing by the Company.~~

~~Bidders may propose a fixed capacity price for with a variable price that is indexed. the term of the contract, escalate components of the capacity price by a fixed rate, or index components of the capacity price by variable indices. To the extent the Bidder selects a pricing option whereby components of the capacity price are tied to or subject to market index changes, the Bidder must identify which components of their variable components are subject to these movements, what triggers will effectuate these changes and when pricing will be fixed. Bidders are only allowed to index the variable components to publicly available indices (i.e. inflation rates). Furthermore, Bidders are allowed to index such components only until the latter of execution of the EPC contract or the securing of project financing, but no later than two (2) years after contract execution. At that time, all cost components will be fixed for the term of the contract or will be allowed to escalate by a fixed escalation rate only, as specified by the Bidder. Only a maximum of 50% of the initial period capacity can be subject to variable indices during this initial period. Bidders who request a specific index for indexing any components of their price structure that differ from the indices identified above should contact the IEs with a formal request for a specific index. All short listed bids will may be asked to provide their "best and final" prices including the benchmark team prior to the evaluation of the final shortlist.~~

H. Procedural Items

1. Request for Qualification (RFQ) Bid Form

~~Each Bidder must complete and submit to the IEs the RFQ Bidders Form which consists of **Appendices A and B** for each Eligible Resource Alternative it intends to submit in its proposal to participate in the RFP by the date identified in Section 2. The Company will require each Bidder to meet the specific credit requirements and capability requirements outlined below.~~

Bidder's Qualification, Capability and Credit in the RFQ Bid Form (~~Appendices A and B~~)

~~Each Bidder must be able to demonstrate its ~~Credit-credit~~ ~~Capability-capability~~ and its capability, experience and qualification ~~under for~~ each Eligible Resource ~~Alternative bid~~. This should include, but not be limited to, its ability to perform its obligations that would arise upon execution and delivery of the documents associated with the Company's acceptance of the Bidder's ~~bidproposal~~, and references to support its capability in each of the selected Eligible Resource ~~Alternativess options~~ ~~bid~~ ~~which it will be submitting~~ in this RFP.~~

~~**Appendices A and B** will be attached to the RFQ Bid Form and must be completed ~~prior to the IEs providing the Bidders a to receive a~~ bid number ~~by the IEs~~ for each Eligible Resource ~~Alternative~~. In **Appendix A**, the Bidder must ~~demonstrate provide~~ ~~information~~ that the Bidder's project development team has successfully completed the~~

development and commissioning of at least one generation project with characteristics similar to the proposed project with the exception of an IGCC project. If the project being bid is an IGCC project, the Bidder's project development team should provide information sufficient to demonstrate it has the ability to develop an IGCC project. The proposal must pose an acceptable level of development and technology experience, as determined by PacifiCorp's bid evaluation team. In **Appendix B** the Bidder must be investment grade or have demonstrate the ability to post the credit assurances identified in the credit matrix assurance to qualify as an investment grade entity. Each Bidder must provide the requested financial and credit information and indicate, if it is not investment grade, what its ability will be to post any necessary credit assurances in order to ~~to~~ be equivalent to an investment grade entity.

All Bidders must demonstrate their ability to provide the security requirements, including their plan for doing so (including the type of security proposed, sources of security and a description of its credit support provider) in the appropriate Proforma Agreement for the Eligible Resource Alternative they are proposing and how they intend to qualify. Bidders should also provide a demonstration of their ability to finance their project based on past experience and a sound financial plan identifying the proposed sources for debt and equity. If appropriate, the Bidder will be notified that it will not be eligible to submit a proposal.

~~All Bidders must demonstrate how they can meet Security security requirements in the appropriate Proforma Agreement for the Eligible Resource Alternative they are proposing and how they intend to qualify. If appropriate, the Bidder will be notified that it will not be eligible to submit a proposal.]~~

Eligible Bidders will then be permitted to submit proposal(s) into the RFP 2012-process. In the event that the Bidder's credit status changes at any time after submission of a bid into the RFP 2012-process, PacifiCorp Credit reserves the right to request updated information pursuant to the Credit-credit matrix in Appendix B, to reevaluate the Bidder and to request further credit assurances. In the event that the Bidder does not provide evidence of its ability to provide such further credit assurances, the Company reserves the right to reject the Bidder's proposal after consultation with the IES and return the bid fee.

The Bidder will be required to demonstrate its ability to post credit assurance in the amounts outlined in the Credit-credit mMatrix in Appendix B. -A Credit-credit methodology paper explaining the rationale behind the Credit-credit matrixMatrix is provided in **Attachment 21**. -A Bidder must be able to demonstrate its ability to post any necessary 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. A form of credit commitment letter is provided in **Attachment 22**. -The amount of any credit assurances to be provided will be determined based upon (a) -the Ccredit Rrating in the Credit-credit mMatrix of either the Bidder or the entity providing credit assurances on behalf of the Bidder, (b) -the size of the project, and c) the type of Eligible Resource Alternative bid.

The ~~C~~redit ~~R~~ating will be the lower of: (x) ~~-~~the most recently published senior, unsecured long-term debt rating (or corporate rating if a debt rating is not available) from Standard ~~-~~& Poor's ("S&P") or (y) ~~-~~the most recently published senior, unsecured debt rating (or corporate rating if a debt rating is not available) from Moody's Investor Services. If option (x) ~~-~~or (y) ~~-~~is not available, the ~~C~~redit ~~R~~ating will be determined by PacifiCorp Credit through an internal process review and utilizing a proprietary credit scoring model developed in conjunction with a third party. S&P. ~~S&P.~~ All Bidders will receive a ~~C~~redit ~~R~~ating which will determine the amount of any credit assurances to be posted.

Please note that should a Bidder be an existing counterparty with PacifiCorp, PacifiCorp Credit reserves the right to protect itself from counterparty credit concentration risk and require credit assurance in addition to that outlined in the ~~Credit-credit Matrix~~matrix.

In the event that the Bidder posts a ~~Letter-letter~~ of ~~Credit-credit~~ as collateral it must be issued by a bank acceptable to the Company in the Company's reasonable discretion, and be in form and substance consistent with the form of the ~~L~~etter of ~~C~~redit set out in **Attachment ~~-~~11.**

2. Submission of Proposals by Bidders

All bid proposals must be received by the IEs no later than the date specified in Section 2. All bid proposals must be in the format set forth in the RFP ~~2012~~-Proposal Form for the specific Eligible Resource Alternative as indicated in Section 3 which outlines the requirements for each Eligible Resource Alternative. The RFP ~~2012~~-Proposal Form identifies all of the required Attachments and Forms for each Eligible Resource Alternative ~~selection-bid~~ the Bidder ~~intents-intends~~ to submit. Any bid proposal that does not contain all of the required information by the due date specified in Section 2 will be subject to rejection as nonresponsive following review and agreement by the IEs and the Company. It is each Bidder's responsibility to submit additional information related to its bid proposal if such information will materially improve the value of its bid proposal or the Company's understanding thereof.

Each bid proposal must be signed by an officer of the bidding company via an Officer Certification found in **Appendix E.** Each proposal must contain the following information:

a) Each bid must include a statement by the Bidder that the Terms and Conditions of the applicable Proforma Agreements, selected as part of the Eligible Resource Alternatives submitted by Bidder, are acceptable to the Bidder or identify any significant and all exceptions to the Pro-Forma contracts/Proforma Agreements when submitting the proposal in the form of a redline agreement or through written comments which specifically identify the significant exceptions as part of the Bidder's proposal.

b) Proposals must clearly specify all pricing terms. Any and all index prices and/or price escalations must be fully explained. In addition, Bidders should describe any

contract deferral and acceleration options proposed, as well as any contract buyout options proposed. Proposals with pricing that is subject to change prior to February X, 2008 must explain what triggers the change, what the change is tied to, and any information the Company will require to evaluate the pricing risks associated with the proposal. All pricing must be in terms of nominal dollars. Prices and dollar figures quoted will be assumed to be in nominal terms for the year in which they occur unless clearly stated otherwise. The Form Pricing Input Sheet (**Form 1**) contains the applicable pricing inputs which will be required to be completed by the Bidder for the bid to be evaluated. This Form Pricing Input Sheet includes inputs such as start/end date, point of interconnection, resource type, variable ~~and~~ fixed O&M, start-up costs, capacity payment or capital expenditures, PPA or TSA escalation rates, heat rates and capacity levels adjusted for both expected temperature, degradation per the manufacturer's recommended maintenance schedule, ~~start up charges,~~ and a variety of other inputs, including specific published indices if applicable.

~~c) _____ A Bidder will also complete SFAS No. 13 Form (**Appendix F**), which will require the Bidder to complete the inputs to support the Bidder's assertion regarding Capital Lease versus Operating Lease.~~

~~-A~~ All bid proposals must be for a capacity greater than 100 MW except for: (ai) ~~-~~Qualifying Facility which must have 10 ~~-~~MW or greater of installed capacity; and (bii) ~~-~~end-use customers of the Company with physical load curtailment proposals for a minimum of 25 MW each.

~~b)d) _____~~ Bid proposal prices must include all costs that the Bidder expects the Company to pay associated with any of the Eligible Resource Alternatives, including, but not limited to, station service, test energy, fuel for testing, gas lateral construction, electrical interconnection, and all costs (including fuel) incurred as necessary to accomplish synchronization.

3. Minimum Eligibility Requirements for Bidders

Bidders may be disqualified for failure to comply with the RFP ~~2012~~ if any of the requirements are not met. To the extent proposals do not comply with these requirements they will be deemed ineligible and will not be considered for further evaluation.

PacifiCorp, in consultation with the IEs, will return those proposals, ~~which in its sole discretion it deems~~ deemed ineligible together with the bid evaluation fee. Reasons for rejection of a Bidder or its bid include:

- a) _____ Receipt of Proposal and/or Request for Qualifications after the response deadline.
- b) _____ Failure to meet the requirements and provide all the information requested in Section 3 of the RFP ~~2012~~.

- c) ___ Failure to permit disclosure of information contained in the proposal to PacifiCorp's agents, contractors or regulators.
- d) ___ Any attempt to influence PacifiCorp or the IEs in the evaluation of the proposals, outside the solicitation process.
- e) ___ Any failure to disclose the real parties of interest in the proposal submitted.
- f) ___ The Bidder is in current ~~M~~material litigation or has threatened ~~M~~material litigation against PacifiCorp. "Material litigation" for purposes of this provision includes an amount in dispute in excess of five million dollars~~is defined as litigation that has reached the~~ under circumstances in which the Bidder has issued a demand letter to PacifiCorp, the Bidder and PacifiCorp are currently involved in dispute resolution, the Bidder and PacifiCorp have an unresolved dispute pending or the Bidder has noticed a pending law suit against PacifiCorp.
- g) ___ Proposal must include all applicable content requirements described in Section 3 for each Eligible Resource Alternative.
- h) ___ Proposal must include a certified check for the appropriate ~~bid~~Bid Evaluation fee(s) payable to PacifiCorp.
- i) ___ Proposal must clearly specify all pricing terms.
- j) ___ Proposals must offer unit contingent or system firm capacity and energy, and include appropriate contract term lengths and commercial operation dates.
- k) Proposal must not present any unacceptable level of development and technology risk. For IGCC proposals Bidder must demonstrate that its proposed IGCC is supported, with performance and availability guarantees from the respective gasifier technology supplier and constructors consistent with industry standards, as determined by PacifiCorp, in consultation with the IEs and a third-party IGCC expert.
- l) Proposal must demonstrate that the Bidder project development team has successfully completed the developmental and commissioning of at least one generation project with characteristics similar to the proposed project. Developers of IGCC proposals should demonstrate that a member of their team has experience with IGCC technology and that the developer can demonstrate experience with other large coal-based resources or large gas-fired combined cycle resources.
- ~~k) Proposal must not present any unacceptable level of development and technology risk, with the exception of IGCC, however, Bidder still must demonstrate that its proposed IGCC is fully backed, consistent with Industry Standards at the time, by the respective~~

~~gasifier technology supplier and constructors as determined by PacifiCorp in consultation with the IE.~~

~~l) Proposal must demonstrate that the Bidder project development team has successfully completed the developmental and commissioning of at least one generation project, with the exception of IGCC, however, Bidder still must demonstrate that its proposed IGCC is fully backed, consistent with Industry Standards, by the respective gasifier technology supplier and constructors with characteristics similar to the proposed project.~~

m) ___ Bidder must demonstrate, to PacifiCorp's satisfaction that they can meet the security requirements for each Eligible Resource Alternative they are proposing consistent with the requirements in the appropriate Proforma Contracts Agreements for that resource.

n) Bidders are put on notice that failure to address satisfactorily both the price and non-price factors can serve as grounds for rejection of a bid.

4. Company's Reservation of Rights and Disclaimer

The Company reserves the right, without qualification and in its sole discretion, to reject any or all bids, and to terminate this RFP ~~2012~~ in whole or in part at any time. Without limiting the foregoing, the Company reserves the right to reject as nonresponsive any or all bid proposals received for failure to meet any requirement of this RFP ~~2012~~ outlined in Section 3 ~~of the RFP 2012~~. The Company also reserves the right to request that the IEs contact any Bidder for additional information. The Company 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 the Company and/or any collusive bidding or other anticompetitive behavior or conduct.

Bidders who submit bid proposals do so without recourse against the Company, its parent company, its affiliates and its subsidiaries, or against any director, officer, employee, agent or representative of any of them, for any modification or withdrawal of this RFP ~~2012~~, rejection of any bid proposal, failure to enter into an agreement, or for any other reason relating to or arising out of this RFP. The Bid Fees submitted by any Bidder, once the bid is accepted, will not be refunded (unless otherwise determined ~~in the sole discretion of by~~ the Company in consultation with the IEs) in the event of any modification or withdrawal of this RFP ~~2012~~, rejection of any bid proposal, or failure to execute an agreement.

5. Accounting

All contracts proposed to be entered into as a result of this RFP ~~2012~~ will be assessed by the Company for appropriate accounting and/or tax treatment. Bidders shall be required to supply the Company with any and all information that the Company reasonably requires in order to make such assessments.

Specifically, given the term lengths that PPA, TSA, and/or exchange proposals may cover in response to ~~this RFP-2012~~, accounting and tax rules may require either: (i) ~~a~~ contract be accounted for by PacifiCorp as a Capital Lease or Operating Lease³ pursuant to SFAS No. ~~13~~, or (ii) ~~the~~ seller or assets owned by the seller, as a result of an applicable contract, be consolidated as a Variable Interest Entity⁴ (VIE) onto PacifiCorp's balance sheet. To the extent a Bidder proposal results in an applicable contract, the following shall apply with respect to VIE treatment:

- ~~The~~ Company is unwilling to be subject to accounting or tax treatment that results from VIE treatment. As a result, all Bidders are required to certify, with supporting information sufficient to enable the Company to independently verify such certification, that none of their proposals will subject the Company to such VIE treatment. Bids that result in VIE treatment will be rejected after they are given an opportunity to provide an alternate structure that does not trigger a VIE, which will be subject to consultation with the IEs.
- Further, any applicable contract that the Company executes will require that: (i) ~~the~~ Seller covenant that the Company will not be subject to VIE treatment at any point during the term of the agreement, and (ii) ~~in~~ the event that the contract causes the Company to be subject to VIE treatment at any point during the term of the agreement, unless cured, such treatment will constitute a seller event of default.

~~Each Bidder must also declare, in each of its proposals, whether or not each such proposal will subject the Company to Capital Lease treatment or Operating Lease treatment pursuant to SFAS No. 13. In any case for which the Bidder declares that the proposal will subject the Company to lease treatment pursuant to SFAS No. 13, after application of Emerging Issues Task Force (“EITF”) 01-08 (“Determining Whether an Arrangement Contains a Lease”), the Bidder is required to certify such declaration (Capital Lease or Operating Lease), with supporting information sufficient to enable the Company to independently verify the Bidder’s opinion of how the Company will be required to account for the proposal.~~

Each Bidder must also agree to make available at any point in the bid evaluation process, any and all financial data associated with the Bidder, the Facility and/or the PPA, TSA or other contract that PacifiCorp requires to determine potential accounting impacts.~~independently verify the Bidder’s accounting declarations or certifications~~

³ “Capital Lease” and “Operating Lease” - shall have the meaning as set forth in the Statement of Financial Accounting Standards (“SFAS”) No. ~~13~~ as issued and amended from time to time by the Financial Accounting Standards Board.

⁴ “Variable Interest Entity” or “VIE” - shall have the meaning as set forth in Financial Accounting Standards Board (“FASB”) Interpretation No. ~~46~~ (Revised December ~~2003~~) as issued and amended from time to time by the FASB.

~~required above.~~ Such information may include, but may not be 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 provide additional information.

To the extent PacifiCorp rejects a proposal submitted in this RFP because it triggers VIE treatment, PacifiCorp shall provide documentation to the IEs justifying the basis for its decision.

~~A SFAS No. 13 Form (Appendix F) must be completed to the extent the Bidder submits a proposal which results in either direct or inferred debt.~~

Cost Associated with Direct or Inferred Debt

PacifiCorp 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 initial or final shortlist evaluation.~~determine the take into account a cost associated with the final short list and the benchmark resources.~~ However, after completing the final shortlist and before the final resource selections are submitted for approval by the Utah Commission or acknowledgement by the Oregon Commission, the Company may take into consideration, in seeking approval, cost recovery or acknowledgement with respect to selected resources, any projected costs of direct or inferred debt. The Company will bear the burden to demonstrate to the satisfaction of its regulators the validity, magnitude and impacts of any such projected costs. At the request of the Commission, PacifiCorp will be required to obtain a written advisory opinion from a rating agency to substantiate the utility's analysis and final decision regarding direct or inferred debt. These costs will not be used to determine the final resource selection; however to the extent these costs can be demonstrated upon seeking acknowledgement of the resources in Oregon or approval of the resources under SB26 in Utah, the company will file these costs with the appropriate commission for cost recovery. ~~with direct or inferred debt as part of its economic analysis in the final screening.~~

- **Direct debt** results when a contract is deemed to be a Capital Lease pursuant to EITF 01-08 and SFAS No. 13 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.

~~In both instances, PacifiCorp would need to inject equity to maintain the same debt/equity ratio as before the power supply contract. Since equity has a cost, this cost~~

~~will be taken into account when the company seeks cost recovery in Utah under SB26 or as part of the resource acknowledgement process in Oregon, when evaluating the bids to determine the final short list.~~

~~For the purposes of RFP 2012, PacifiCorp will determine the amount of debt associated with each bid that would result in an applicable contract, derive the associated equity infusion, then include in its analysis the cost associated with the equity amount multiplied by the pre-tax difference between Return on Equity (“ROE”) and PacifiCorp’s Weighted Average Cost of Capital (“WACC”). Pre-tax ROE will be assumed to be equal to 16.92% and pre-tax WACC will be assumed to be 11.48%. The amount of debt will be the higher of the direct or inferred debt. This will be updated prior to the issuance of the final RFP 2012.~~

~~Direct debt will be determined for each year as of the beginning of the contract as the amount PacifiCorp must place on its balance sheet as a result of a Capital Lease. If the bid does not result in a Capital Lease then the amount of direct debt will be zero.~~

~~Inferred debt will be determined by utilizing the methodology used by Standard & Poor’s in the article attached as **Attachment 12**. At the beginning of the contract, the net present value of the remaining fixed payments will be calculated using a 10% discount rate and then multiplied by a “risk factor.” The risk factor will be 50%.~~

~~The Company will be required to justify and defend its use of imputed and/or direct debt costs in the resource selection or acknowledgment final shortlist to support the additional costs associated with either the direct or indirect debt.~~

6. Confidentiality

The Company will attempt to maintain the confidentiality of all bids submitted, to the extent allowed by 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 their 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 the Company or generated internally by the Company shall remain the property of the Company. Bidder shall maintain the confidentiality of such information and shall not be available to any entity before, during or after this RFP 2012 process unless required by law or regulatory order. The Bidder expressly acknowledges that the Company may retain information submitted by the Bidder in connection with this RFP 2012.

Only those Company employees who are directly involved in this RFP ~~2012~~ 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 docketed regulatory proceedings, subject to appropriate confidentiality provisions applicable to that particular proceeding. This means that parties to docketed proceedings may request to view confidential information. If such a request were to occur, the Company will attempt to prevent such confidential Bidder information from being supplied to intervening parties who are Bidders or who may be providing services to a Bidder, but the Company shall not be held liable for any information that it is ordered to be released or that is inadvertently released.

Lastly, the Company intends to utilize its internal, proprietary, forward price projections in its evaluation process. The resulting projections and evaluations will not be shared with entities external to the Company, including with Bidders, unless required by law or regulatory order.

7. Regulatory Process

Utah Code § ~~54-17-101~~, *et seq.* requires PacifiCorp to use a solicitation process to construct or acquire a significant energy resource, defined as 100-MW or more with a dependable life of ten (10) years or more. This law requires the participation of an independent evaluator, appointed by the Utah Public Service Commission, to actively monitor the solicitation process for fairness and compliance with state law. Prior to execution of ~~contracts for~~ any of the ~~ten~~ Eligible Resource Alternatives, or the two exceptions listed above, the Company will go through a preapproval process, consistent with the Utah Energy Resource Procurement Act⁵ and acknowledgement of resources pursuant to Oregon Order No. 06-446.⁶

8. Subsequent Regulatory Action

The Company does not intend to include a contractual clause whereby the Company is allowed to adjust contract prices in the event a regulatory agency exercises jurisdiction over the Company, and does not fully recognize the contract prices in determining the Company's revenue requirement. As of the issuance date of this solicitation, PacifiCorp is unaware of any such actual or proposed law or regulatory order.

SECTION 3. RFP ~~2012~~ PROPOSAL CONTENT

⁵ The Utah Energy Resource Procurement Act may be viewed at:
<http://www.le.state.ut.us/~2005/htmldoc/sbillhtm/SB0026S01.htm>

⁶ Oregon Order No. 06-446 is located at: <http://edocs.puc.state.or.us>.

The following outlines the content and format requirements for all proposals by Eligible Resource Alternative when responding to this RFP-2012. Proposals that do not include the information requested in this form will be deemed ineligible for further evaluation unless the information is not relevant.

The Bidder is required to provide information in the following format to meet the criteria of this RFP. All sections must be completed and in compliance with the RFP in order for the bid to be accepted. Bidders must provide the appropriate bid fee(s) for the number of Eligible Resource Alternatives that are being provided.

Each Bidder must provide the following information: 1) All RFP Appendices, Form(s) and Attachments ~~identified below in Section 3.A~~ for each Eligible Resource Alternative, as applicable; and 2) the Appendices, Form(s) and Attachment identified under each of the Eligible Resource Alternatives identified ~~below in Section 3.B through 3.K.~~

Proposal Type	Required Information
All Bidders are required to submit the following	<ul style="list-style-type: none"> ▪ RFQ Bid Form: Appendix A and Appendix B ▪ Appendix D – Fuel Supply Form (may vary if Bidders offer fixed price) ▪ Appendix E – Officer Certificate Form ▪ Attachment -13 - PacifiCorp Costs Associated with Integration that will be used in the analysis ▪ Form 1 - Pricing and Input Sheet ▪ <u>Form 2 - Permitting and Construction Milestones</u> depending on the resource.

Proposal Type	Additional Required Information
1) Power Purchase <u>Bid Agreement(4)</u>:	<ul style="list-style-type: none"> ▪ Attachment -3 - Power Purchase <u>Contract Agreement</u> ▪ Attachment -16 - Site Purchase Agreement for Lake Side (if applicable) ▪ Attachment -17 - Site Purchase Agreement for Currant Creek (if applicable) ▪ Appendix C-1 - PPA and TSA Information Request ▪ Appendix F - SFAS No. 13 Form ▪ Appendix G - Bidder Site Control Form

	<ul style="list-style-type: none"> ▪ Appendix H - Construction Coordination Agreement (if applicable)
<u>2) Tolling Service Agreement Bid (2):</u>	<ul style="list-style-type: none"> ▪ Attachment -5 – Tolling Service Agreement Contract ▪ Attachment -16 - Site Purchase Agreement for Lake Side (if applicable) ▪ Attachment -17 - Site Purchase Agreement for Currant Creek (if applicable) ▪ Appendix C-1 - PPA and TSA Information Request ▪ Appendix F - SFAS No. 13 Form ▪ Appendix G - Bidder Site Control Form ▪ Appendix H - Construction Coordination Agreement (if applicable)
<u>3) APSA Bids at PacifiCorp Sites (3):</u>	<ul style="list-style-type: none"> ▪ Attachment -6 - Asset Purchase and Sale Agreement (APSA) with Appendices – Lake Side (if applicable) ▪ Attachment 6- Asset Purchase and Sales Agreement (APSA) with Attachment 18 Currant Creek, Engineering, Procurement and Constructing Contract (EPC) (if applicable) EPC) ▪ Site Purchase Agreement Attachment 16 or Attachment 17 – <u>Site Purchase Agreement (if applicable).</u> ▪ Appendix C-2 - APSA Information Request ▪ Bidders form of O&M Agreement
<u>4) APSA Bids at Bidder Sites (4):</u>	<ul style="list-style-type: none"> ▪ Attachment -6 - Asset Purchase and Sale Agreement (APSA) with Appendices ▪ <u>Attachment 23 – O&M Term Sheet</u> ▪ Appendix C-2 - APSA Information Request ▪ Appendix G - Bidder Site Control Form ▪ Bidder's form of O&M Agreement
<u>5) EPC Bids at Currant Creek Site only (5):</u>	<ul style="list-style-type: none"> – Attachment 18 - Currant Creek Engineering, Procurement and Construction Contract (EPC) ▪ Appendix C-3 - EPC Information Request ▪ Bidders form of O&M Agreement
<u>6) Sale of Existing Facilities Bids (6):</u>	<ul style="list-style-type: none"> ▪ Attachment 19 – Due Diligence items for the Acquisition of an Existing Facility ▪ Appendix C-4 – Existing Asset Purchase Information Request
<u>7) Sale of Portion of Jointly Owned or Operated Bids:</u>	<ul style="list-style-type: none"> ▪ <u>Attachment 19 - Due Diligence Items for the Acquisition of an Existing Facility</u> ▪ <u>Appendix C-4 - Existing Asset Purchase Information Request</u>
<u>8) Restructuring Bids of an Existing Power Purchase Agreement or an Exchange Agreement and/or Buyback of an Existing Sales Agreement:</u>	<ul style="list-style-type: none"> ▪ <u>Any other form deemed to be required based on the restructuring</u>
<u>9) IGCC Proposals:</u>	<ul style="list-style-type: none"> ▪ <u>Attachment 3 – Power Purchase Agreement</u> ▪ <u>Attachment 5 – Tolling Service Agreement</u>

	<ul style="list-style-type: none"> ▪ Attachment 6 – Asset Purchase and Sales Agreement ▪ Attachment 24 – O&M Terms and Conditions ▪ Appendix C-5 – APSA Information Request ▪ Appendix G – Bidders Site Control Form ▪ Bidder’s form of O&M Agreement
10) Geothermal and/or Biomass PPAs:	<ul style="list-style-type: none"> ▪ Attachment 3 – Power Purchase Agreement ▪ Appendix C-1 – PPA and TSA Information Request ▪ Appendix G – Bidder Site Control Form
11) Exceptions: a) Load Curtailment: b) Qualifying Facilities:	<ul style="list-style-type: none"> ▪ Attachment 3 - Power Purchase Agreement ▪ Attachment 16 – Site Purchase Agreement for Lake Side (if applicable) ▪ Attachment 17 – Site Purchase Agreement for Currant Creek (if applicable) ▪ Appendix C 1 – PPA and TSA Information Request ▪ Appendix G - Bidder Site Control Form ▪ Appendix H – Construction Coordination Agreement (if applicable) ▪ Attachment 2- QFs Bidder Information
Proposal Type	<ul style="list-style-type: none"> ▪ _____ ▪ _____ Additional Required Information ▪ _____
Sale of Portion of Jointly Owned or Operated Bids (7):	<ul style="list-style-type: none"> ▪ Attachment 19 – Due Diligence Items for the Acquisition of an Existing Facility ▪ Appendix C 4 – Existing Asset Purchase Information Request ▪ Appendix F – SFAS No. 13 Form
Restructuring Bids of an Existing Power Purchase Agreement or an Exchange Agreement and/or Buyback of an Existing Sales Agreement (8):	<ul style="list-style-type: none"> ▪ Any other form deemed to be required based on the restructuring. ▪ Appendix F – SFAS No. 13 Form
Exceptions (9) Qualifying Facilities: Load Curtailment:	<ul style="list-style-type: none"> ▪ Attachment 3 – Power Purchase Contract ▪ Attachment 16 – Site Purchase Agreement for Lake Side (if applicable) ▪ Attachment 17 – Site Purchase Agreement for Currant Creek (if applicable) ▪ Appendix C 1 – PPA and TSA Information Request ▪ Appendix F – SFAS No. 13 Form ▪ Appendix G – Bidder Site Control Form ▪ Appendix H – Construction Coordination Agreement (if applicable) ▪ Attachment 2 – QFs Bidder Information

SECTION 4. RESOURCE INFORMATION

A. Price and Non-price Information

The Company's IRP incorporated numerous price and non-price resource cost(s) and assumptions which resulted in the IRP Action Plan. Bidders should refer directly to the IRP for the Company's estimated cost and availability of new resource alternatives. Bidders are reminded that the IRP is a planning document and certain resource assumptions were used as a proxy for planning purposes. As such, the Company shall rely on the outcome from this RFP to ascertain the most prudent resource decision. Bidders should note that the IRP is a useful document for information purposes and **Bidders should not infer in any way that the IRP should prescriptively guide their specific proposal.** The Company intends to use then-current assumptions in its evaluation of bids.

With respect to air quality standards, it is PacifiCorp's intent to incorporate cost assumptions into all bids that are consistent with the "then current assumptions." The base case assumptions can be located in the 2004 IRP in Appendix C. This represents the best information currently available at this point in time to the Company via the IRP public input process and other information sources. The base case will be updated through the RFP process only if any new assumptions become available to the Company.

This RFP will incorporate assumptions regarding the future cost, if any, associated with future tax assessment(s) or other impositions based on the quantity of carbon dioxide (CO₂) emissions produced from the combustion of fuel by a facility selected and contracted through this RFP. If a Bidder proposes an arrangement wherein a specific facility is not identified (such as may be the case with a PPA), the resulting contract shall explicitly state that the buyer (PacifiCorp) shall not be liable for any CO₂-related expenses, and the Bidder will be required to enter into a CO₂ Indemnity Agreement. For bids with a specified facility, which would include an asset backed PPA, the potential CO₂-related expenses will be included in the Company's evaluation. The CO₂-related expenses will be consistent with the reference case assumptions utilized in the 2004 IRP or the then current assumptions if applicable. The bid evaluation process will incorporate the assumption that the Bidder does not contractually absorb the liability associated with potential future CO₂ expenses.

As such, even if the bid does not provide for the passing through of such costs, the bid evaluation process will incorporate the ~~Bidders are directed to submit bids that specify the results of the~~ assumption that Bidders will pass through to PacifiCorp any costs associated with meeting future air quality requirements relating to specified facilities.

B. Price Information

Fixed- & Variable cost for Capacity and Energy

1. Fixed Costs

The fixed resource costs will include, but are not limited to, the following components:

- The Bidder-specified capacity cost payment (\$/kw-mo) or equivalent capital cost purchase price (including Owner's cost) plus ongoing capital estimates for the term of the resource.
-
- The Bidder-specified fixed O&M payment (\$/kw-mo).
-
- The Bidder-specified property tax, sales tax, and insurance payment, if not included in capacity cost or fixed O&M payment (\$/kw-mo).
- Transport costs which may include: 1) Fuel pipeline costs for the estimated costs of adequate firm natural gas capacity or 2) railway and or other transportation, if applicable.
- Interconnection, integration and any other costs (e.g., applicable transmission wheeling expense) necessary to deliver the energy to load.
- Proposed fixed cost adjustment factor for availability.

2. Variable Costs

The variable generation costs will include, but are not limited to, the following components:

- The variable energy commodity price, which, depending on pricing structure, could take one of several forms. Energy commodity costs could (1) be based or indexed to a specified gas or coal index, (2) could be established as the product of a fuel index value times the contractual heat rate, or (3) in certain structures, the variable energy commodity price will be fixed, or potentially fixed with an annual escalation. Escalators must be a fixed annual percentage, CPI, or GDP.
- Variable O&M (\$/MWh).
- Potential CO2 costs (\$/ton) (\$/MWh based on a \$/ton CO2 basis)
- Transmission losses in those cases where the Company will incur third-party transmission losses (if applicable).

- Start costs (if applicable) per plant and per machine (if applicable). Bidders must define if this start cost is from initiation of start to minimum sustainable load or to full load. Start costs and variable O&M must be clearly separated. Cost presentation format provided by the Bidder should be in \$/MWh terms, assuming both eight- and sixteen- hour run periods, for up to 365 starts per year at 100% availability.⁷

~~The variable energy commodity price, which, depending on structure, will likely be variable, tied to a natural gas price (including variable gas transportation costs) and a contractual or manufacturer recommended heat rate and capacity at the time of delivery (adjusted for temperature) or a coal index, and any variable cost associated with coal. In certain structures, the variable energy commodity price will be fixed, or potentially fixed with an annual escalation. Escalators must be a fixed annual percentage, CPI, or GDP.~~

~~Variable O&M (\$/MWh).~~

~~Potential CO₂ costs (\$/ton) (\$/MWh based on a \$/ton CO₂ basis).~~

~~Transmission losses in those cases where the Company will incur third party transmission losses (if applicable).~~

~~Start costs (if applicable) per plant and per machine (if applicable). Bidders must define if this start cost is from initiation of start to minimum sustainable load or to full load. Start costs and variable O&M must be clearly separated. Cost presentation format provided by the Bidder should be in \$/MWh terms, assuming both eight and sixteen-hour run periods, for up to 365 starts per year at 100% availability.~~⁸

C. Non-price Information

1. **Point(s) of Delivery**

This RFP 2012 is requesting resources that are capable for delivery into or in the Company's network transmission system⁹ in PACE. All proposals will be contingent on

⁷ The number of starts assumed per year should be adjusted down for expected mechanical availability. For example, if a resource has an expected mechanical availability of 90%, the number of assumed starts per year should equal $365 \times 90\% = 328$.

⁸ The number of starts assumed per year should be adjusted down for expected mechanical availability. For example, if a resource has an expected mechanical availability of 90%, the number of assumed starts per year should equal $365 \times 90\% = 328$.

⁹ Any costs required to upgrade PacifiCorp's electrical infrastructure (integration costs) will be considered in the overall economics of the resource. See **Attachment -13** for cost assumptions for Integration costs. If

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the Company ~~Merchant~~ commercial and trading function's ability to designate the proposed resource (new, existing, imported, etc.) as a Network Resource under the network service contract between PacifiCorp Transmission (www.oasis.pacificorp.com) and PacifiCorp ~~Merchant~~ Commercial and Trading.

PacifiCorp is interested in resources that are capable of delivery into or in a portion of the Company's network transmission system in PACE. Specifically, the point(s) of delivery of primary interest to PacifiCorp are:

- + ■ Salt Lake Valley
- + ■ PacifiCorp Sites
 - Currant Creek
 - Lake Side
- + ■ Mona¹⁰ 345 kV
- + ■ Glen Canyon 230 kV
- + ■ Nevada/Utah Border:
 - Gonder-Pavant 230 kV line known as "Gonder 230 kV"
 - Sigurd – Harry Allen 345 line known as "NUB" or Red Butte 345 kV
 - Crystal 500 kV¹¹ Located in Nevada—PacifiCorp is willing to purchase capacity and associated energy that is sourced from Nevada; provided, the selling entity is able to purchase firm transmission from the resource to either Gonder or NUB.
- + ■ West of Naughton

The Company is generally not interested in resources delivered to the following areas:

- + ■ Wyoming, unless the resource(s) electrically reside south of the Naughton-Monument 230 kV line and the cost of the upgrade is included.
- + ■ Borah, Brady or Kinport unless such resource is interconnected to the Company's Southwest-Southwest Idaho electrical system near the Goshen area.

2. Proposals Requiring Third-Party Point-to-Point Transmission Service

For proposals that will require third-party transmission service to provide delivery of capacity and associated energy to the bid-specified Point of Delivery on PacifiCorp's

the Bidder is proposing another site that is not stated in **Attachment -13**, PacifiCorp will use the best available information at the time of evaluation to determine the integration costs for the analysis.

¹⁰ PacifiCorp's transmission function has broken Mona into three distinct delivery points. These three points are "MDWP" (IPP-Mona from LADWP control area), "MDGT" (Bonanza-Mona within the PACE control area), and "MPAC" (all other lines into Mona with the PACE control areas). In order for PacifiCorp to properly incorporate deliveries at Mona as a network generation resource, the respondent should indicate which point at Mona the deliveries will be made from. PacifiCorp Commercial and Trading -requested a system impact study (SIS) from PacifiCorp Transmission, which will be available in September and will update the timing and costs to integrate resources at Mona, Nevada Utah Border, Gonder, Glen Canyon 230kV and Currant Creek.

¹¹ Crystal substation is currently not a valid network point of delivery on PacifiCorp's system. PacifiCorp is studying the expansion of facilities to Crystal 500 kV. Bidders are ~~warned~~ advised that the ability to accept proposals delivered to Crystal is highly contingent on the expansion of such facilities.

system, Bidders are responsible for any interconnection, electric losses, transmission and ancillary service arrangements required to deliver the proposed capacity and associated energy to the bid specified Point(s) of Delivery. Such proposals must identify all third-party interconnection, electric losses, transmission and ancillary service products, provide a complete description of those service agreements, and provide documentation that such service(s) will be available to Bidder during the full term of offer(s) proposed. Bidders who propose unit contingent arrangements or system portfolio bids and rely on third-party transmission should be aware that the use of nonfirm transmission in any segments of the schedule from the source to the Point(s) of Delivery will result in the Company's evaluating the need to carry 100% reserves against the import schedule. The third-party transmission service is NOT a transmission service agreement with the Company's ~~Merchant commercial and trading~~ function; rather it is with the Company's Transmission function, which must maintain strict functional and informational separation.

3. Interpretation with Interconnection Agreement

Each Bidder responding to ~~this RFP 2012~~ must conduct its operations in compliance with FERC Order No. ~~2004~~, Standards of Conduct for Transmission Providers, requiring the separation of its transmission and merchant functions. This RFP requires that all Bidders responding must enter into a separate Interconnection Agreement or Transmission Service Agreement ("TSA") ~~with PacifiCorp Transmission~~, in accordance with ~~the PacifiCorp's Open Access Transmission Tariff, with PacifiCorp Transmission~~ if such agreements are necessary.

4. PacifiCorp Transmission Interconnection Service

Bidders requiring interconnection service from PacifiCorp Transmission must specify in their proposal if they have requested transmission service or not, and if so, what type of service (Energy Resource Interconnection Service ("ER") or Network Resources Interconnection Service ("NR")). Bidders must advise PacifiCorp Transmission that they are requesting the service as part of this RFP.

All ~~P~~proposals that will require a new electrical interconnection to the PacifiCorp Transmission system or an upgrade to an existing electrical interconnection to the PacifiCorp Transmission system must include (a) ~~a~~ statement of the cost of interconnection, together with a diagram of the interconnection facilities. The Bidder will be responsible for, and is required to include in its bid, all costs to interconnect to the ~~Company's PacifiCorp's~~ Transmission system. The Bidder will be responsible for applying to ~~the Company PacifiCorp~~ Transmission for a Large Generator Interconnection Agreement ("LGIA"), except in connection with the EPC Contract, in which case PacifiCorp Generation will apply for the LGIA. However, the interconnection costs will be included in the bid evaluation. PacifiCorp's Transmission function has the option of funding the interconnection upgrades or requiring the Bidder to fund such upgrades and then receive revenue credits. Any such refunds shall be assigned to PacifiCorp's ~~Merchant commercial and trading~~ function by the Bidder.

5. PacifiCorp Transmission Integration Service

PacifiCorp has preliminarily identified the potential costs to integrate resources in **Attachment -13**.

These costs will be used in the evaluation analysis. In the event that a Bidder proposes a facility, PPA or TSA that is not at one of the locations identified in **Attachment -13**, PacifiCorp will utilize the best information reasonably available at the time of evaluation to estimate the cost to integrate the resource. Both the cost to integrate and interconnection upgrades will be utilized in the economic evaluation to determine the least-cost resource. **Bidders are reminded that they shall bear 100% of the costs to interconnect to PacifiCorp's Transmission system.** Bidders are encouraged to contact PacifiCorp's Transmission function (at www.pacificorp.com) for information related to system interconnection.

6. Use of PacifiCorp's Sites

In the event a facility is proposed to be located on a PacifiCorp Site, the Bidder must negotiate and enter into a land purchase agreement acceptable to the Company (**Attachment -16** and/or **17**), together with a Construction Coordination Agreement substantially in the form attached as **Appendix S** to **Attachment -76** or **Appendix H** if and when the Bidder has been selected as a resource in the final shortlist. **THIS RFP ~~2012~~ IS NOT AN OFFER TO SELL PACIFICORP'S SITE TO ANY BIDDER, AND IN NO EVENT WILL THE COMPANY BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND TO THE COMPANY'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF THE COMPANY'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER THE COMPANY'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO THE COMPANY SITES.**

SECTION 5. BID EVALUATION PROCESS OF THE PROPOSALS

The Bidders must submit their proposals on or before ~~January-February~~ X, 2007. The RFP ~~2012~~-Evaluation Team and the IEs will adhere to the following bid evaluation process.

A. A. ~~Overview of the Evaluation Process~~ Overview of the Evaluation Process

The analysis for the RFP will be focused on finding the best combination of resource opportunities to meet customer requirements at the least cost, on a risk adjusted basis. The evaluation process will utilize a screening process to derive an initial shortlist of bids

(described in Step 1 below) which will then be placed in a system wide production cost model to determine the final shortlist (described in Step 2 and Step 3 below). The Company intends to utilize a “first price sealed bid format” in order to determine both the initial and final ~~short list~~shortlist of proposals ~~in for~~ each of the Eligible Resource Alternative categories.

The selection of an initial ~~short list~~shortlist of bids will be based on price and ~~non-price~~non-price factors taking into account resource diversity of the term and fuel source. The price factor will be derived, in the initial ~~short list~~shortlist analysis, using the PacifiCorp Structuring and Pricing RFP Base Model. The RFP Base Model will be used to establish the initial shortlist of the top performing proposals in each of the Eligible Resource Alternative categories specified in the RFP ~~2012~~-based on the projected net present value revenue requirement (net PVRR) per kilowatt month (Net PVRR/kW-mo). The ~~non-price~~non-price factors will evaluate the proposed resource characteristics, including development feasibility and risk, site control and permitting, and operational viability and risk impacts. The underlying criteria within each category are explained in more detail in Section 5.B., the Bidders’ characteristics and compliance with the Proforma contracts.

Bids which qualify for Tthe initial shortlist will be run through a production cost model to establish a preferred portfolio and subsequently a final ~~short list~~shortlist. After the final ~~short list~~shortlist is determined, post-bid negotiations will take place. Under this format, contract payments ~~are will be~~ based on the price contained in each winning bid proposal. The “first price sealed bid format” means that the Company will utilize the initial prices and/or pricing structure submitted by the Bidders in order to determine the initial short-listed entities ~~and the final short listed entities.~~ Bidders who make the initial shortlist may be offered the option to refresh or update their pricing at the discretion of PacifiCorp, in consultation with the IE.

In selecting the RFP ~~2012~~-bids for contract negotiations, an optimization model will be used to pick the least cost portfolio of resource options from the initial ~~short list~~shortlist under a given set of assumptions (prices, emission expenses, etc.) about the future. The optimization procedure will be applied under a set of future scenarios to develop a set of optimal resource portfolios. Additional deterministic and stochastic analyses will be performed to determine the expected present value revenue requirement (PVRR) and selected risk measures for each of the optimal portfolios determined by the optimization model.

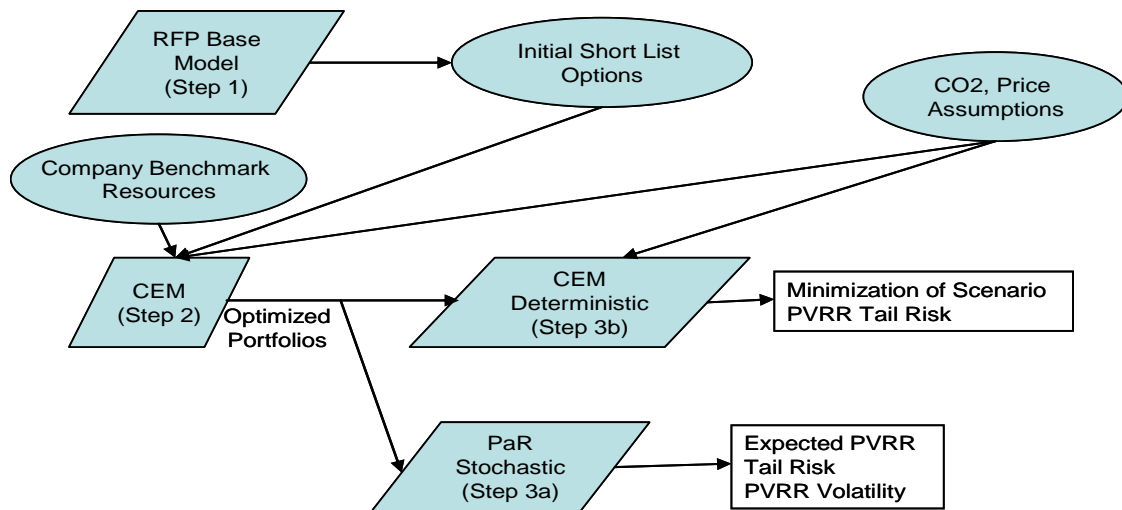
After selecting the final shortlist, in selecting resources to be submitted for approval or acknowledgement, the Company will take into consideration, in consultation with the IEs, certain other factors not expressly included in the formal evaluation process, but required to be considered by applicable law or Commission order.

The ~~three-step~~ evaluation process described below is consistent with that used in the Company's Integrated Resource Planning process and applicable laws and orders, and is expected to provide sufficient analytical basis from which to make resource choices. The evaluation will lead to the resources in the highest performing (least cost, adjusted for risk), and including consideration of statutory public interest factors portfolios as the RFP "winners" that will then advance to contract negotiations. The Company will not ask for, or accept, updated pricing from Bidders during this evaluation period. It is the Company's intent to negotiate both price and non-price issues during the post-bid negotiations. Selection for the initial ~~short list~~ shortlist, final ~~short list~~ shortlist, and/or post-bid negotiation does not constitute a "winning bid proposal." For the purpose of the RFP-~~2012~~, only execution of the definitive agreement by both the Company and the Bidder that is specific to the Bidder's proposal, as the same may be amended pursuant to any post-bid negotiations, will constitute a "winning bid proposal."

Bidders should also be aware that operational separation exists, pursuant to FERC's Standards of Conduct, between the merchant and transmission functions of PacifiCorp (See **Attachment 20**). As a result, ~~it is PacifiCorp's requirement~~ PacifiCorp will require that the Bidder is to be responsible for the negotiation, execution and cost of interconnection and integration with the interconnection control area. The Bidder will be responsible for all incremental transmission expenses associated with delivery to ~~the~~ PacifiCorp's network transmission system (inclusive of any third-party system upgrade needed to deliver such energy to PACE). Any anticipated transmission cost which is not included in **Attachment -13** or otherwise that is not disclosed in the Bidder's response will be added by PacifiCorp using information reasonable and readily available during the economic evaluation phase.

Transmission integration costs will be used on a prorated basis in the development of the initial shortlist in Step 1. In the system wide production cost models utilized in Step 2 and Step 3, the transmission costs and system benefits (i.e. additional economic transactions, etc.) will be evaluated.

Below is an overview of the evaluation process.



The Company will not make any of the evaluation models - the RFP Base Model, the Capacity Expansion Model, the Planning and Risk Model - available to Bidders. The IEs will have full access to the necessary inputs (including the Company's forward price projections) and all models used in the evaluation process.

B.B. The Evaluation Process

Bids submitted ~~to in this~~ the RFP ~~2012~~ will be evaluated in three steps:

A.1. Step 1—Price and Non-price Evaluation to Determine the Initial Short List

The Company intends to evaluate each bid received in a consistent manner by breaking separately evaluating the non-price characteristics of the resource and the price characteristics ~~of the structure into individual components~~. Each component will be evaluated separately and recombined to determine the bundled price and non-price score. The price factor will be weighted up to ~~87~~87%, while the non-price factor will be weighted up to ~~23~~23%. No proposal will receive a total weighting in excess of 100%. The ~~p~~Price and ~~N~~non-price evaluation will be added together and used to determine the initial ~~short list~~shortlist. The initial ~~short list~~shortlist will be made up of the highest scoring proposals for each of the ten Eligible Resource Alternative categories and the two exceptions.

a.1a. Price Factor Evaluation (Up to 87%)

The Company will utilize the RFP Base Model to screen the proposals and to evaluate and determine the initial price ranking for the eligible bids received ~~short list~~. The RFP Base Model is contained in a Microsoft Excel workbook that includes a number of proprietary Visual Basic macros, custom add-ins, and computational code written in C++.

RFP Base Model Inputs:

- + Market Quote Date: The model will pull corresponding forward price, volatilities, and correlation projections for electricity and fuel commodities. Treasury discount curves are also included. The same Market Quote Date will be used for all bids during each evaluation phase.
- + Term: Start and End date
- + Transmission Cost assumptions (Transmission Integration costs will be used on a prorated basis)
- + Emission Inputs,
- + Rate Base Inputs: if applicable
- + Point of Delivery (POD) and Point of Receipt (POR)
- + Dispatch Pattern

- ⊕ ■ Limitation of Duct Firing or Power Augmentation Capability (hours per day, hours per year, etc.)
- ⊕ ■ Firm/Unit Contingent
- ⊕ ■ Resource Type
- ⊕ ■ Product Source
- ⊕ ■ Temperature-adjusted undegraded (new and clean) Capacity Curve
- ⊕ ■ Temperature – adjusted undegraded (new and clean) Heat rate Curve
- ⊕ ■ Capacity (MW) Degradation Schedule (Expected and/or Guaranteed)
- ⊕ ■ Heat Rate Degradation Schedule (Expected and/or Guaranteed)
- ⊕ ■ Turbine Type
- ⊕ ■ Variable O&M Payment (\$/MWh)
 - VOM costs (\$MWH)
 - Start-Up Costs (\$/MWh)
- ⊕ ■ Fixed O&M Payment (\$/KW-mo)
- ⊕ ■ Gas Capacity (MMBtu/day)
- ⊕ ■ Gas Demand Charge (\$/MMBtu-mo)
- ⊕ ■ Gas Transportation/Delivery Adder (\$/MMBtu)
- ⊕ ■ Fixed Energy Payment (\$/MWh, if applicable)
- ⊕ ■ Capacity Charge (\$/KW-mo)
- ⊕ ■ Resource/POD Availability by Month
- ⊕ ■ Forward Price Curve Multiplier by Month
- ⊕ ■ Corporate Financial Inputs – Inflation Curve, WACC, etc.

Comparison Metric

The comparison metric will be the projected net present value revenue requirement (net PVRR) per kilowatt month (Net PVRR/kW-mo). The net PVRR component views the value of the energy and capacity as a positive, and the offsetting costs as negative. The larger the net PVRR, the more valuable a given resource is to the Company’s customers. The net PVRR/kW-mo metric is the annuity value which, when applied to the nominal kilowatts on a monthly basis and present-valued, will result in the same net PVRR as a straight NPV calculation.¹²

Bid Cost relative to adjusted price curves	Price Factor Weighting
Less than or equal to 80% of adjusted price projections	780%
Greater than 80% of adjusted price projections but less than 120% of adjusted price curves	Linearly interpolated
Equal to or greater than 120% of the adjusted price projection	0%

¹²The term “straight NPV calculation” refers to the act of present-valuing the net of the nominal capacity and energy value, and costs, to derive a net present value of the net margin between value and costs. To the extent that all proposals are above 120% of adjusted price curves, they will be ranked by percentage.

2b. Non-price Factors (up to ~~320~~%)

The primary purpose of the non-price analysis is to help gauge the relative development, construction and ~~contractual~~ operational characteristics and associated risks ~~associated of with~~ each proposal, ~~and have parties bid to a consistent set of Terms and Conditions within the Proforma Contracts.~~ A matrix will be established for each non-price factor and will be used to compare the bids with one another.

Non-price factors will be weighted up to ~~230~~ (in combination with the price scores) in the determination of which proposals will be chosen for the initial ~~short list~~ shortlist.

The non-price factor weighting for operation issues shall consist of the following:

Non-price	Non-price Weighting Factor
Development, Construction and Operational experience Feasibility/Risk <ul style="list-style-type: none"> ▪ <u>Critical Path Schedule</u> ▪ <u>Engineering Design and Technology</u> ▪ <u>Fuel Supply and Transportation Strategy</u> 	up to 10%
Site Control and Permitting <ul style="list-style-type: none"> ▪ <u>-Permits Required</u> ▪ <u>Access to Water Supply</u> ▪ <u>Rights of Ways</u> 	up to 10%
Operational Viability/Risk Impacts <ul style="list-style-type: none"> ▪ <u>Environmental Compliance/Strategy</u> ▪ <u>Environmental Impact</u> ▪ <u>O&M Plan</u> 	<u>up to 10%</u>

~~Development, Construction, and Operational Experience~~ Feasibility/Risk

This category is intended to assess the likelihood the project can be successfully developed as proposed based on a number of factors which influence project development feasibility and risk of development. Factors influencing the status of project development as well as the likelihood the project will be developed on schedule will be assessed. For this category, PacifiCorp will evaluate the Critical Path schedule provided by the Bidders, the engineering design and technology maturity for the project proposed, the status of fuel supply arrangements and the strategy of the Bidder for securing fuel for the project.

Bidders shall provide a detailed project schedule with critical path milestones for the project that includes activities from the period of selection as the winning bidder to the commercial operation date. PacifiCorp will review and evaluate the project schedule to

ensure there is a high likelihood the project can reach commercial operations as proposed. This review will include the risks of delays in securing the necessary environmental permits.

Bidders should also provide information about specific technology and equipment proposed for the project, including a description of the track record of the technology and equipment. The Bidder should provide a detailed description and specifications for the proposed equipment (including the turbine, steam generator, gasifier, cooling equipment and environmental control equipment proposed). The Bidder should also identify any flexibility to change equipment design if environmental requirements or projected environmental compliance costs change significantly during project development. PacifiCorp reserves the right to conduct further due diligence on the equipment. PacifiCorp prefers proposals that demonstrate that the generation design and equipment proposed is technologically mature and the Bidder has included a reasonable plan to address how the project will conform to change in environmental requirements in the future (i.e. whether the project will be designed to be carbon capture ready and whether the facilities will be sited with ready access to sequestration opportunities).

Bidders should disclose the project design elements that have been included for the separation, capture and storage of carbon emissions, as well as any guarantees of cost and performance they are willing to provide with respect to these design elements. Bidders are also encouraged, but not required at this time, to identify the projected costs of additional design elements that would be required for carbon separation and capture. Bidders should discuss and provide documentation for any work they have done on whether the proposed site for the project would enable cost-effective access to geologic sequestration opportunities, including potential future revenue streams associated with the provision of compressed CO2 to enhanced oil recovery fields. If a Bidder does not address these issues fully in its initial project proposal, it should identify what additional information it will be prepared to provide in the event its bid moves from the initial shortlist to the final shortlist.

Bidders should provide a detailed strategy for securing and delivering fuel to the plant site. If the project is in the early stages of development, PacifiCorp requires a fuel supply and transportation plan that demonstrates that the fuel supply arrangements adequately conform to the type of project/technology proposed (e.g. gas-fired combined or coal). PacifiCorp prefers proposals that can demonstrate a secure and reliable fuel supply or strategy which demonstrates the ability of the bidder to secure a reliable supply for the project. Bidders will be evaluated on the number of projects they have developed, constructed, and/or operated. The scoring will be separated into two areas: 1) one percentage point will be awarded for each project the Bidder has developed, not to exceed 5%, 2) one percentage point will be awarded for the number of projects that the Bidder has constructed and/or operated in the past, not to exceed 5%. Scores for development, construction, and/or operational experience will not exceed 10%.

Site Control and Permits

Bidders must be able to 1) document they have obtained site control and necessary permits (maximum points in this category), ~~awarded 10%~~ or 2) ~~Bidders can~~ demonstrate how site control and permits will be obtained. ~~To, awarded 5%, meet the site control requirement, Bidders shall have identified a site and must provide a copy of documentation establishing that the seller has and/or will have control over the site for the entire term of the contract. Eligible documentation includes a demonstration of site ownership, an option to purchase the site, or a binding letter of intent from the landowners for the full term of the contract.~~

For Bidders to demonstrate how they will obtain site control, they must submit documentation which supports the site control requirements. Bidders should also provide a list and of all required permits that must be obtained. In addition, Bidders should identify any rights-of-ways that need to be acquired for the construction of supporting facilities (i.e. water pipelines, fuel lines, transmission lines, rail spurs, etc.) and provide a plan and schedule for securing the rights-of-ways.

Finally, PacifiCorp is particularly interested in the plan proposed by the Bidder for securing necessary water rights for the project, including the sources of water and status of any agreements in place to secure and deliver the water to the project site. The Bidder must also submit a defined plan and/or process with specific milestones in addition to any and all hurdles with an explanation of how these hurdles will be overcome.

Operational Viability/Risk Impacts

This category addresses key viability and risk factors associated with project operations. The three key factors of importance are the Bidder's environmental management and compliance plan, the proposal's environmental impacts and the O&M plan. The environmental management and compliance criterion addresses the ability of the generation facilities supporting the PPA to anticipate and remain in compliance with existing and future environmental regulatory requirements and to reduce environmental impacts. Bidders should, to the extent practicable, explain and justify their choices of pollution control and water cooling technologies. PacifiCorp is interested in proposals that can demonstrate, through a credible plan, the ability to manage and reduce environmental costs and impacts. Options to meet the requirements of developing regulations for control of currently regulated air emissions and mercury, along with emerging issues such as greenhouse gas emissions and ways to mitigate future CO2 impositions, should be included in the Bidder's strategy for meeting the necessary requirements.

An important criterion for evaluating proposals will be the project's environmental impacts. The proposal's overall plan to minimize air emissions will be an important aspect of this review. In addition, site impacts such as water usage, land use, waste

disposal, etc. will be considered. Proposals should include a description of the Bidder's plan to address site-specific areas of environmental sensitivity. Bidders are encouraged to identify areas where incremental improvements in environmental performance and water use and efficiency can be made through more advanced pollution control and water cooling technologies, if applicable, and to provide projected cost analysis for such incremental improvements, and tradeoffs with other factors like fuel use and air emissions. If a Bidder is not able to address this issue fully in its initial bid submission, it should identify what additional information it will be prepared to provide in the event its bid moves from the initial shortlist to the final shortlist.

The Bidder is also required to provide an O&M plan for the proposal. The O&M plan should include any plans for the Bidder to execute a long-term contract with a reputable operations and maintenance provider, a description of the funding levels/mechanism and contractual arrangements, and a description of the previous experience of the Bidder in operating and maintaining similar facilities.

The initial ~~short list~~shortlist will be established using the combined price and non-price results. The initial ~~short list~~shortlist will include the top bids in each Eligible Resource Alternative category, up to two times the approximate megawatt needs for each year during the Term. In addition, PacifiCorp may utilize the information provided by Bidders in their proposals associated with the non-price criteria listed above in the risk assessment of various resource alternatives.

The Final ~~Short List~~Shortlist will be comprised of Step 2 and Step 3.

B.2. –Step 2—Capacity Expansion Model - Production Cost Run

Based on the initial ~~short list~~shortlist, Global Energy Decision's Capacity Expansion Model (CEM®) will be used to develop optimized portfolios under various assumptions for future emission expense levels and market prices. CEM® will develop a corresponding number of optimized portfolios—one for each combination of emission and wholesale market price assumptions—drawing from resource options in the initial ~~short list~~shortlist (described above) along with the Company's benchmark resources. These assumptions will be conceptually consistent with the 2006 Integrated Resource Plan high, medium, and low cases, but may reflect more recent data at the time the analysis is conducted.

Each portfolio from the CEM® scenarios will be a candidate for the optimum combination of resources to be selected through the RFP 2012-process and will therefore be advanced to the stochastic/deterministic analysis step described below. Resources bid

into the RFP [2012](#) that are not included in any of the portfolios resulting from this step will no longer be considered candidates for acquisition by the Company.

5.3. Step 3—Risk Analysis

In order to identify the resources in the highest performing (least cost, adjusted for risk) portfolios, stochastic and deterministic analyses will be performed on each optimized portfolio. Consistent with the IRP, the Company will use the Planning and Risk Model and the Capacity Expansion Model to assess the risks to each Eligible Resource Alternative. The Planning and Risk Model will model hydro conditions, thermal outages, gas prices, electricity prices and load on a stochastic basis. The Capacity Expansion Model will model CO2, fuel prices and electricity prices on a scenario basis.

1a. Stochastic Analysis

Global Energy Decision's Planning and Risk (PaR®) model will be used in stochastic mode to develop expected PVRR and PVRR volatility parameters. PaR® is an hourly dispatch model that varies loads, wholesale gas prices, wholesale electric prices, hydro variations, and thermal unit performance. The model dispatches resources to meet load with given markets and transmission access to minimize PVRR using linear programming techniques. The resulting distribution of PVRR, typically over 100 draws of the variables, can be evaluated for the expected PVRR, tail risk PVRR, and PVRR volatility.

2b. Deterministic Scenario Analysis

As an additional risk analysis step, the optimal portfolios will be subjected to a more in depth deterministic dispatch model using CEM®, with each portfolio being assessed for each of the future scenarios described in Step 2 above. For example, Portfolio 1 will have been optimized for Scenario 1, but in this step Portfolio 1 will be reevaluated under scenarios 2 through *N* in order to assess the consequences of choosing a portfolio under non-optimal futures. This step is intended to identify portfolios with especially poor performance under certain future scenarios and used to inform the selection of final resource options.

Inputs used in CEM® and PaR® include:

Operational Costs

For each portfolio, the operational information for each added proposal will be entered into the production cost simulation (CEM® and PaR®). In addition, the Company will include any changes to the system topology to reflect transmission upgrades required by the added proposals. The operational information used in the production cost simulations includes:

1. Maximum capacity of each unit

2. Minimum capacity of each unit
3. Dependable per-unit capacity
4. Peaking capacity, for use under specified conditions
5. Actual pre-specified commitment and/or unit dispatch
6. Daily charge for operating a unit for at least one hour in the day
7. Variable O&M cost of each unit
8. The heat rate curve for a unit
9. Pre-scheduled maintenance, number of units and duration
10. Maintenance rate, for distributed maintenance per unit
11. Mean, maximum, and minimum time to repair, for outages scheduled by
Convergent Monte Carlo
12. Minimum up- and downtimes of a unit
13. Per-hour operating cost, exclusive of fuel and variable O&M costs
14. Pumped storage pumping capacity and pumping minimum
15. Unit ramp and run-up rates
16. Unit start-up O&M and fuel costs and corresponding hours
17. Emission rates/costs

Bidders should ensure that they provide the information necessary to undertake the evaluation in their proposal. The production-cost model simulations (CEM® and PaR®) will provide information on net system costs for fuel, variable plant O&M, unit start-up, market contracts and spot market purchases and sales.

Fixed Costs

As mentioned above, the revenue requirement costs associated with additional investments required by the bid—investment in new resources and/or transmission—will be added to the variable operating costs. The information required for new resources in order to calculate the fixed costs include:

1. Capital Costs—generation and transmission
2. Fixed O&M
3. Incremental Transmission Asset Life
4. Incremental Resource Asset Life

4. Step 4 – Final Selections; Other Factors

Certain differences may exist between the benchmark portfolio options put forth by the Company and resource alternatives provided through the solicitation process that are due to the inherent differences between cost of service regulated entities and market based entities. These differences may create different risk profiles for the resources covered by this RFP due to issues such as: 1) regulatory lag versus market lag, 2) risk and reward differences from cost-plus versus market operations, 3) opportunities for additional capital recovery, 4) cost recovery through rates versus through contracts, and 5) other regulated versus market differences that may exist. While these differences may exist, the Company has assumed that the benefits and risks of these issues are equal and

offsetting between the benchmark portfolio options and solicitations received through the RFP.

5. Direct & Inferred Debt

The first three steps described above constitute the formal evaluation process and will lead to the compilation of the final shortlist of resources for further negotiation. After completing the formal evaluation process described above, but before making the final resource selections to be submitted for approval or acknowledgement, the Company will take into consideration, in consultation with the IEs, certain other factors that are not expressly or adequately factored into the formal evaluation process, but that are required by applicable law or Commission order to be considered.

The Utah Energy Resource Procurement Act requires consideration of at least the following factors in determining whether a resource selected by the Company should be approved as in the public interest:

- whether it will most likely result in the acquisition, production, and delivery of electricity at the lowest reasonable cost to the retail customers of an affected electrical utility located in this state;
- long-term and short-term impacts;
- risk;
- reliability;
- financial impacts on the affected electrical utility; and
- other factors determined by the Commission to be relevant.

Oregon Order No. 06-446, Guideline 10(d), requires that the IE evaluate the unique risks and advantages associated with the Benchmark Resources, including the regulatory treatment of costs or benefits related to actual construction cost and plant operation differing from what was projected for the RFP.

SECTION 6. AWARDING OF CONTRACTS

A. Invitation

This RFP ~~2012~~ is merely an invitation to make proposals to the Company. No proposal in and of itself is a binding contract. The Company may, in its sole and absolute discretion, perform any one or more of the following:

- Determine, in consultation with the IEs, which proposals are eligible for consideration as proposals in response to this RFP ~~2012~~.
-
- Issue additional subsequent solicitations for information and conduct investigations with respect to the qualifications of each respondent.

- ~~■~~
~~■~~ Disqualify proposals contemplating resources that do not meet this RFP's ~~2012's~~ definition of Base Load resources.
- ~~■~~
~~■~~ Supplement, amend, or otherwise modify this RFP ~~2012~~, or cancel this RFP ~~2012~~ with or without the substitution of another RFP.
- ~~■~~
~~■~~ Negotiate and ~~respond request to~~ Bidders to amend any proposals.
- ~~■~~
~~■~~ Select and enter into agreements with the respondents who, in the Company's sole judgment, are most responsive to the RFP ~~2012~~ and whose proposals best satisfy the interest of the Company, ~~its and its~~ customers, and state legal and regulatory requirements, and not necessarily on the basis of any single factor alone.
- ~~■~~
~~■~~ Issue additional subsequent solicitations for proposals.
~~Issue additional subsequent solicitations for proposals.~~
- ~~■~~ Reject any or all proposals in whole or in part.
~~Reject any or all proposals in whole or in part.~~
- ~~■~~ Vary any timetable.
- ~~■~~ Conduct any briefing session or further RFP process on any terms and conditions.
- ~~■~~ Withdraw any invitation to submit a response.

~~Conduct any briefing session or further RFP 2012 process on any terms and conditions.~~

~~Withdraw any invitation to submit a response.~~

B. Post-Bid Negotiation

The Company will further negotiate both price and non-price factors during post-bid negotiations. The Company will continually update its economic and risk evaluation until a definitive agreement acceptable to the Company in its sole and absolute discretion is executed by both parties. The Company will allow Bidders to negotiate final contract

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terms that are different from the ~~generic~~ Proforma ~~contracts~~ [Agreements](#) ~~included~~ [including, but not limited to, CO2 risk.](#) ~~as long as such negotiated terms constitute contract provisions that are acceptable to PacifiCorp on a legal, contractual, credit and other business basis.~~ **The Company shall have no obligation to enter into any agreement with any Bidder to this RFP [2012](#) and the Company may terminate or modify this RFP [2012](#) at any time without liability or obligation to any Bidder.**

C. Confidentiality Agreement

All parties will be required to sign Confidentiality Agreements if they are short-listed ([Attachment -14](#)) prior to entering into negotiations with the Company.

D. Nonreliance Letter

All parties will be required to sign a nonreliance letter if they are short-listed ([Attachment- 115](#)) prior to entering into negotiations with PacifiCorp.

Request for Proposals **Base Load Resources**

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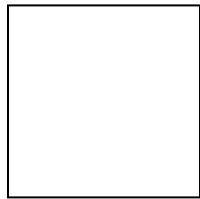
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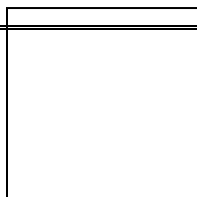
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APPENDICES

**Request for Qualification (RFQ) Bid
Form for Request for Proposal**

Due ~~November-December~~ X, 2006

Complete Appendices A and B



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Draft RFP

RFQ due ~~November~~December X, 2006

Request for Qualification (~~RFQ~~) Bid Form for RFP

~~2012~~

This Request for Qualification (“RFQ”) is comprised of Appendices* A and B Appendix B of which both must be fully completed and submitted by ~~November~~December X, 2006 to the Independent Evaluators (“IEs”) in order to participate in PacifiCorp’s RFP-~~2012~~.

This is to declare that the undersigned intends to respond to PacifiCorp’s Request for Proposals Base Load, Electric Resources (“RFP”-~~2012~~).

Please include:

Company:	
Mailing Address:	
<u>Phone:</u>	
<u>Phone:</u>	
Fax:	
Email:	
Contact Person:	
Authorized Signature:	
Date:	

PacifiCorp

Draft RFP

RFQ due ~~November-December~~ X, 2006

Return five (5) copies of all completed RFQ forms by ~~FedEx Mail~~federal express by ~~November-December~~ X, 2006 to both:

Independent Evaluator Utah
Merrimack Energy Group, Inc.: PacifiCorp RFP
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111

and

Independent Evaluator Oregon
[Insert Name Once Selected]: PacifiCorp RFP
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301~~Attention: Independent Evaluator~~
~~Merrimack Energy Group, Inc.: PacifiCorp RFP 2012~~
~~c/o Utah Division of Public Utilities~~
~~160 E 300 S, 4th floor~~
~~Salt Lake City, Utah 84111~~

The RFQ consists of ~~Appendix-Appendices~~ A and ~~Appendix~~ B. Both Appendices **must be completed in their entirety**. Bidders must be able to demonstrate their credit, capability, experience and qualification to deliver, along with specific references for each and every selected Eligible ~~Reference Resource Alternative resource option~~ being submitted in response to the RFP ~~2012~~.

PacifiCorp reserves the right, ~~without following consultation with the IEs~~qualification and in their sole discretion, to reject as non-responsive any, all, or portions of bid proposals received for failure to meet any requirement of this RFP ~~2012~~. PacifiCorp also reserves the right to request that the IEs ~~-~~contact any Bidder for additional information. PacifiCorp further reserves the right without qualification and in their sole discretion to decline to enter into any Agreement with any Bidder for any reason.

RFQ Bid Form

Appendix A: Bidder's Qualification Capability and Experience

~~2012~~

~~Appendix A~~

~~**Bidder's Qualification, Capability
and Experience**~~

1. ~~1.~~ ELIGIBLE RESOURCE ALTERNATIVES

Bidder must submit a separate form for each Eligible Resource Alternative it ~~is going plans~~ to submit. Each Eligible Resource Alternative will ~~have be assigned~~ a separate Bid number by the IEs. Bidder must select by marking with an “X” only one of the following Eligible Resource Alternatives ~~which is as~~ described in Section C.1 of the RFP-~~2012~~. To the extent the Bidder submits a proposal that is different than the one checked, in the RFQ, PacifiCorp reserves the right ~~not to accept~~reject the RFP ~~Proposal~~bid proposal.

- Power Purchase Agreement
- Tolling Agreement
- Asset Purchase and Sale Agreement on Bidder’s Site
- Asset Purchase and Sale Agreement on PacifiCorp’s Site
 - Currant Creek _____ Lake Side
- Engineering, Procurement and Construction Contract (EPC) (Currant Creek site only)
- Purchase of an existing Ffacility
- Purchase of a portion of a facility, jointly owned or operated by PacifiCorp
- Restructure of an existing Power Purchase Agreement
- Restructure of an existing Exchange Agreement
- Buyback of an existing Sales Agreement
- IGCC Proposal
 - Asset Purchase Agreement on Bidder’s Site
 - Tolling Service Agreement
 - Power Purchase Agreement
- Power Purchase Agreement
 - Geothermal
 - Biomass
- Load Curtailment

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| Qualifying Facility

| ~~Load Curtailment~~

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Full Legal Name of Seller:	
Full Legal Name of Guarantor:	
Commercial Contact:	
Title:	
Office Phone:	
Cell Phone:	
Email Address:	
Credit Contact:	
Title:	
Office Phone:	
Cell Phone:	
Email Address:	
Legal Contact:	
Title:	
Office Phone:	
Cell Phone:	
Email Address:	

<p>Proposed Project</p> <p>(As applicable but not limited to the project submitted.)</p>	<ul style="list-style-type: none">• Commercial Operation Date — _____• Size (100 MW minimum) _____• Location and Delivery Point _____• <u>Fuel (Coal, Gas or Other)</u> _____• <u>Technology (e.g. simple cycle gas-fired, combined cycle gas-fired sub-critical coal-fired Rankin cycle, super-critical coal-fired Rankin cycle, Integrated Gasification, Coal Gasification, etc.)</u> _____ <u>Technology (e.g. LM 6000, CT, CCGT, etc.)</u> _____• New, Repowered or Relocated _____• Status of Project d<u>Development</u> and <u>E</u>ngineering — _____• Status of Construction and Air Applications and Permits _____• Status of Electric Interconnection Request and Studies _____• Status of Gas System Interconnection Agreements _____• <u>Status of Coal Supply Agreements</u> _____• <u>Other Information</u> _____<u>Other Information</u> _____
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2. BIDDER QUALIFICATIONS

Please complete and/or provide documentation on the following sections listed below

1. Corporate structure and primary and secondary businesses

2. Location of offices

3. Provide a list of the officers of the company and provide the Biographies of key officers

4. Please provide documentation of your company's previous experience providing developing/operating the Proposed Eligible ~~resource~~-Resource Alternative over the last three (3) to five (5) years. Please provide a list of all projects developed, operated and/or financed during this same timeframe including the name of the project, location of each project, the project type and technology, project size, fuel source(s), commercial operation date, date financed, project partners and power purchasers.

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5. Please provide Aat least one reference or contact (name and telephone number) for each project or power supply venture (for reference purposes) the Bidder has entered into as identified in item 4 above.
6. Please provide aD description of any current or previous contract dispute(s) involving similar projects in which the Bidder is or was involved during the last five (5) years.
7. Please provide separate a list of the members of the project team for the projects identified in item 4 above. For each project, please briefly describe the role and responsibilities of the Bidder along with the roles and responsibilities of other project partners or team members.~~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.~~
8. For the project proposed, please provide an organizational chart for the project which lists the project participants and consultants and identifies the management structure and responsibilities.

3. BIDDER EXPERIENCE

In the case where a bid contains a proposal to develop a new project or expand an existing project -please describe the status-types of agreements necessary for successful project development and identify the status of all activities necessary to either fully develop and/or implement the project, such as negotiations for partnership agreements, equipment supplier agreements, and EPC agreements, fuel supply agreements, if applicable, permitting, financing, etc. Provide documentation regarding the contractual relationship between the Bidder and any vendor. Indicate the status of any arrangements between the Bidder and vendor regarding the above agreements or any other agreements. **Any and all contingencies must be described in detail.**

If the Bidder cannot demonstrate to the Company's reasonable satisfaction that the Bidder possesses the requisite expertise and experience in providing or operating the Eligible Resource Alternatives, proposed by the Bidder, the Company, after consulting consultation with the IE, reserves the right to exclude the Bidder from the RFP process.

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~~4. BIDDER CAPABILITY~~

~~Site Description and Control~~

~~Provide the following information:~~

~~If the Bidder cannot demonstrate to the Company's reasonable satisfaction that the Bidder possesses the capability to provide the Eligible Resources, proposed by the Bidder, the Company, after consulting with the IE, reserves the right to exclude the Bidder from the RFP process~~

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~~RFQ 2012 Bid Form~~
~~Appendix B: Bidder's Credit~~
~~Information~~

~~Appendix B~~
~~Credit and Credit Matrix~~~~Bidder's~~
~~Credit Information~~

RFQ Bid Form
Appendix B: Bidder's Credit
Information

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BIDDER'S CREDIT INFORMATION AND CREDIT MATRIX

Please provide the following information ~~so to enable~~ PacifiCorp ~~can to~~ evaluate the financial viability of the Bidder or any entity providing credit assurances on behalf of the Bidder.

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.

Fiscal Year End:

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 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 to provide credit assurances on Bidder's behalf?

G. Bidder should demonstrate their ability (and/or the ability of their 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 their 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 the project is financeable.

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

A. Exact legal name and address of entity 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, letter of credit, etc.). Bidder must provide a letter of commitment from the entity 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.

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C. 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:

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

Fiscal Year End:

E. Pending legal disputes (describe):

F.F. Please state whether entity 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 MATRIX

The Bidder should utilize the Credit Matrix to determine the maximum credit assurance requirements based on its credit rating and the size and type of Eligible Resource Alternative bid. The Bidder will be required to demonstrate the ability to post any required credit assurances in the form of a comfort letter from a proposed guarantor or from a financial institution that would be issuing a Letter of Credit.

The amount of any credit assurances to be provided will be determined based upon:

~~the~~ a) the Credit Rating in the Credit Matrix of either the Bidder or the entity providing credit assurances on behalf of the Bidder, b) the size of the project, and c) the type of Eligible Resource Alternative. The Credit Rating will be the lower of: x) the most recently published senior, unsecured long term debt rating (or corporate rating if a debt rating is unavailable) ~~from~~ 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 PacifiCorp Credit through an internal process review utilizing a proprietary credit scoring model developed in conjunction with S&P a third party. All Bidders will receive a Credit Rating which will determine the Amount of Unsecured Credit maximum value of any credit assurances to be posted. Please note that should a Bidder be an existing counterparty with PacifiCorp, PacifiCorp reserves the right to protect itself from counterparty credit concentration risk and require credit assurance in addition to those outlined in the Credit Matrix.

Credit Appendix B for RFP ~~2012-2014~~

Credit Matrices Notes

- Columns contain mMaximum ~~V~~value of Ccredit Aassurances to be Posted ~~posted~~ for each range of MW for a 2012-2014 13 Resource ~~resource~~
- Based on Size ~~size~~ and Type ~~type~~ of Eligible Resource Alternative ~~Bid~~ bid
- For projects between 5-10 years the amount of credit assurances required may be adjusted.

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RFP 2012

Credit Appendix B for RFP 2012-2013

Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW for a 2012 Resource
Based on Size and Type of Resource Alternative Bid

For Eligible Resource Alternatives 3, 4, 5, 6 and 7

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,929,500
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,801,750	\$29,511,000	\$38,220,250	\$46,929,500
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$10,964,750	\$19,674,000	\$28,383,250	\$37,092,500	\$45,801,750	\$54,511,000	\$63,220,250	\$71,929,500
Below BBB-/Baa3	\$17,418,500	\$26,127,750	\$34,837,000	\$43,546,250	\$52,255,500	\$60,964,750	\$69,674,000	\$78,383,250	\$87,092,500	\$95,801,750	\$104,511,000	\$113,220,250	\$121,929,500

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,929,500
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,801,750	\$29,511,000	\$38,220,250	\$46,929,500
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$10,964,750	\$19,674,000	\$28,383,250	\$37,092,500	\$45,801,750	\$54,511,000	\$63,220,250	\$71,929,500
Below BBB-/Baa3	\$17,418,500	\$26,127,750	\$34,837,000	\$43,546,250	\$52,255,500	\$60,964,750	\$69,674,000	\$78,383,250	\$87,092,500	\$95,801,750	\$104,511,000	\$113,220,250	\$121,929,500

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (NON ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,127,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$68,814,700	\$143,252,400	\$217,690,100	\$292,127,800
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$21,063,900	\$95,501,600	\$169,939,300	\$244,377,000	\$318,814,700	\$393,252,400	\$467,690,100	\$542,127,800
Below BBB-/Baa3	\$148,875,400	\$223,313,100	\$297,750,800	\$372,188,500	\$446,626,200	\$521,063,900	\$595,501,600	\$669,939,300	\$744,377,000	\$818,814,700	\$893,252,400	\$967,690,100	\$1,042,127,800

For Eligible Resource Alternative 11(a)

	For a term of greater than 10 years			
Size of Nameplate bid in MW ==>	Up to 25	26 to 50	51 to 75	76 to 100
Credit Rating				
AAA/Aaa and above	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0
BBB-/Baa3	\$0	\$0	\$0	\$0
Below BBB-/Baa3	\$37,218,850	\$74,437,700	\$111,656,550	\$148,875,400

Note 1: For Eligible Resource 11(a), the amount of credit assurances required in \$/kW equates to \$1,489/kW. Please note that the amount of credit assurances required for this resource type represents an "up to" amount depending on the terms of the curtailment and whether there is an acceptable physical asset behind the agreement.

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Draft RFP

RFQ due November-December X, 2006

RFP 2013

Credit Appendix B for RFP 2012-2013

Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW for a 2013 Resource

Based on Size and Type of Resource Alternative Bid

For Eligible Resource Alternatives 3, 4, 5, 6 and 7

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,287,000	\$29,815,700	\$39,344,400	\$48,873,100	\$58,401,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$19,979,600	\$29,508,300	\$39,037,000	\$48,565,700	\$58,094,400	\$67,623,100	\$77,151,800
BBB-/Baa3	\$0	\$0	\$0	\$10,143,500	\$19,672,200	\$29,200,900	\$38,729,600	\$48,258,300	\$57,787,000	\$67,315,700	\$76,844,400	\$86,373,100	\$95,901,800
Below BBB-/Baa3	\$19,057,400	\$28,586,100	\$38,114,800	\$47,643,500	\$57,172,200	\$66,700,900	\$76,229,600	\$85,758,300	\$95,287,000	\$104,815,700	\$114,344,400	\$123,873,100	\$133,401,800

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,287,000	\$29,815,700	\$39,344,400	\$48,873,100	\$58,401,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$19,979,600	\$29,508,300	\$39,037,000	\$48,565,700	\$58,094,400	\$67,623,100	\$77,151,800
BBB-/Baa3	\$0	\$0	\$0	\$10,143,500	\$19,672,200	\$29,200,900	\$38,729,600	\$48,258,300	\$57,787,000	\$67,315,700	\$76,844,400	\$86,373,100	\$95,901,800
Below BBB-/Baa3	\$19,057,400	\$28,586,100	\$38,114,800	\$47,643,500	\$57,172,200	\$66,700,900	\$76,229,600	\$85,758,300	\$95,287,000	\$104,815,700	\$114,344,400	\$123,873,100	\$133,401,800

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (NON ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51,717,000	\$131,888,700	\$212,060,400	\$292,232,100	\$372,403,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$78,873,600	\$159,045,300	\$239,217,000	\$319,388,700	\$399,560,400	\$479,732,100	\$559,903,800
BBB-/Baa3	\$0	\$0	\$0	\$25,858,500	\$106,030,200	\$186,201,900	\$266,373,600	\$346,545,300	\$426,717,000	\$506,888,700	\$587,060,400	\$667,232,100	\$747,403,800
Below BBB-/Baa3	\$160,343,400	\$240,515,100	\$320,686,800	\$400,858,500	\$481,030,200	\$561,201,900	\$641,373,600	\$721,545,300	\$801,717,000	\$881,888,700	\$962,060,400	\$1,042,232,100	\$1,122,403,800

For Eligible Resource Alternative 11(a)

Size of Nameplate bid in MW ==>	For a term of greater than 10 years			
	Up to 25	26 to 50	51 to 75	76 to 100
Credit Rating				
AAA/Aaa and above	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0
BBB-/Baa3	\$0	\$0	\$0	\$0
Below BBB-/Baa3	\$40,085,850	\$80,171,700	\$120,257,550	\$160,343,400

Note 1: For Eligible Resource 11(a), the amount of credit assurances required in \$/kW equates to \$1,603/kW. Please note that the amount of credit assurances required for this resource type represents an "up to" amount depending on the terms of the curtailment and whether there is an acceptable physical asset behind the agreement.

Note 2: For projects between 5 -10 years the amount of credit assurances required may be adjusted.

[RFP 2012](#)

[Credit Matrices](#)

	PacificCorp				
	Dr				
	RE				
	For				
	Size				76 to 100
	in M				
	Cre				
	AA				\$0
	AA				\$0
	AA/Aa2	\$0	\$0	\$0	\$0
	AA-/Aa3	\$0	\$0	\$0	\$0
	A+/A1	\$0	\$0	\$0	\$0
	A/A2	\$0	\$0	\$0	\$0
	A-/A3	\$0	\$0	\$0	\$0
	BBB+/Baa1	\$0	\$0	\$0	\$0
	BBB/Baa2	\$0	\$0	\$0	\$0
	BBB-/Baa3	\$0	\$0	\$0	\$0
	Below BBB-/Baa3	\$37,218,850	\$74,437,700	\$111,656,550	\$148,875,400

For projects between 5-10 years the credit may be adjusted.

	PacifiCorp			
	Dr			
	RE			

For Eligible Resource B9a)

Size of Nameplate bid in MW ==>	For a term of greater than 10 years			
	Up to 25	26 to 50	51 to 75	76 to 100
Credit Rating				
AAA/Aaa and above	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0
BBB-/Baa3	\$0	\$0	\$0	\$0
Below BBB-/Baa3	\$40,085,850	\$80,171,700	\$120,257,550	\$160,343,400

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- ~~For projects between 5-10 years the credit may be adjusted.~~

RFP 2014 Credit Matrices

For Eligible Resources B3, B4, B5, B6 and B7

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600
Credit Rating											
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$17,606,750	\$28,628,100	\$39,649,450	\$50,670,800	\$61,692,150	\$72,713,500	\$83,734,850	\$94,756,200
BBB/Baa2	\$0	\$0	\$15,960,400	\$26,981,750	\$38,003,100	\$49,024,450	\$60,045,800	\$71,067,150	\$82,088,500	\$93,109,850	\$104,131,200
BBB-/Baa3	\$0	\$14,314,050	\$25,335,400	\$36,356,750	\$47,378,100	\$58,399,450	\$69,420,800	\$80,442,150	\$91,463,500	\$102,484,850	\$113,506,200
Below BBB-/Baa3	\$22,042,700	\$33,064,050	\$44,085,400	\$55,106,750	\$66,128,100	\$77,149,450	\$88,170,800	\$99,192,150	\$110,213,500	\$121,234,850	\$132,256,200

For Eligible Resources B1, B2 and B8 (ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600
Credit Rating											
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$17,606,750	\$28,628,100	\$39,649,450	\$50,670,800	\$61,692,150	\$72,713,500	\$83,734,850	\$94,756,200
BBB/Baa2	\$0	\$0	\$15,960,400	\$26,981,750	\$38,003,100	\$49,024,450	\$60,045,800	\$71,067,150	\$82,088,500	\$93,109,850	\$104,131,200
BBB-/Baa3	\$0	\$14,314,050	\$25,335,400	\$36,356,750	\$47,378,100	\$58,399,450	\$69,420,800	\$80,442,150	\$91,463,500	\$102,484,850	\$113,506,200
Below BBB-/Baa3	\$22,042,700	\$33,064,050	\$44,085,400	\$55,106,750	\$66,128,100	\$77,149,450	\$88,170,800	\$99,192,150	\$110,213,500	\$121,234,850	\$132,256,200

For Eligible Resources B1, B2 and B8

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600
Credit Rating											
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$26,465,750	\$106,758,900	\$187,052,050	\$267,345,200	\$347,638,350	\$427,931,500	\$508,224,650	\$588,517,800
BBB/Baa2	\$0	\$0	\$39,922,600	\$120,215,750	\$200,508,900	\$280,802,050	\$361,095,200	\$441,388,350	\$521,681,500	\$601,974,650	\$682,267,800
BBB-/Baa3	\$0	\$53,379,450	\$133,672,600	\$213,965,750	\$294,258,900	\$374,552,050	\$454,845,200	\$535,138,350	\$615,431,500	\$695,724,650	\$776,017,800
Below BBB-/Baa3	\$160,586,300	\$240,879,450	\$321,172,600	\$401,465,750	\$481,758,900	\$562,052,050	\$642,345,200	\$722,638,350	\$802,931,500	\$883,224,650	\$963,517,800

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For Eligible Resource B9a)

Size of Nameplate bid in MW ==>	For a term of greater than 10 years			
	Up to 25	26 to 50	51 to 75	76 to 100
Credit Rating				
AAA/Aaa and above	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0
BBB-/Baa3	\$0	\$0	\$0	\$0
Below BBB-/Baa3	\$40,146,575	\$80,293,150	\$120,439,725	\$160,586,300

~~For projects between 5-10 years the credit may be adjusted.~~

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~~2012~~

Responses due ~~January~~February, 2007

RFP
~~**2012**~~
Appendix C:
Information Required in Bid
Proposals for each Eligible Resource
Alternative

Appendix C-1: Power Purchase Agreements and Tolling Agreements

Appendix C-1

Power Purchase Agreements and Tolling Agreements

Information Required in Bid Proposals

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. In the event a Bidder is proposing a transaction that does not require the construction of a resource, much of the following information may not apply. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-1.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation, if applicable. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

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

Siting – Bidders are responsible for all construction and coordination with the applicable service provider(s) for any new electrical transmission and fuel transportation facilities

required in response to this RFP. Bidders are responsible for satisfying all zoning and environmental requirements.

Bidders should provide the following information:

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
- Proposed noise levels and description of noise baffles and stack silencing equipment.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.
- Characterization of the area surrounding the site, including a description of local zoning, flood plain information (100 yr. & 500 yr.), existing land use and setting (woodlands, grasslands, agriculture, etc.).
- Information of fish, wildlife and vegetation inhabiting the area of the Project.
- Proximity to nearest endangered or threatened species which could be potentially impacted.
- Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
- Location and distance to population centers which could be impacted.
- Expected site ambient temperature extremes and verification that freeze protection will be provided as necessary.

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

- Proposed new fuel transportation route(s).
- Estimated impact on wetlands (e.g., length of route through wetland).
- Describe land use impacts.
- Descriptions of stream crossings.

- Characterization of the area encompassing the fuel transportation route, including a description of existing land use and setting.

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, PacifiCorp is requesting that Bidders ~~confirm~~conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description including turbine, steam generator, emission control equipment, gasifier, cooling equipment, etc.
- Manufacturers of major equipment
- Model number, serial number and age of any previously owned/operated, or “grey market” equipment
- Type of heat rejection equipment (cooling towers, ponds, Air-Cooled Condenser, etc.)
- Project design elements that have been included for the separation and capture of carbon emissions. Identify feasible options if not included in project design
- Strategy for maintaining environmental compliance
- Source of process and/or cooling water
- Wastewater disposal plan
- Water ~~Balance~~balance
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-1.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Any limits on hours of operation in a particular mode (i.e., combined cycle, duct firing, power augmentation, or combination thereof)
- Any limits on emissions

- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Guarantee and expected degradation curves (kW and heat rate)
- Guaranteed availability and reliability
- Long Term Outage Plan
- Anticipated on-site gas compression, if applicable.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material ~~b~~Balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

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

Section 6 – Other Information

Fuel – Bidders should describe their fuel supply plan and the extent to which they desire to provide fuel and transportation and other fuel-related services, including fuel price management (hedging) or a tolling fee in which PacifiCorp will be responsible for all the fuel and fuel-related costs. PacifiCorp's preference is for proposals that address its need for reliability, management of price risk, and meeting the operations. If the energy cost

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portion of the Bidder's terms includes a fuel cost component, the Bidder shall explain its proposed fuel supply program.

Dispatchability – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested in Exhibit 1 of this Appendix.

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

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EXHIBIT 1 TO APPENDIX C-1

TECHNICAL DATA

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes ____ No ____.

If yes then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

If applicable, maximum ~~Maximum~~ continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Expected startup fuel requirement (MMBtus/Start) for:

Cold Start: _____

Hot Start: _____

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Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to duct firing _____ min.

If applicable, duct firing ramp rate: (MW/Min.) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, power augmentation ramp rate: (MW/Min.) Increase: _____ Decrease: _____

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas or fuel oil consumed through CO: _____ (gas, MMBtus; fuel oil, gallons).

~~Time to transfer from combined cycle to duct firing _____ min.~~

~~Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to power augmentation _____ min.~~

~~Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____~~

~~Anticipated quantity of natural gas consumed through CO: _____ dth.~~

Additional Information

Bidder to provide ~~partial~~ load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-1.1 below:

Table C-1.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20	86						
20	86		On				NA
20	86			On			NA
20	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75	29	On					
75	29		On				NA
75	29			On			NA
75	29		On	On			NA
80	25	On					
90	16	On					
95	15	On					
95	15		On				NA
95	15			On			NA
95	15		On	On			NA
105	11						
105	11	On	On	On			NA

Appendix C-2: ~~Asset Purchase Sale Agreement~~BOT Contract (APSA) Bids

Information Required in Bid Proposals

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-2.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

Build Own Transfer (BOT) Option – Bidders may propose a fixed-price, lump-sum sale of new generation assets to PacifiCorp, either at an existing PacifiCorp site or propose other sites. Such proposals must include the following information in addition to any technical information:

- Markup of Asset Purchase and Sale Agreement (APSA), including appendices.
- ~~Markup of Operation & Maintenance (O&M) Term Sheet (or Bidder form of O&M Agreement)–Quantity and impact of proposed changes are a nonprice factor in selecting Bidders for further discussions.~~
- Amounts and dates of milestone-based payments, including descriptions, required of PacifiCorp.
- Information regarding location and transmission availability.

- Information regarding fuel and transportation availability.
- Capacity on summer design day in compliance with all regulatory requirements.
- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Proposed facilities will only contain “OEM-certified new major equipment”. This being defined as OEM equipment that has not been previously installed or operated and has the same warranties and guarantees as equipment delivered directly from the OEM’s production line, and all reliability and design TILS and/or Service Bulletins have been implemented.

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
- Proposed noise levels and description of noise baffles and stack silencing equipment.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.
- Characterization of the area surrounding the site, including a description of local zoning, flood plain information (100 yr. & 500 yr.), existing land use and setting (woodlands, grasslands, agriculture, etc.).
- Information regarding fish, wildlife and vegetation inhabiting the area of the Project.
- Proximity to nearest endangered or threatened species which could be potentially impacted.

- Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
- Location and distance to population centers which could be impacted.
- Expected site ambient temperature extremes and verification that freeze protection will be provided as necessary.

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

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

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, PacifiCorp is requesting that Bidders ~~confirm~~conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description
- Manufacturers of major equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration

- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-2.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material Balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

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

Section 6 – Other Information –

Fuel – Bidders should describe their fuel supply plan and the extent to which they desire to provide fuel and transportation and other fuel-related services, including fuel price management (hedging) or a tolling fee in which PacifiCorp will be responsible for all the fuel and fuel-related costs. PacifiCorp's preference is for proposals that address its need for reliability, management of price risk, and meeting the Base Load operations. If the

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energy cost portion of the Bidder's terms includes a fuel cost component, the Bidder shall explain its proposed fuel supply program.

Dispatchability – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested in Exhibit 1 of this Appendix.

Section 7 – Contract Terms – The Bidder will provide a comprehensive listing/description of all material modifications to the APSA terms and conditions, including the appendices, and O&M terms and conditions which the Bidder would seek during contract negotiations.

These may include, but are not limited to:

- Items to be provided by the Owner, including a schedule of timing for the provision of these items and impact on Bidder of any delays.
- Land requirements for construction of the facility, including laydown areas
- Laydown plan for construction.
- Commissioning & Startup Plan with Owner's requirements.

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EXHIBIT 1 TO APPENDIX C-2

TECHNICAL DATA (GAS & COAL BASED RESOURCES)

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is — acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes _____ No _____.

If yes, then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

~~Weighted Average Raw Water Consumption is _____ gallons per minute.~~

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define “cold”, “warm”, and “hot starts”, if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

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Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to duct firing _____ min.

If applicable, duct firing ramp rate: (MW/Min.) Increase: _____ Decrease: _____.

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, power augmentation ramp rate: (MW/Min.) Increase: _____ Decrease: _____.

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): _____.

Anticipated quantity of natural gas or fuel oil consumed through CO: _____ (gas, MMBtus; fuel oil, gallons).

~~Time to transfer from combined cycle to duct firing _____ min.~~

~~Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to power augmentation _____ min.~~

~~Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____~~

~~Anticipated quantity of natural gas consumed through CO: _____ dth.~~

Additional Information

Bidder to provide ~~partial~~ load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-2.1 below:

Table C-2.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20*	86						
20	86		On				NA
20	86			On			NA
20*	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75*	29	On					
75	29		On				NA
75	29			On			NA
75*	29		On	On			NA
80	25	On					
90	16	On					
95*	15	On					
95	15		On				NA
95	15			On			NA
95*	15		On	On			NA
105	11						
105	11	On	On	On			NA

- Indicates Water Balance Sheet Required

TECHNICAL DATA
(For Coal-Based Resources)

The following is a preliminary set of information that will be required to evaluate coal-based resources in this category. Additional technical information will be required for shortlisted bidders.

- Expected Gross Output (MW)
- Expected Net Output (MW)
- Expected sources of coal (to the extent possible, identify the specific mines that are expected to be the most likely sources of coal for this plant)
- Steam conditions (main steam throttle pressure, main steam temperature, and hot reheat steam temperature (if applicable))
- Superheater Flow (lbs/hour)
- Reheater Flow (lbs/hour)
- Design condenser pressure (psia)
- Boiler technology (subcritical, supercritical, or fluidized bed)
- Boiler type (wall-fired, corner-fired, fluidized-bed)
- Expected design heat input (MMBtu/hour)
- Complete Boiler and Performance Coal Quality Characteristics Table
- Startup fuel (Natural Gas, Fuel Oil, Other-specify)
- Heat Input Capacity of Start-up Firing System (MMBtu/Hour)
- Capacity of startup fuel on site (gallons)
- Number of coal mills
- Capacity of each coal mill using boiler design coal (tons/hour)
- Storage capacity of each coal silo (tons)
- Forced Draft fans (Number and Size (%))
- Induced Draft fans (Number and Size (%))
- Primary Air fans (Number and Size (%))
- Number of Feedwater Heaters (including de-aerator)
- Materials of construction of Feedwater Heaters
- Materials of construction of main steam turbine condenser
- Flue Gas Desulfurization (FGD) system type
- FGD system reagent (limestone, lime, soda ash, soda liquor, soda ash, other)
- Expected Air Permit SO₂ emissions level (lbs SO₂/MMBtu)
- Plant Design Target SO₂ Emissions level (lbs SO₂ /MMBtu)
- FGD System Reagent Storage Capacity at full load (days of storage)
- NO_x Control Systems
- If NO_x Controls include SCR or SNCR, identify NO_x control reagent (anhydrous ammonia, urea, aqueous ammonia)

- Number of days of storage of NOx control reagent at full load
- Expected air permit NOx emissions level (lbs NOx /MMBtu)
- Expected air permit ammonia slip level (ppmvd @ 3% O2)
- Plant Design Target NOx Emissions level (lbs NOx/MMBtu)
- Particulate Collection Device (Type)
- Expected Permit PM10 emissions level (lbs/MMBtu)
- Plant Design Target PM10 Emissions Level (lbs/MMBtu)
- Mercury removal system type
- Boiler Feed Pumps (number and size (%))
- Boiler Feed Pump Drive (Steam Turbine or Motor)
- Startup Boiler Feed Pump (number and size (%))
- Condensate Pumps (number and size (%))
- Ability to isolate part of main condenser while operating (Yes/No; If Yes, % of full load)
- Station Air Compressors (number and size (%))
- On-site coal storage capacity (days of storage at full load or tons of coal)
- Stack (height, exterior materials of construction, liner type)
- Cooling tower type and design conditions (Design dry bulb and wet bulb temperatures)
- Auxiliary boiler (Pressure (psig) and capacity (lbs/hour)) or Auxiliary steam supply (yes/no)
- Coal delivered by rail (yes/no?)
- On-site trackage for standard unit train (yes/no?)
- Time required to unload unit train (hours)
- Time required to fill coal silos (hours)
- On-site raw water storage tank or pond capacity (gals)
- Water Treatment System:
 - Clarifier (yes/no, size)
 - Reverse osmosis system (yes/no, number of trains, size of each train)
 - Demineralized water system (type, arrangement, size of each train)
- Condensate storage tank capacity (gals)
- Condensate storage tank materials of construction
- Station Facilities (warehouses, administration building, maintenance facilities, etc.)

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Proposed Boiler Design and Performance Coal

	<u>Boiler Design Coal</u>	<u>Performance Coal</u>
<u>Heat Content, AR, Btu/lb</u>		
<u>Moisture, %</u>		
<u>Ash, %</u>		
<u>Sulfur, %</u>		
<u>Volatile Matter, %</u>		
<u>Fixed Carbon, %</u>		
<u>Chlorine, %</u>		
<u>Mercury, ppm</u>		
<u>Mineral Analysis of Ash</u>		
<u>Silicon Dioxide, %</u>		
<u>Aluminum Oxide, %</u>		
<u>Calcium Oxide, %</u>		
<u>Magnesium Oxide, %</u>		
<u>Sodium Oxide, %</u>		
<u>Potassium Oxide, %</u>		
<u>Iron Oxide, %</u>		
<u>Sulfur Trioxide, %</u>		
<u>Phosphorous Pentoxide, %</u>		
<u>Ash Fusion Temperatures</u>		
<u>Softening – Reducing</u>		
<u>Softening - Oxidizing</u>		
<u>Hardgrove Grindability Index</u>		

Initial information requirements for Asset Purchase and Sale Agreement on Bidder's Site – Coal-Based Resource

- Boiler Technology (Subcritical, Supercritical, or Fluidized Bed)
- Boiler Type (Wall-fired, corner fired, fluid bed)
- Expected Design Heat Input (MMBtu/hour)
- Expected Gross Output (MW)
- Expected Net Output (MW)
- Proposed Coal Quality Characteristics (See table)
- Boiler Design Coal quality characteristics (see table)
- Startup Fuel (None, Natural Gas, Fuel Oil, Other)
- Number of Coal Mills
- Capacity of Each Coal Mill with Boiler Design Coal (tons/hour)
- Storage Capacity of each coal silo (tons)
- Forced Draft Fan (Number and Size (%))
- Induced Draft Fans (Number and Size (%))
- Primary Air Fans (Number, Size(%))
- Number of Air Preheaters
- Type of Air Preheater (Bisector, Tri-sector)
- Number of Feedwater Heaters (including de-aerator)
- Materials of Construction for Feedwater Heaters
- Materials of Construction for Main Condenser
- Steam Conditions (main steam throttle pressure, main steam temperature, hot reheat temperature (if applicable))
- Design condenser pressure (psia)
- NOx Controls
- If Selective Catalytic Reduction System, Number of Layers/Number of Spares
- NOx Control Reagent (anhydrous ammonia, urea, aqueous ammonia)
- Number of Days of storage of NOx Control Reagent at full load
- Expected Permit NOx emissions Level (lbs/MMBtu)
- Specification Design Margin for NOx Control Equipment (lbs/MMBtu)
- Particulate Collection Device (Type)
- Flue Gas Desulfurization (FGD) Type
- FGD Reagent (limestone, lime, soda ash, soda liquor, other)
- Expected Permit SO2 emissions level (lbs/MMBtu)
- Specification Design Margin for SO2 (lbs/MMBtu)
- Boiler Feed Pumps (number and size (%))
- Type of Boiler Feed Pump Drive (Steam Turbine or Motor)
- Startup Boiler Feed Pump (number and size (%))

- Condensate Pumps (number and size (%))
- Capacity of Turbine Bridge Cranes
- DA Storage Tank Capacity (minutes)
- Coal Storage (Days of storage)
- FGD System Reagent (Days of storage)
- FGD waste handling
- Cooling tower Type and design conditions (DB and WB)
- Auxiliary boiler (Pressure and Capacity) or Auxiliary steam supply (yes/no)
- Coal Handling and Unloading
- Rail Access
- Condensate Storage Tank Capacity (gals)
- Condensate Storage Tank Materials of Construction

TABLE 1-SS
DESIGN RANGE FUEL ANALYSIS
RAWHIDE

Coal Quality Parameter	Minimum (-2 Std. Dev.)	Typical	Maximum (+2 Std. Dev.)
Proximate Analysis			
% Moisture	30.00	31.00	32.20
% Ash	4.60	5.20	6.00
% Volatile	29.10	30.30	31.50
% Fixed Carbon	32.30	33.50	34.70
Btu/lb	8100	8300	8500
MAF Btu		13004	
Dry Btu		12029	
% Sulfur	0.24	0.36	0.50
Ultimate Analysis (Dry Basis)			
% Moisture			
% Carbon	68.00	69.50	71.00
% Hydrogen	4.40	4.70	5.00
% Nitrogen	0.90	1.00	1.10
% Chlorine	<0.01	<0.01	0.02
% Sulfur	0.35	0.52	0.72
% Ash	6.70	7.50	8.30
% Oxygen	15.30	16.78	18.30
Sulfur Forms			
Pyritic Sulfur (%)	0.03	0.11	0.19
Sulfate Sulfur (%)	<0.01	0.01	0.04
Organic Sulfur (%)	0.28	0.40	0.55
Total Sulfur (%)			
Mineral Analysis of Ash			
% Silicon Dioxide (Silica, SiO ₂)	27.00	31.00	35.00
% Aluminum Oxide (Alumina, Al ₂ O ₃)	11.80	13.80	15.80
% Titanium Dioxide (Titania, TiO ₂)	0.80	1.00	1.30
% Iron Oxide (Ferric Oxide, Fe ₂ O ₃)	4.80	6.30	7.80
% Calcium Oxide (Lime, CaO)	21.80	24.80	28.00
% Magnesium Oxide (Magnesia, MgO)	4.70	6.70	8.70
% Potassium Oxide (K ₂ O)	0.10	0.20	0.30
% Sodium Oxide (Na ₂ O)	1.00	1.50	2.00
% Sulfur Trioxide (SO ₃)	10.00	13.00	16.00
% Phosphorous Pentoxide (P ₂ O ₅)	0.40	0.70	1.00
% Strontium Oxide (SrO)	0.20	0.40	0.60
% Barium Oxide (BaO)	0.40	0.60	0.80
% Undetermined			
Base/Acid Ratio	0.71	0.86	1.01
Base Value			
Acid Value			

TABLE I-5N
DESIGN RANGE FUEL ANALYSIS
BUCKSKIN

Coal Quality Parameter	Minimum	Typical (Wt. Avg.)	Maximum
Ash Fusion Temperatures			
Reducing (°F)			
Initial	2150	2238	2430
Softening (H=W)	2165	2251	2444
Hemispherical (H=1/2W)	2175	2258	2453
Fluid	2197	2277	2464
Fluid-Initial Temp. Difference			
Oxidizing (°F)			
Initial	2085	2189	2397
Softening (H=W)	2114	2206	2415
Hemispherical (H=1/2W)	2122	2212	2441
Fluid	2140	2231	2466
Fluid-Initial Temp. Difference			
Trace Elements			
Mercury (ppm)	<0.01	0.09	0.21
Chlorine (ppm)	94	226	358
Fluorine (ppm)	13.40	24.20	35.00
Hardgrove Grindability Index			
lbs Ash/MM Btu	50	55	62
lbs Sulfur/MM Btu		6.43	
lbs SO ₂ /MM Btu		0.48	

Supplier Triton
 Data Source MEC
 Date 05/17/02
 Type Projected 2002 Quality

Appendix C-3: ~~Engineer Procure Construct (EPC) Contract Bids~~

Information Required in Bid Proposals

PacifiCorp will only entertain EPC contract bids on the ~~two~~Currant Creek sites being offered as part of the RFP. In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-3.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

Engineer Procure Construct (EPC) Contract Option – Bidders may propose a fixed-price, lump-sum EPC contract option, but only for the ~~one two~~PacifiCorp sites currently being offered. Such proposals must include the following information in addition to any technical information:

- Markup of Asset Purchase and Sale Agreement (APSA), including appendices
- Markup of Operation & Maintenance (O&M) Term Sheet (or Bidder form of O&M Agreement). ~~Quantity and impact of proposed changes are a nonprice factor in selecting Bidders for further discussions.~~
- Amounts and dates of **milestone-based** payments, including milestone descriptions, required of PacifiCorp.

- Proposed facilities will only contain OEM-certified “OEM-certified new major equipment”. This being defined as OEM equipment that has not been previously installed or operated and has the same warranties and guarantees as equipment delivered directly from the OEM’s production line, and all reliability and design TILS and/or Service Bulletins have been implemented.

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, PacifiCorp is requesting that Bidders ~~confirm~~conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description
- Manufacturers of major equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Plan for site control
- Site layout description
- Description of technology and configuration

- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-3.1.
- Description of emission control technology, including manufacturer
- Project schedule based on latest Notice to Proceed Date necessary for a June 1, 2012 Substantial Completion Date, listing latest, tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal.
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material ~~b~~Balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

Section 4 – Transmission – Not Applicable to this Appendix.

Section 5 – Environmental and Siting – With the exception of any additional emissions reduction credits that may be required, under ~~Under~~ the EPC proposal, PacifiCorp is exclusively and entirely responsible for meeting and satisfying all federal, state, and local permits, licenses, approvals and/or variances that are required to physical construction and operation of the Facility in accordance with any EPC transaction.

Section 6 – Other Information –

Fuel – Not Applicable to this Appendix

Dispatchability – Not Applicable to this Appendix.

Technical Data – Technical data as requested in Exhibit 1 of this Appendix.

Section 7 – Contract Terms – Bidder shall provide a comprehensive listing/description of all material modifications to the APSA terms and conditions, including the appendices, and the O&M terms and conditions which the Bidder would seek during contract negotiations.

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These may include, but are not limited to:

- Descriptions of items to be provided by the Owner, including a schedule of timing for the provision of these items and impact on Bidder of any delays.
- Land requirements for construction of the facility, including laydown areas
- Laydown plan for construction.
- Commissioning & Startup Plan with Owner's requirements.

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EXHIBIT 1 TO APPENDIX C-3

TECHNICAL DATA

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes _____ No _____.

If yes then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

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Time to transfer from combined cycle to duct firing _____ min.

Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

Time to transfer from combined cycle to power augmentation _____ min.

If applicable, duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

Anticipated Number of Starts per combustion turbine to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas consumed through CO: _____ (MMBtus). Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas consumed through CO: _____ dth.

Additional Information

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table BC-3.1 below:

Table C-3.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20*	86						
20	86		On				NA
20	86			On			NA
20*	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75*	29	On					
75	29		On				NA
75	29			On			NA
75*	29		On	On			NA
80	25	On					
90	16	On					
95*	15	On					
95	15		On				NA
95	15			On			NA
95*	15		On	On			NA
105	11						
105	11	On	On	On			NA

- Indicates Water Balance Sheet Required

Appendix C-4: Existing Asset Purchase (in whole or in part)

Information Required in Bid Proposals

If the Bidder's Proposal is for an interest in an existing facility where PacifiCorp holds an interest, or operates the facility, any information requested under this RFP that would reasonably be expected to already be in the possession of PacifiCorp, may be so stated in the Bidder's response package. If the Bidder's asset is not currently involved with PacifiCorp, the below requirements are to be met as outlined.

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, output capability or performance of a resource. PacifiCorp believes these resource attributes largely consist, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-4.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

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

Ownership Purchase Option – Bidders may propose a sale, either whole or in part, of existing generation assets to PacifiCorp. Such proposals must include the following information in addition to any technical information:

- Ownership percentage and whether a divided or undivided interest
- Amounts and dates of payments required of PacifiCorp.
- Current and projected annual fixed and variable O&M costs associated with the generation facility.
- Any long term service or maintenance agreements, including scope and costs that are in excess of \$25,000 in annual costs. (i.e. CTs, water, O&M, parts, inspections, ash disposal, CEMs)
- Startup costs (i.e., the period of time from when a start is initiated to the time the unit reaches minimum sustainable load)
- Operating Limits – Any limits imposed on the number of startups that may be performed per year or per unit of time. Any limits on the number of hours that a unit may per operated per year or per unit of time. Any annual limits on the number of hours of duct firing or power augmentation.
- Emissions (air, liquid and solid wastes) in pounds per hour per pollutant and/or waste product at 100% load and tons per year of pollutant and/or waste product at a specified capacity factor as selected by the Bidder.
- Annual unit availability and any guaranteed minimum annual availability.
- Information regarding location and transmission.
- Information regarding fuel and transportation.
- Capacity on summer design day in compliance with all regulatory requirements.
- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Terms of remaining warranties and/or guarantees on major equipment.
- Costs to incorporate into PacifiCorp Fleet (Future capital or maintenance).

Significant due diligence may be necessary prior to finalizing any acquisition by PacifiCorp. A list of due diligence items will be provided to a Bidder should they be short-listed.

Siting – Not Applicable to this Appendix.

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

- Air emissions (all criteria pollutants and air toxics), description of emission controls and existing emission offsets
- List of environmental and other regulatory permits
- Water usage quantity, quality and source(s).
- Water discharge quantity and quality, plus water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity and uses.
- Site plans, layouts, elevations and other aspects of the facility.

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

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, PacifiCorp is requesting that Bidders ~~confirm~~ conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description
- Manufacturers of major equipment
- Model number, serial number and age of any previously owned/operated equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-4.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Any limits on hours of operation in a particular mode (i.e., combined cycle, duct firing, power augmentation, or combination thereof)
- Any limits on emissions
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal.

- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material ~~B~~balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Also required is a detailed accounting of ownership interest, whether divided or undivided, in the facility, inventory, spare parts, ongoing agreements, or any continuing obligations resulting from PacifiCorp’s ownership, or acquisition of an interest in the asset. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

Section 5 – Environmental and Siting –Bidder must furnish applicable detailed project site, electric transmission, and fuel transportation information, and a description of all permits, so PacifiCorp can assess site suitability and project viability. The site shall clearly be shown on a United States Geological Survey (USGS) 7.5-minute series map.

Section 6 – Other Information –

Dispatchability – Describe any constraints and/or limitations on PacifiCorp’s ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested [in](#) Exhibit 1 of this Appendix.

Section 7 – Contract Terms – Bidder shall provide a sample purchase and sale agreement outlining the terms and conditions of the proposed acquisition.

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EXHIBIT 1 TO APPENDIX C-4

TECHNICAL DATA

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes ____ No ____.

If yes then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

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~~If applicable, time to transfer from combined cycle to duct firing _____ min.~~

~~If applicable, duct firing ramp rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~If applicable, time to transfer from combined cycle to power augmentation _____ min.~~

~~If applicable, power augmentation ramp rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to duct firing _____ min.~~

~~Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to power augmentation _____ min.~~

~~Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____~~

~~Anticipated quantity of natural gas consumed through CO: _____ dth.~~

Additional Information

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table BC-4.1 below:

Table C-4.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20*	86						
20	86		On				NA
20	86			On			NA
20*	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75*	29	On					
75	29		On				NA
75	29			On			NA
75*	29		On	On			NA
80	25	On					
90	16	On					
95*	15	On					
95	15		On				NA
95	15			On			NA
95*	15		On	On			NA
105	11						
105	11	On	On	On			NA

- Indicates Water Balance Sheet Required

Appendix C-5, IGCC Asset Purchase Sale Agreement (APSA) Bid

Appendix C-5; IGCC Asset Purchase Sale Agreement (APSA) Bid

Integrated Gasification Combined Cycle (IGCC) Resources

Information Required in Bid Proposals

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. Alternatively, the Bidder may select the local temperature and conditions equal to the 2.5% design dry bulb temperature (based on 8,760 hours per year) at the location of the proposed facility for the high temperature performance case. The Bidder will complete Table C-5.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation, as applicable. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

Build Own Transfer (BOT) Option – Bidders may propose a fixed-price, lump-sum sale of new generation assets to PacifiCorp at Bidder's site. Such proposals must include the following information in addition to any technical information:

- Markup of Asset Purchase and Sale Agreement (APSA), including appendices.
- Markup of Operation & Maintenance (O&M) Term Sheet (or Bidder form of O&M Agreement)
- Amounts and dates of milestone-based payments, including descriptions, required of PacifiCorp.
- Information regarding location and transmission availability.
- Information regarding fuel and transportation availability.
- Capacity on summer design day in compliance with all regulatory requirements.
- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Proposed facilities will only contain “Original Equipment Manufactured (OEM)-certified new major equipment” and will consist of the OEMs latest product offerings or models. The equipment shall not have been previously installed or in storage more than six months prior to the expected ship date. All reliability based or design-defect related technical information letters or service bulletins that have been issued by the OEM three months prior to the expected ship date shall be implemented prior to shipment. This requirement is in addition to any other warranties and guarantees that shall be required of the OEM suppliers.

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement for emission offsets.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description.
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.

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

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

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

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, 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 shall state the period under which the terms and conditions of their Proposal will remain effective.

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

- Type of generation equipment and description

- Type and technology owner of the proposed coal gasifiers to be used
- Description of major systems
- Description of coal handling and coal preparation systems for use by the gasifier
- Description of syn-gas and acid-gas cleanup and emission control technologies including manufacturers
- Description of any carbon dioxide capture, drying, and compression capability
- Manufacturers and models of the proposed gas turbines
- Expected degradation curves of the net capacity and net heat rate of the facility as a function of operating hours.
- Manufacturers of the major equipment
- Type of heat rejection and process cooling equipment (cooling towers, ponds, ACC, etc.) and expected raw water requirements of facility
- Source of process and/or cooling water
- Wastewater disposal plan
- Material balances
- Solid waste disposal plans
- Plan for site control
- Site layout description
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-5.1 and Table C-5.2. Bidder may modify these tables to match bidder's overall proposal.
- Gasifier primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of the project implementation plan
- Description of financing plan
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibits 1 and 2 to document some of the technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Design basis for the resource, including size and levels of redundancy for all major process equipment and material handling facilities (i.e. air separation units, gasifiers, major pumps, fans, compressors, storage tanks, mills)
- Description of operation and maintenance plan
- Projected planned outage duration and frequency for each gasifier train, air separation unit, gas turbines, and steam turbines.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

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

Section 6 – Other Information –

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

Dispatchability – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the facility and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested in Exhibits 1 and 2 of this Appendix.

Section 7 – Contract Terms – The Bidder will provide a comprehensive listing/description of all material modifications to the APSA terms and conditions, including the appendices, and O&M terms and conditions which the Bidder would seek during contract negotiations.

These may include, but are not limited to:

- Items to be provided by the Owner, including a schedule of timing for the provision of these items and impact on Bidder of any delays.
- Land requirements for construction of the facility, including laydown areas
- Laydown plan for construction.
 - Commissioning & Startup Plan with Owner's requirements.

EXHIBIT 1 TO APPENDIX C-5

TECHNICAL DATA (IGCC BASED RESOURCES)

Site Location _____

Site Elevation: _____ Feet

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on syn-gas) – New & Clean Condition

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on natural gas or proposed secondary fuel) – New & Clean Condition

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on syn-gas) – Expected degraded condition after 18,000 hours of operation

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on natural gas or proposed secondary fuel) – Expected degraded condition after 18,000 hours of operation

Primary Fuel [Type of coal (bituminous, sub-bituminous, lignite, petcoke, and blend)]

Secondary Fuel (natural gas or fuel oil) _____

Duct Firing Capability (Yes/No) _____ on Syn-gas (Yes/No) _____ on Natural gas (Yes/No) _____ Duct-firing Capacity (MW) _____

Minimum Sustainable Load at above conditions _____ (% of full load)

Automatic Generation Control (AGC) capable: Yes _____ No _____.

If yes, AGC capability range at above conditions is _____ MW to _____ MW.

Number of combustion gas-turbine generators _____

Can the facility be operated with one gas-turbine only on syn-gas? (Yes/No) _____

Manufacturer and Model number of gas-turbine generators _____

Number of Gasifiers _____

Technology Supplier of Gasifier _____

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Type of Gasifier (Oxygen-blown or air-blown, entrained flow, slurry fed or dry feed, radiant cooled, quench, convective) _____

Expected overall annual facility equivalent availability factor on primary fuel only (%) _____

Expected overall annual facility equivalent availability factor on primary fuel and secondary fuel (%) _____

Expected duration of each planned gasifier outage (hours) _____

Expected number of hours of gasifier operation between planned gasifier outages on performance fuel (operating hours) _____

Duration of stored capacity of liquid (or compressed gas) oxygen in event of air separation system outage (hours at full load) _____

Duration of stored capacity of liquid (or compressed gas) nitrogen in event of air separation system outage (hours at full load) _____

Thermal input to each gasifier _____ (MMBtu/hour or tons per hour of design coal or performance coal (specify which))

Gross electrical output of steam turbine generator _____ (MW)

Expected electrical auxiliary load of facility _____ (MW)

Type of gas turbine inlet cooling (evaporative cooling, spray mist evaporative cooling, chillers) _____

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average makeup water consumption is _____ gallons per minute.

Maximum number of starts per day is _____, per month _____, per year _____.

If applicable, maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	<u>Min/Sust.</u>	<u>Full Load</u>
<u>For Cold Start:</u>	_____	_____
<u>For Warm Start:</u>	_____	_____
<u>For Hot Start:</u>	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal ramp rate within operating range: (MW/minute) Increase: _____ Decrease: _____

Emergency ramp rate: (MW/minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle operation (on syngas) to duct firing _____ minutes.

If applicable, time to transfer from combined cycle operation on syngas to combined cycle operation on natural gas (or other secondary fuel) _____ minutes

If applicable, duct firing ramp rate: (MW/Minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, power augmentation ramp rate: (MW/minute) Increase: _____ Decrease: _____

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas or fuel oil consumed to reach CO: _____ (gas, MMBtus; fuel oil, gallons).

Additional Information

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in

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tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-5.1 below:

Table C-5.1 (on Syn-gas)

<u>Ambient Air Temp (Deg °F)</u>	<u>% Relative Humidity</u>	<u>Evaporative Cooler or Chiller (On/Off)</u>	<u>Duct Burners (if Applicable)</u>	<u>Power Aug. If applicable)</u>	<u>Heat Rate (Net), Btus/kWh (HHV)</u>	<u>Net Output (MW)</u>	<u>Min. Load</u>
<u>-10</u>	<u>100</u>						
<u>-10</u>	<u>100</u>		<u>On</u>				<u>NA</u>
<u>0</u>	<u>100</u>						
<u>10</u>	<u>100</u>						
<u>15</u>	<u>84</u>						
<u>20*</u>	<u>86</u>						
<u>20</u>	<u>86</u>		<u>On</u>				<u>NA</u>
<u>20</u>	<u>86</u>			<u>On</u>			<u>NA</u>
<u>20*</u>	<u>86</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>30</u>	<u>75</u>						
<u>40</u>	<u>55</u>						
<u>50</u>	<u>49</u>						
<u>52</u>	<u>46</u>						
<u>52</u>	<u>46</u>	<u>On</u>					
<u>60</u>	<u>40</u>	<u>On</u>					
<u>60</u>	<u>40</u>		<u>On</u>				<u>NA</u>
<u>60</u>	<u>40</u>			<u>On</u>			<u>NA</u>
<u>60</u>	<u>40</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>70</u>	<u>33</u>	<u>On</u>					
<u>75*</u>	<u>29</u>	<u>On</u>					
<u>75</u>	<u>29</u>		<u>On</u>				<u>NA</u>
<u>75</u>	<u>29</u>			<u>On</u>			<u>NA</u>
<u>75*</u>	<u>29</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>80</u>	<u>25</u>	<u>On</u>					
<u>90</u>	<u>16</u>	<u>On</u>					
<u>95*</u>	<u>15</u>	<u>On</u>					
<u>95</u>	<u>15</u>		<u>On</u>				<u>NA</u>
<u>95</u>	<u>15</u>			<u>On</u>			<u>NA</u>
<u>95*</u>	<u>15</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>105</u>	<u>11</u>						
<u>105</u>	<u>11</u>	<u>On</u>	<u>On</u>	<u>On</u>			<u>NA</u>

• Indicates Water Balance Sheet Required

Table C-5.2 (on natural gas or secondary fuel)

<u>Ambient Air Temp (Deg °F)</u>	<u>% Relative Humidity</u>	<u>Evaporative Cooler or Chiller (On/Off)</u>	<u>Duct Burners (if Applicable)</u>	<u>Power Aug. If applicable)</u>	<u>Heat Rate (Net), Btus/kWh (HHV)</u>	<u>Net Output (MW)</u>	<u>Min. Load</u>
<u>-10</u>	<u>100</u>						
<u>-10</u>	<u>100</u>		<u>On</u>				<u>NA</u>
<u>0</u>	<u>100</u>						
<u>10</u>	<u>100</u>						
<u>15</u>	<u>84</u>						
<u>20*</u>	<u>86</u>						
<u>20</u>	<u>86</u>		<u>On</u>				<u>NA</u>
<u>20</u>	<u>86</u>			<u>On</u>			<u>NA</u>
<u>20*</u>	<u>86</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>30</u>	<u>75</u>						
<u>40</u>	<u>55</u>						
<u>50</u>	<u>49</u>						
<u>52</u>	<u>46</u>						
<u>52</u>	<u>46</u>	<u>On</u>					
<u>60</u>	<u>40</u>	<u>On</u>					
<u>60</u>	<u>40</u>		<u>On</u>				<u>NA</u>
<u>60</u>	<u>40</u>			<u>On</u>			<u>NA</u>
<u>60</u>	<u>40</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>70</u>	<u>33</u>	<u>On</u>					
<u>75*</u>	<u>29</u>	<u>On</u>					
<u>75</u>	<u>29</u>		<u>On</u>				<u>NA</u>
<u>75</u>	<u>29</u>			<u>On</u>			<u>NA</u>
<u>75*</u>	<u>29</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>80</u>	<u>25</u>	<u>On</u>					
<u>90</u>	<u>16</u>	<u>On</u>					
<u>95*</u>	<u>15</u>	<u>On</u>					
<u>95</u>	<u>15</u>		<u>On</u>				<u>NA</u>
<u>95</u>	<u>15</u>			<u>On</u>			<u>NA</u>
<u>95*</u>	<u>15</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>105</u>	<u>11</u>						
<u>105</u>	<u>11</u>	<u>On</u>	<u>On</u>	<u>On</u>			<u>NA</u>

EXHIBIT 2 TO APPENDIX C-5

TECHNICAL DATA (IGCC- BASED RESOURCES)

The following is a preliminary set of information that will be required to evaluate coal-based IGCC resources in this category. Additional technical information will be required for short-listed bidders.

- Expected sources of coal or other solid fuels (to the extent possible, identify the specific mines that are expected to be the most likely sources of coal for this facility)
- Steam conditions (main steam throttle pressure, main steam temperature, and hot reheat steam temperature (if applicable))
- Design condenser pressure (psia)
- Expected design heat input (MMBtu/hour) to gasifiers
- Expected design heat input (MMBtu/hour) to gas turbines
- Complete Boiler and Performance Coal Quality Characteristics Table
- If applicable, capacity of startup fuel on site (gallons)
- If secondary fuel is natural gas, is on-site compression of secondary fuel required? (Yes/No) If Yes, design flowrate and outlet operating pressure (SCFM, psig)
- Materials of construction of main steam turbine condenser
- Expected air permit SO₂ gas turbine emissions level (lbs SO₂/MMBtu, based on fuel input to the gasifiers)
- Plant Design Target SO₂ Emissions level (lbs SO₂ /MMBtu, based on fuel input to the gasifiers)
- H₂S removal system technology supplier
- NO_x gas turbine and post-combustion emission controls
- If NO_x controls include use of Selective Catalytic Reduction systems, identify NO_x control reagent (anhydrous ammonia, urea, aqueous ammonia)
- Number of days of storage of NO_x control reagent at full load
- Expected air permit NO_x emissions level (lbs NO_x /MMBtu, based on fuel input to the gasifiers)
- Expected air permit gas turbine NO_x emissions levels (ppmvd @ 3% O₂)
- Expected air permit gas turbine ammonia slip levels (ppmvd @ 3% O₂)
- Plant Design Target NO_x Emissions level (lbs NO_x/MMBtu, based on fuel input to the gasifiers)
- Expected air permit PM₁₀/2.5 emissions level (lbs/MMBtu)
- Plant Design Target PM₁₀ Emissions Level (lbs/MMBtu)

- Mercury removal system type
- Expected mercury removal efficiency (%)
- Identify any other major sources of regulated emissions (Identify source, type of emissions (SO₂, H₂S, NO_x, CO, PM), and emissions rates in lbs/hour for each pollutant):
 - _____
 - _____
- Boiler Feed Pumps (number and size (%))
- Condensate Pumps (number and size (%))
- Ability to isolate part of main condenser while operating (Yes/No; if Yes, % of full load)
- Station Air Compressors (number and size (%))
- On-site coal storage capacity (days of storage at full load, or tons of fuel)
- _____
- Stack height (feet)
- Main cooling tower type (mechanical draft, counterflow, cross-flow, air cooled condenser, hybrid, etc.), design conditions (Design dry bulb and wet bulb temperatures)
- Water system design cycles of concentration for cooling towers
- Expected makeup flow rate to Main Cooling Tower (GPM)
- Auxiliary Cooling Tower makeup flow rates
 - Air Separation unit Cooling Tower makeup flow rate (GPM)
 - Auxiliary Cooling Tower makeup flow rate (GPM)
- Auxiliary boiler (pressure (psig) and capacity (lbs/hour))
- Coal delivery capability by rail (yes/no)
- On-site trackage for standard unit train (yes/no)
- Time required to unload unit train (hours)
- On-site raw water storage tank or pond capacity (gals)
- Water Treatment System:
 - Clarifier (yes/no, size)
 - Reverse osmosis system (yes/no, number of trains, size of each train)
 - Demineralized water system (type, arrangement, size of each train)
- _____
- Condensate storage tank capacity (gals)
- Condensate storage tank materials of construction
- Station Facilities (warehouses, administration building, boiler feed pump buildings, water treatment buildings, extent of main gas and main steam turbine buildings, paint and lubricant storage facilities, maintenance facilities, etc):

Proposed Gasifier Design and Performance Coal

	<u>Gasifier Design Fuel</u>	<u>Gasifier Performance Fuel</u>
<u>Heat Content, AR, Btu/lb</u>		
<u>Moisture, %</u>		
<u>Ash, %</u>		
<u>Sulfur, %</u>		
<u>Volatile Matter, %</u>		
<u>Fixed Carbon, %</u>		
<u>Chlorine, %</u>		
<u>Mercury, ppm</u>		
<u>Mineral Analysis of Ash</u>		
<u>Silicon Dioxide, %</u>		
<u>Aluminum Oxide, %</u>		
<u>Calcium Oxide, %</u>		
<u>Magnesium Oxide, %</u>		
<u>Sodium Oxide, %</u>		
<u>Potassium Oxide, %</u>		
<u>Iron Oxide, %</u>		
<u>Sulfur Trioxide, %</u>		
<u>Phosphorous Pentoxide, %</u>		
<u>Ash Fusion Temperatures</u>		
<u>Softening – Reducing</u>		
<u>Softening - Oxidizing</u>		
<u>Hardgrove Grindability Index</u>		

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~~2012~~ RFP
Appendix D: Fuel Supply Form

~~Appendix D~~
~~Fuel Supply Form~~

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Appendix D:

RFP 2012

Fuel Supply Form

Site Location _____

Primary Type of Fuel (Natural Gas, Coal, Other) _____

Primary Source of Fuel _____

Secondary Source of Fuel (if any) _____

Supplier(s) -of Primary Fuel _____

Firm Supply Contract Anticipated? In Place? (Yes) (No) Term _____
_____ years

If yes, please attach the agreements or the general terms and conditions for all fuel source(s).

If no, please provide a detailed plan on how all fuel source(s) will be acquired.

Supplier of Secondary Fuel (if any) _____

Supply Contract Anticipated? (Yes) (No) Term _____ years

Contemplated Natural Gas Transportation:

LDC (if necessary) _____ Firm Transport?
(Yes) (No)
_____ Quantity _____ -decatherms (mmBtu) Term

Pipeline 1 _____
Firm Transport? (Yes) (No)

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Quantity _____ decatherms (mmBtu) Term _____

Pipeline 2 _____ Firm
Transport? (Yes) (No)

Quantity _____ decatherms (mmBtu) Term _____

Please provide plan to support any and all rail arrangements in quantities sufficient to operate the facility at its maximum capacity.

If transportation is not firm, please clarify the contemplated terms for transport.

~~Copy of Coal contract supply Attached (Yes) (No)~~

~~If (No) indicate what the Coal contract strategy will be in you proposal~~

Coal Quality _____

Lime and/or Limestone for Air Quality Control System provided. (Yes) (No)

~~Rail/Truck Transport Coal/Oil~~

Firm 1 _____

Firm 2 _____

Provide ~~any additional~~ -relevant information on ~~the project~~the Proposal.

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RFP-~~2012~~
Appendix E: Officer Certification
Form

~~Appendix E~~
~~Officer Certification Form~~

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Appendix E: Officer Certification Form- Appendix E

The undersigned Bidder executes and submits this form with each Proposal it submits in PacifiCorp's RFP-2012, and hereby certifies in each instance that all of the statements and representations made by it in its proposal are true to the best of the Bidder's knowledge, and agrees to be bound by the representations, terms, and conditions contained in the 2012-RFP. The Bidder accepts the contract attached to the 2012-RFP and indicated therein as applicable to its Proposal, except as specifically noted in writing by Bidder. This proposal is firm and will remain in effect until the later of ~~December February~~ _____, 2008~~10, 2007~~ -or that date which is 300 days after the proposal due date provided in the RFP, as such due date may be extended from time to time by PacifiCorp.

Submitted by:

(Exact legal name of the entity submitting Proposal)

Signature of an authorized officer: _____

Print or type name of officer: _____

Title: _____

Date signed: _____

RFP
Appendix F
SFAS No. 13 Form
Appendix F: SFAS No. 13 Form
[Intentionally Left Blank]

This is an example of the SFAS No. 13 Form.

Each Bidder is required to fill in only the cells that are highlighted in yellow for each Eligible Resource. When you type in the yellow cells it will prompt you for a password, the password is RFP2012. Each Bidder is required to copy the excel spreadsheet and resave it with their bid number and submit it on a CD or Diskette. Appendix F can be downloaded from either PacifiCorp website and or the IE website for Bidders to save on a CD or Diskette. (www.pacificorp.com)

*YELLOW CELLS REQUIRE USER INPUT.

**Please note, the conclusion in cell B28 assumes that the contract has been deemed a lease by EITF 01-08.

***Protected cell(s) password: RFP2009

CAPITAL LEASE IF:							
FAIL	The lease transfers ownership to the lessee by the end of the lease term. "Fail" equates to "No". "Pass" equates to "Yes".						
FAIL	The lease contains a bargain purchase option. "Fail" equates to "No". "Pass" equates to "Yes".						
FAIL	The lease term is equal to 75% or more of the estimated economic life of the leased property, and the beginning of the lease term does not fall within the last 25% of the total economic life of the leased property.						
	Original Economic Plant Life (yrs)	Years into Economic Plant Life	Remaining Economic Plant Life (yrs)	Term of Deal (yrs)	% of Life	Trigger	Test
	35	0	35	20	57%	75%	FAIL
	Beginning of Plant	Ending of Plant	Life (yrs)	Last 25% Date	Beginning of Lease		Test
	6/1/2009	5/31/2044	35	9/1/2035	6/1/2009		FAIL
FAIL	The present value of the minimum lease payments at the beginning of the lease term is 90% or more of the fair value to the lessor less any investment credit retained by the lessor. This requirement cannot be used if the lease's inception is in the last 25% of the useful economic life of the leased asset. The interest rate, used to compute the PV, is the incremental borrowing rate of the lessee unless the implicit rate is available and lower.						
	Percentage of Capacity PMT that is Executory Costs (%)	Cost to Build \$/KW	MW	FMV	\$ PV Minimum Lease Pmts (Non-Executory Costs)	Trigger (90% of FMV)	Test
	25%	\$700	420	\$294,000,000	\$209,583,165	\$264,600,000	FAIL
Designation:							
OPERATING LEASE							

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Appendix G: Bidder Site Control
Form

~~Appendix G~~
~~Bidder Site Control Form~~

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Appendix G:

RFP 2012

Bidder Site Control Form

Project Name: _____

Site Location: _____

Street Address or Nearest Intersection: _____

Acres: _____

Distance to Fuel Supply: _____

Transportation _____

Railway _____

Distance to Water Supply (if not using ACC): _____

Check items that are applicable:

Property is owned by Bidder.

Property is leased by Bidder, with an Option to buy.

▪ Lease/Option Expires: _____

Property is Optioned by Bidder through (date): _____

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▪ Option is Exclusive _____ or Non-Exclusive _____

▪ Option is to Purchase _____ or Lease _____

Site is selected, but not formally secured.

Site will require zoning change as part of permitting process.

APPENDIX G

Bidder Site Control Form Submittals

Bidder shall submit to Buyer drawings, plans, specifications, and other documents necessary to document the design engineering and construction of the Plant and the content of the Work, including but not limited to those items herein listed below. Additionally, Bidder shall submit to the Buyer those drawings, plans, specifications, and other documents as required by the State of Utah or any other regulatory body or agency having authority over the Plant.

Ninety (90) days after the Notice To Proceed, the Bidder shall provide to Buyer a schedule for submittal of such documents, which schedule shall (1) be consistent with the schedule for the Project and (2) provide Buyer with the greatest practicable opportunity to review such documents and make comments thereon within fourteen (14) days from the transmittal date or as mutually agreed upon provided that the comment period does not unduly affect the progress of the Work. Submittals shall be in duplicate.

Engineering Lists

- Equipment List

Engineering Specifications and Drawings

- Plot/Site Plan
- Switchyard Single Line, Three Line and Metering and Protection Design

Construction

- Site Utilization Plan, including laydown

Commissioning and Startup

- System Descriptions
- Performance and Emissions Test Procedures
- Performance Test Results
- Reports Required for Regulatory Compliance

Plans, Manuals, & Reports

- Level 2 Schedule

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- Commissioning Schedule
- Monthly Progress Reports

All specifications and drawings for the Project and submitted by Bidder or Subcontractor to Bidder hereunder shall include the following data:

Name:	PacifiCorp
Project Name:	Buyer's Power Plant
Spec. or drawing number, if applicable: to Provide	Bidder or Subcontractor
Bidder or Subcontractor's name:	Bidder or Subcontractor
Revision Number and Date to Provide	Bidder or Subcontractor

Buyer shall have the right to reasonably request other information and Bidder shall use reasonable efforts to supply this information.

Documents submitted to Buyer are provided for information only. However, if Buyer identifies discrepancies or areas of non-conformance with the Agreement requirements, Buyer has the right to notify Bidder of the discrepancy/non-conformance and require that the document be revised and resubmitted.

Monthly Progress Report

The Monthly Progress Report shall address all aspects of the Plant through ~~the~~ Commercial Operation and shall include, but not be limited to the following:

- (a) An ~~“Executive Summary”~~ containing:
 - A written summary of events and progress accomplished during the previous reporting period.
 - Unresolved Changes.
 - Critical Concerns and Intended Actions.

- (b) ~~A “Schedule Section”~~:
 - Will be updated on a monthly basis and will consider the aforementioned item b. An updated Level 2-time schedule will be provided (paper/electronic). Critical path analysis will also be provided.

- (c) A list of the status of Bidder permits

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RFP ~~2012~~
~~Appendix H~~
~~Construction Coordination Agreement~~
Appendix H: Construction
Coordination Agreement

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CONSTRUCTION COORDINATION AGREEMENT

BETWEEN

PACIFICORP

AND

BIDDER

PacifiCorp

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~~2012~~

Responses due ~~January~~February, 2007

Appendix H: CONSTRUCTION COORDINATION -AGREEMENT

This Construction Coordination Agreement (the “Agreement”) is made and entered into as of the Effective Date (as defined below), by and between PacifiCorp, an Oregon corporation (“PacifiCorp”), and _____, a _____ [limited liability company] (“[NAME]”) (PacifiCorp and [NAME] are individually referred to herein as a “Party” and collectively as the “Parties”).

RECITALS

WHEREAS, PacifiCorp is an investor owned electric utility company subject to regulation by the Public Service Commission of Utah;

WHEREAS, PacifiCorp owns, operates and maintains Unit -1 at its generation facility located in _____, Utah.

WHEREAS, [NAME] desires to construct Unit 2, to be located adjacent to Unit 1-4 at the Facility;

WHEREAS, PacifiCorp and [NAME] have entered into a [Power Purchase Agreement - (“PPA”) / Tolling Services Agreement (“TSA”)] providing for the purchase by PacifiCorp of certain of the energy and capacity generated by Unit 2 following Unit 2’s reaching Commercial Operation;

WHEREAS, there is a need to coordinate the activities of [NAME] and its contractor(s) and subcontractors during construction, testing and commissioning of Unit -2 to avoid potential interference with the operation of Unit -1;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties hereto agree as follows:

ARTICLE I Definitions; Headings

1.1 Definitions

Unless the context shall otherwise require, capitalized terms used in this Agreement shall have the meanings assigned to them in the Glossary of Defined Terms attached hereto as Exhibit -“A”, which also contains rules as to usage that shall be applicable herein.

ARTICLE II

Term and Governing Provisions

2.1 Term.

The Term of this Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to provisions hereof, shall continue in effect until PacifiCorp has accepted the [PPA/TSA] or has achieved Commercial Operation. ~~Date.~~

2.2 Governing Provisions.

As a matter of general priority, in the event of any conflict between the provisions of this Agreement or the [PPA/TSA], the provisions of this Agreement shall govern. Disputes related to the matters to be performed pursuant to this Agreement and not involving the [PPA/TSA] or work performed by or at the direction of the [PPA/TSA], shall nonetheless be governed by Section 15 (“Disagreements”) in the [PPA/TSA].

ARTICLE III

Construction Interfaces

3.1 Construction Control.

[NAME] and its contractors shall be responsible for and have sole control over the construction of Unit -2, except for interconnections with the Common Facilities. [NAME] shall coordinate with PacifiCorp all activities to be performed in connection with the construction, testing and commissioning of Unit 2 pursuant to this Agreement, particularly if such activities may require taking Unit -1 off-line or have a substantial possibility of causing an outage at Unit -1.

[NAME] shall be responsible for erecting a temporary and movable construction fence (the “Construction Fence”) on the Site for the purpose of separating the Unit -2 construction area (the “Construction Area”), which is initially depicted by the cross-hatched area on Exhibit -C attached hereto, from the rest of the Facility, including Unit -1, the switchyard and the Common Facilities. The Construction Fence may be moved and relocated as necessary with the prior written consent of PacifiCorp following the completion of certain phases of construction for the purpose of accessing other areas of the Facility, all as set out in the Project Schedule. During the Term, [NAME] will be in control of the Construction Area and will maintain a separate gate for access to the Construction Area. Prior to the Commercial Operation Date, the Construction Area will be reduced to [NAME]’s staging and laydown area and separate gate, and shall not include any Facilities necessary for operation of Unit -1, Unit -2 or the Common Facilities. Following the Commercial Operation Date [NAME] shall, and shall cause its contractors and subcontractors to, promptly remove all construction materials and equipment from the staging and laydown area, to remove the Construction Fence, and to

erect suitable permanent fencing and related access roads to separate PacifiCorp's facilities from [NAME]'s facilities, all as approved in writing by PacifiCorp.

[NAME] shall at all times utilize and cause its contractors, subcontractors, personnel and other persons allowed at any part of the Facility by [NAME] to utilize only [NAME]'s separate gate to the Construction Area.

3.2 [NAME]'s Access to PacifiCorp's Area.

[NAME] shall provide PacifiCorp with reasonable notice of its need to access PacifiCorp's Area for performance of work activities associated with the Common Facilities. [NAME] and PacifiCorp shall agree on a schedule for the performance of all work activities in PacifiCorp's Area consistent with the Project Schedule. PacifiCorp shall arrange for any safety instruction and workplace policy training deemed appropriate by PacifiCorp for [NAME]'s personnel prior to [NAME]'s personnel being allowed in PacifiCorp's Area. PacifiCorp shall arrange for escorts for [NAME]'s personnel accessing PacifiCorp's Area to the extent PacifiCorp reasonably deems such escorts necessary. In the event [NAME] needs to work on a system that could be used by PacifiCorp for the operation of Unit_1, [NAME] shall provide PacifiCorp with written notice and receive authorization from PacifiCorp that the system has been deactivated before commencing work on the system and [NAME] shall notify PacifiCorp once it completes work on the system so PacifiCorp can inspect and reactivate the system in accordance with PacifiCorp's Tagging and Safety Program.

3.3 PacifiCorp Access to the Construction Area.

At all times prior to the Commercial Operation Date [NAME] shall provide PacifiCorp and PacifiCorp's personnel access to the Construction Area upon PacifiCorp's request. [NAME] and PacifiCorp shall agree on a schedule for the performance of work activities by PacifiCorp's personnel in the Construction Area. PacifiCorp's personnel shall comply with [NAME]'s published safety program requirements while in the Construction Area. [NAME] may arrange for escorts for any PacifiCorp personnel accessing the Construction Area to the extent [NAME] reasonably deems such escorts necessary. The above notwithstanding, PacifiCorp may access the Construction Area without notice for the purpose of carrying out activities required for the operation of Unit 1 or responding to an Emergency.

3.4 Project Schedule_ and Coordination of PacifiCorp Support.

[NAME] shall (a) schedule all activities that will require or may result in the shutdown of or inability to dispatch Unit 1, and all work activities performed on or affecting the Common Facilities in accordance with the Project Schedule, (b) notify PacifiCorp in writing of such schedule(s) at the earliest practicable time, and (c) update such schedules in writing as necessary. [NAME] shall not undertake the foregoing Work activities until

PacifiCorp has agreed in writing with such schedule and plan for performing the identified work.

3.5 Unit-1 and PacifiCorp's Area Control.

PacifiCorp shall have sole control over the operation of Unit 1 and the remainder of PacifiCorp's Area at all times.

3.6 Restrictions During Construction.

- (a) Except as otherwise provided in this Agreement, [NAME] shall perform or cause to be performed all construction activities with respect to Unit-2 in a manner that will avoid interference with PacifiCorp's operation of Unit-1.
- (b) [NAME] shall restrict construction workers and other personnel not employed by PacifiCorp from access to PacifiCorp's Area except as authorized in advance by PacifiCorp's Representative. Upon the reasonable request of [NAME], PacifiCorp shall authorize access to PacifiCorp's Area for the purpose of undertaking activities necessary to integrate Unit-2 into the Common Facilities, and after the Substantial Completion Date to perform any work activities required under the [PPA/TSA], in accordance with the Project Schedule and the work plan required under Section 3.4 above.

3.7 Transportation Routes and Lay-Down Areas.

[NAME] shall designate adequate transportation routes and lay-down areas for the construction work and materials for Unit-2, and, prior to commencing construction obtain PacifiCorp's written approval of all such proposed routes and laydown areas. In granting its approval PacifiCorp shall not be deemed to have recommended or confirmed the adequacy or suitability of such routes and laydown areas, and shall have no liability with respect to [NAME]'s selection of, use of or inability to use such routes and laydown areas.

3.8 Employee Discipline.

[NAME] shall adopt and enforce policies for disciplining construction employees if the employees' actions affect or are likely to affect Unit-1 or the Common Facilities other than as provided in the work plan and in Section 3.4 above. Any construction employee found to have violated PacifiCorp's security requirements regarding escorting and physical access to certain PacifiCorp's Areas described in the attached Exhibit "D" shall, at the request of PacifiCorp be assigned to work outside PacifiCorp's Area and shall be disciplined to the full extent permissible under [NAME]'s project labor agreement (if any), including without limitation terminated at PacifiCorp's request.

3.9 Security and Safety Requirements.

In addition to the requirements of [PPA/TSA] [NAME] shall, consistent with good and generally accepted construction practices and Prudent Industry Practice, undertake all commercially reasonable efforts to protect any and all parallel, converging and intersecting electric lines and poles, telephone lines and poles, highways, waterways, railroads, sewer lines, natural gas pipelines, drainage ditches, culverts, Unit 1 facilities and any and all property of others related to the Facility, and shall indemnify PacifiCorp from any and all Claims with respect to [NAME]'s actions or failures to act in connection with such facilities and property in connection with the Work.

3.8 Transition from Construction to Operation.

PacifiCorp shall provide oversight and consent of activities necessary for the connection of the Unit-2 systems with the Common Facilities. PacifiCorp shall provide [NAME] and its employees and contractors with reasonable controlled access to all Common Facilities, to enable [NAME] and its contractors to interconnect Unit-2 with the Common Facilities, all in accordance with the Project Schedule provided pursuant to Section 3.4 above, and upon receipt of notice from [NAME].

ARTICLE IV Construction Damage

4.1 Construction Damage.

In the event any activities undertaken in connection with the development, construction, commissioning or testing of Unit 2 cause any physical damage ("Construction Damage") to Unit 1, to the Common Facilities or to any portion of PacifiCorp's Area:

- (a) [NAME] shall be responsible for the full cost of rebuilding, restoring and/or repairing all Construction Damage.
- (b) [NAME] shall promptly, and in any event no later than one (1) day after the date on which the Construction Damage occurred, consult with PacifiCorp regarding the extent of the Construction Damage and possible approaches to remedying the Construction Damage.
- (c) [NAME] shall promptly, and in any event no later than five (5) days after the date on which the Construction Damage occurred, submit to PacifiCorp a detailed written proposal for rebuilding, restoring or replacing, at [NAME]'s expense, such Construction Damage.
- (d) PacifiCorp shall promptly evaluate any proposal submitted by [NAME] for, rebuilding, restoring or replacing, at [NAME]'s expense, such Construction Damage.

- (e) If PacifiCorp determines that [NAME] possesses the demonstrated qualifications and capability to timely perform the remedial actions set out in the proposal, PacifiCorp will cooperate with [NAME] to promptly undertake the rebuilding, restoration or replacement of the Construction Damage set out in the proposal to PacifiCorp's satisfaction, subject to such terms, conditions and restrictions as PacifiCorp may deem appropriate to ensure that the proposed activities comply with PacifiCorp's safety programs and practices and that the remedial actions will not result in further damage or loss of generation with respect to Unit 1 operations.
- (f) If PacifiCorp concludes that [NAME] lacks the demonstrated qualifications and capability or otherwise is not in a position to timely perform the remedial actions set out in the proposal, if [NAME] does not agree with PacifiCorp's terms, conditions and restrictions described in paragraph (d) above, or if [NAME] does not promptly undertake such remedial actions, then PacifiCorp shall be entitled to promptly commence repairs to any Construction Damage to Unit_1, the Common Facilities or other portion of the PacifiCorp Area at [NAME]'s sole expense.
- (g) In the event that [NAME] does not reimburse PacifiCorp for any cost of rebuilding, restoration or replacement activities related to the Construction Damage incurred by PacifiCorp (including without limitation the reasonable cost of PacifiCorp's consultants and internal personnel and resources) within thirty (30) days of PacifiCorp's invoice for the same, then PacifiCorp may set off any amounts owing to PacifiCorp from [NAME] from any payments owed by PacifiCorp to [NAME] under the [PPA/TSA];
- (h) Nothing in this Article IV is intended to be nor shall operate as a limitation on PacifiCorp's right or ability to recover damages from [NAME] pursuant to the [PPA/TSA], this Agreement or otherwise at law or in equity.

ARTICLE V

Shutdowns

5.1 Scheduled Shutdowns of Unit_1.

The Parties recognize that Unit_1 must be temporarily shut down for interconnection of Unit_2 to the Common Facilities and for other defined construction-related activities as identified in the Project Schedule. All scheduled shutdowns shall be scheduled, to the extent possible, during weekends and holiday periods.

IN NO EVENT SHALL ANY SCHEDULED SHUTDOWNS BE SCHEDULED DURING THE MONTHS OF JUNE, JULY, AUGUST OR SEPTEMBER, except and to the extent that Unit 1 has scheduled maintenance outages scheduled during such period.

[NAME] shall schedule and provide to PacifiCorp, at least seven (7)-days prior to any necessary shutdown, written notice of the next upcoming outage and of any proposed changes to the outage periods set out in the Project Schedule.

[NAME] shall coordinate with PacifiCorp to balance the need to reduce these shutdown periods and to utilize other times of economic shutdown of Unit_1 to perform the required work under the [PPA/TSA] with the need to utilize these shutdown periods to perform work activities that have a reasonable probability of causing an unplanned shutdown of Unit 1.

If the Scheduled Shutdown of Unit 1 occurs at a time when Unit 1 is not otherwise scheduled by PacifiCorp to be shutdown and non-dispatchable, then [NAME] shall pay to PacifiCorp Replacement Power Costs calculated in the same manner as set forth in Section 5.2(c) as though the Scheduled Shutdown were an Unscheduled Shutdown.

5.2 Unscheduled Shutdowns of Unit_1.

- (a) [NAME] shall be responsible for conducting its development, construction, commissioning, testing and startup activities in a manner that minimizes the impact of Unit_-2 construction on the operation of Unit_1.
- (b) In the event activities performed by [NAME] or its contractors causes Unit_-1 to experience an unscheduled shutdown or loss of power generation capability (each an "Unscheduled Shutdown"), [NAME] shall be liable to PacifiCorp for all damages incurred by PacifiCorp in connection with such Unscheduled Shutdown. Damages associated with an Unscheduled Shutdown shall include, without limitation, (i) -\$12,000, multiplied by the Unit 1 OEM's equivalent start ratio for the affected unit(s) per Unscheduled Shutdown occurrence, (ii) the cost of all physical damage to any Unit 1 equipment that is demonstrated to have occurred due to the Unscheduled Shutdown, and (iii) the cost of replacement power ("Replacement Power Costs") for the period of the Unscheduled Shutdown.
- (c) Replacement Power Costs shall be calculated as follows, and shall be payable whether or not PacifiCorp actually purchases replacement power for the applicable period as liquidated damages for the lost generation portion of damages only:

- (i) If an Unscheduled Shutdown occurs during work scheduled pursuant to Section 5.2(e)(i) while Unit_1 is operating, replacement power costs shall be calculated as the product of **(1) the Dow Jones SP15 Daily Firm On-Peak Index for the day of delivery, expressed in \$/MWh, multiplied by (2) the provided Hourly Scalar for each hour, multiplied by (3) the loss factor of 1.112, plus (4) the basis of \$13/MWh** during each hour or portion of hour of the Unscheduled Shutdown, **minus** (5) Unit_1's incremental cost of generating power (i.e., the product of a given plant's then effective net heat rate multiplied by midpoint of the Kern River, Opal Plant Platt's Daily Gas Index at the time of the Unscheduled Shutdown expressed in units of \$/mmBtu)

_____ = Market Price – Incremental Cost

Replacement Power = (1x2x3+4)-5

- (d) After an Unscheduled Shutdown of Unit_1, any such future work that is to be performed by [NAME] or its contractors of the same or similar nature to that which caused the Unscheduled Shutdown shall proceed as follows:

- (i) PacifiCorp and [NAME] shall develop a plan designed to accomplish the necessary work in a manner that will avoid reoccurrence of the Unscheduled Shutdown.

- (ii) Such work plan shall provide that such work may, at PacifiCorp's election:

- (1) be rescheduled to begin within, and end not less than five (5) hours before the end of, a subsequent Off-Peak Hourly Periods, during which Unit_1 may continue to operate; or

- (2) PacifiCorp may elect to schedule a shutdown of Unit_1 during any subsequent Off-Peak Hourly Periods and such work may be performed during such shutdown beginning within, and ending no less than two (2) hours before the end of, such Off-Peak Hourly Periods.

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(e) PacifiCorp shall provide [NAME] with not less than eight (8) hours' advance notice (to be confirmed in writing) of any election to schedule a shutdown of Unit_1 pursuant to Section_5.2(d)(ii)(2).

(f) Nothing in this Article V is intended to be nor shall operate as a limitation on PacifiCorp's right or ability to recover damages from [NAME] pursuant to the [PPA/TSA], this Agreement or otherwise at law or in equity.

5.3 Testing and Initial Firing of Combustion Turbines.

[NAME] shall conduct testing and initial firing of the Unit 2 combustion turbine generator during Off-Peak Hourly Periods.

ARTICLE VI Notices and Miscellaneous Provisions

6.1 Notices, Consents and Approvals

Contact information for notices, requests, demands and other communications required or permitted hereunder is as follows:

if to [NAME], to:

with copies to:

or to such other person or address as [NAME] shall furnish to PacifiCorp;

if to PacifiCorp, to:

PacifiCorp
825 NE Multnomah, Suite 600
Portland, Oregon 97232-2315
Attn: _____

Tel: _____

Fax: _____

with copies, in connection with default notices, to:

or to such other person(s) or address(es) as PacifiCorp furnishes to [NAME] from time to time.

All notices, including, acceptances, consents, approvals, agreements, deliveries of information, designations, requests, demands and other communications required or permitted hereunder shall be in writing, properly addressed as provided in paragraph (a) above, and given by (i) hand delivery, (ii) a national overnight courier service, (iii) confirmed facsimile transmission, followed by a hard copy, or (iv) certified or registered mail, return receipt requested, and postage prepaid. Any such notice or other communication shall be deemed to have been duly given as of the date delivered if by hand delivery, national overnight courier service or confirmed facsimile transmission (provided a hard copy promptly follows by other means provided herein), or five (5) calendar days after mailing if by certified or registered mail.

6.2 Entire Agreement

This Agreement contains the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, of the Parties relating to the subject matter hereof. Any oral or written representation, warranty, course of dealing or trade usage not contained or referenced herein shall not be binding on either Party.

6.3 Amendment; Waiver

No amendment or other modification of any provision of this Agreement shall be valid or binding unless it is signed by each of the Parties. No waiver of any provision of this Agreement shall be valid or binding unless it signed by the Party waiving compliance with such provision. No delay on the part of either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver or any partial exercise of any such right, power or privilege preclude any further exercise thereof or the exercise of any other such right, power or privilege. No waiver of any breach, term or condition of this Agreement by any Party shall constitute a subsequent waiver of the same or any other breach, term or condition.

6.4 Successors and Assigns

Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the Parties hereto and, to the extent permitted by this Agreement, their respective successors and assigns.

6.5 Third Party Beneficiaries

The provisions of this Agreement shall only be for the benefit of, and enforceable by, the Parties hereto and shall not inure to the benefit of or be enforceable by any third party.

6.6 Severability

In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

6.7 Further Assurances

Each Party shall, at the request of the other, execute and deliver or cause to be executed and delivered such documents and instruments not otherwise specified herein, and take or cause to be taken all such other reasonable actions, as may be necessary or desirable to more fully and effectively carry out the intent and purposes of this Agreement.

6.8 Publicity

Except as required by law, [NAME] agrees that they will not issue or release for external publication any press release, article, advertising or other publicity matter in any form (including print, electronic, or interview) relating to the Project, or to this Agreement without first consulting with and obtaining the prior consent of PacifiCorp, which consent shall not be unreasonably withheld or delayed. Except as required by law, PacifiCorp agrees that it will not issue or release for external publication any press release, article, advertising or other publicity matter in any form (including print, electronic, or interview) relating to this Agreement without first consulting with and obtaining the prior consent of [NAME], which consent shall not be unreasonably withheld or delayed. To the extent reasonably possible, the releasing Party will accommodate the concerns of the other Party. This requirement does not, however, restrict [NAME] from identifying its involvement in the Project in its marketing of products and services to others.

6.9 Independent Contractor

[NAME] is an independent contractor with respect to the Work, and each part thereof, and in respect of all work to be performed hereunder. Neither [NAME], the contractor, nor any subcontractor, the employees of any of such entities, employed in connection with the work shall be deemed to be agents, representatives, joint ventures, employees or servants of PacifiCorp by

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reason of their performance hereunder or in any manner dealt with herein. Neither Party shall perform any act or make any representation to any Person to the effect that [NAME], nor any of its agents, representatives, the contractor or subcontractors, is the agent of PacifiCorp.

6.10 Survival

The provisions of Article 4 (“Construction Damage”), Article 5 (“Shutdowns”), and Sections 2.2 (“Governing Provisions”), 3.1 (“Construction Control”), 3.3 (“PacifiCorp Access to the Construction Area”), 3.9 (“Security and Safety Requirements”), 6.9 (“Independent Contractor”) and 6.11 (“Governing Law; Waiver of Jury Trial”) of this Agreement shall survive the expiration or earlier termination of this Agreement indefinitely, provided that the foregoing enumeration shall not be interpreted to bar survival of any other provision hereof which would otherwise be deemed to survive by operation of law.

6.11 Governing Law; Waiver of Jury Trial

THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH (WITHOUT GIVING EFFECT TO THE PRINCIPLES THEREOF RELATING TO CONFLICTS OF LAW).

EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR ANY MATTER ARISING HEREUNDER OR THEREUNDER. EACH PARTY HEREBY WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR ANY MATTER ARISING HEREUNDER OR THEREUNDER IN WHICH A JURY TRIAL HAS NOT OR CANNOT BE WAIVED.

6.12 Counterparts

This Agreement may be executed by the Parties in two or more separate counterparts (including by facsimile transmission), each of which shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

6.13 Captions

The captions for Articles and Sections- contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained herein.

6.14 Costs and Expenses.

All Parties have jointly drafted this Agreement. Presumptions regarding the interpretation of documents against the persons drafting same shall not apply to this Agreement. Each Party hereto will pay all costs and expenses incident to its negotiation and preparation of this Agreement and, except as set forth herein, to its performance and compliance with all agreements and conditions contained herein on its part to be performed or complied with, including the fees, expenses and disbursements of its counsel and accountants. In the event of default hereunder, the Parties agree that the defaulting Party shall pay the fees, expenses and disbursements of counsel for the non-defaulting Party in enforcing this Agreement.

6.14 No Waiver.

Except as otherwise provided herein, no provision of this Agreement may be waived except in writing. No failure by either Party to exercise, and no delay in exercising, any right, power, or remedy under this Agreement shall operate as a waiver thereof. Any waiver at any time by a Party of its right with respect to default under this Agreement, or the respect to other matter arising in connection therewith, shall not be deemed a waiver with respect to any subsequent default or matter.

6.15 Liquidated Damages.

TO THE EXTENT ANY PAYMENT REQUIRED TO BE MADE UNDER THIS AGREEMENT IS AGREED BY THE PARTIES TO CONSTITUTE LIQUIDATED DAMAGES, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE AND THAT SUCH PAYMENT CONSTITUTES A REASONABLE APPROXIMATION OF SUCH DAMAGES, AND NOT A PENALTY.

6.16 Limitation of Liability.

BUYER SHALL NOT BE LIABLE TO SELLER FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE UNDER OR IN CONNECTION WITH THIS AGREEMENT.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

By [NAME]:

Title:

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By:

Title:

- (13) “Facility” or “Facilities” shall mean Unit 1, Unit 2 and the Common Facilities, and all energy producing equipment and auxiliary equipment, fuel storage and handling facilities and equipment, electrical transformers, interconnection facilities and metering facilities, associated with Unit 1 or Unit 2 as may be required for receipt of fuel and for delivery of electricity, and all other improvements related solely to the Units and located on the Site.
- (14) ~~“~~”Governmental Authority” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county or other political subdivision.
- (15) “NERC” shall mean the North American Electric Reliability Council, and any successor entity.
- (16) “Off-Peak Hourly Period” means those periods of time measured by hours ending 0100 through 0600 and hours ending 2300 through 2400 Monday through Saturday, and all hours on Sunday and NERC Holidays.
- (17) “PacifiCorp” shall have the meaning set forth in the Recitals.
- (18) “PacifiCorp’s Area” shall have the meaning given to it in Section ~~3.2~~3.2 of this Agreement.
- (19) “Party” shall have the meaning given to it in the Recitals of this Agreement.
- (20) “Performance Testing” shall have the meaning given to it in the [PPA/TSA].
- (21) “Person” means any individual, partnership, limited liability company, joint venture, corporation, trust, unincorporated organization or Governmental Authority.
- (22) ~~“~~”Prudent Industry Practice” shall have the meaning given to it in the [PPA/TSA].
- (23) “Project Schedule” shall mean a detailed schedule setting forth milestones for key stages of the construction, testing and commissioning of Unit 2, including without limitation provisions regarding necessary interfaces with the Common Facilities, provided by [NAME] to PacifiCorp and updated to reflect material changes in such schedule from time to time.
- (24) “Replacement Power Costs” shall have the meaning given to it in Section 5.2(b) of this Agreement.
- (25) “Shutdown Periods” shall have the meaning given to it in Section ~~6.1~~6.1 of this Agreement.
- (26) “Site” means the real property on which the Facilities are located.
- (27) “Tagging and Safety Program” shall mean that tagging and safety program in effect and maintained by PacifiCorp at the Facility from time to time and provided to [NAME].

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EXHIBIT ~~B~~
TO
CONSTRUCTION COORDINATION AGREEMENT

Common Facilities

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EXHIBIT ~~C~~
~~-CONSTRUCTION COORDINATION AGREEMENT~~

Site Plan Designation of Construction Area

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EXHIBIT ~~D~~
~~-CONSTRUCTION COORDINATION AGREEMENT~~

Security Requirement

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ATTACHMENTS

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~~Attachment 1~~

**~~Company Benchmark Base Load
Resource By Year Over The Term~~**

**Attachment 1: Company Benchmark
Base Load Resource By Year Over
The Term**

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2012 COMPANY BENCHMARK BASE LOAD RESOURCE

~~Hunter 4 and~~

Intermountain Power ~~Plant~~Project 3

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~~**2012 COMPANY BENCHMARK
BASE LOAD RESOURCE
Hunter 4 and
Intermountain Power Plant 3**~~

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**PacifiCorp Energy 2012 Benchmark
~~Benchmark 2012~~–340MW Intermountain Power Project Unit 3**

PacifiCorp Energy is participating as a development partner in the construction of the Intermountain Power Project (IPP) Unit 3. IPP Unit 3 has a planned commercial operation date in the summer of 2012. IPP Unit 3 will have a nominal net rating of 900 MW. PacifiCorp Energy has 340 MW (or 37.8%) share of the unit's output. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.

IPP Unit 3 will use super-critical boiler steam turbine technology with expected main steam conditions of 3700 psia and nominal steam temperatures of 1100°F (main steam) and 1100°F (reheat steam). IPP Unit 3 is currently permitted as a hybrid subcritical boiler with expected main steam conditions of 2520 psig and nominal steam temperatures of 1050°F (main steam) and 1050°F (reheat steam). The participants are currently evaluating the use of supercritical boiler design. If the studies confirm that a supercritical design is cost effective and that a change can be made administratively, then the participants will pursue construction on a supercritical design. The boiler will be either tangentially-fired or wall-fired. The boiler combustion system will use low-NOx burners combined with state-of-the-art over-fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler will be equipped with an integral selective catalytic reduction (SCR) system for additional NOx reduction using anhydrous ammonia. Unit 3 will meet a NOx emission limit of 0.07 lb/mmBtu on a 24 hour average basis. The boiler will be totally enclosed. The steam turbine will be a tandem-compound six-flow machine consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.

The unit will be equipped with a state-of-the air quality control system (AQCS) that will include a wet limestone forced-oxidation flue gas desulfurization (FGD) system that will remove a approximately 95% of the sulfur oxides (SO₂) from the boiler flue gas to comply with the air permit allowable emission level of 0.09 lb/mmBtu SO₂ on a 24 hour average basis. The AQCS will also consist of a reverse-air fabric filter (baghouse) for the removal of particulate. The Unit 3 stack will have a minimum height of 712' and will be designed for wet operation.

IPP Unit 3 will be located on the site of the existing Intermountain Power Agency's Intermountain Generating Station that consists of two 900 MW (net) units. Unit 3 will be located next to Unit 2. The Intermountain Generating Station is located in Millard County, Utah. The facility is located approximately 10 miles west of Lynddyl, Utah, off Utah State Highway 132. The site consists of approximately 4,600 acres at an elevation of 4670 feet above sea level. The plant site has both rail and road access for deliveries of

coal. Deliveries by rail are provided by Union Pacific. The design outdoor temperature range is 0°F to 100°F with a design wet bulb temperature of 65°F wet bulb temperature.

IPP Unit 3 will burn predominantly local Utah bituminous coals but will have the capability to burn sub-bituminous coals. Modifications will be made to the existing coal storage piles to facilitate coal blending. Upgrades to the existing coal conveyors and conveyor motor drives will be made to improve fuel loading the units. A new transfer tower and conveyor will be installed for Unit 3. The existing fuel oil storage tanks will be used for startup and stabilization fuel. Additional limestone storage and transfer equipment will be provided for Unit 3.

A mechanical draft cooling tower will provide cooling for Unit 3. Raw water for Unit 3 will be pumped from the existing plant raw water reservoir. The plant reservoir receives makeup water from the DMAD surface reservoir and pipeline system. Additional pumps will be installed at the DMAD reservoir to meet the water requirements of the additional unit. No modifications to the pipeline are expected since the makeup water supply system was sized for 3,000 MW of generation at the site. The existing water treatment equipment will be used to process the additional raw water to meet the needs of the service and cooling water systems. Demineralized water will be provided by the existing demineralized water system. The boiler will be equipped with an on-line condensate polisher. The potable water needs of Unit 3 will be provided by extending the existing potable water system.

The existing fire protection system will be extended and modified to meet the needs of Unit 3.

The Intermountain Power Project is a zero liquid discharge (~~ZLD~~) facility. Cooling tower blowdown will be used as makeup to the FGD system and boiler seals. Excess waste water will be treated with a brine concentrator. High quality effluent from the brine concentrator will be used as makeup to the demineralizer system. Plant sewage is treated in a tile field. Fly ash will be marketed to the extent possible. Bottom ash and unsold fly ash will be land-filled on the plant site.

Site upgrades will include plant roads, site lighting, fencing, security, controls, and communications equipment. Unit 3 will use existing warehouses and shop facilities.

Power from IPP Unit 3 will connect the 345kV IPP AC switchyard. Power from the AC switchyard is connected to IPA's existing 345 kV Northern Transmission System which connects directly to PacifiCorp's Mona substation.

PacifiCorp Energy 2012 Benchmark

2012 Company Benchmark 600MW at Hunter Unit 4

PacifiCorp Energy's planned 2012 benchmark is the addition of a 4th Unit at the Hunter Plant with a nominal net rating of 600 MW. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.

Hunter Unit 4 will employ supercritical boiler-steam turbine technology with main steam conditions of 3600 psig and a nominal steam temperatures of 1050°F (main steam) and 1100°F (reheat steam). The boiler itself will be either tangentially fired or wall fired. The boiler combustion system will use low NOx burners combined with state-of-the-art over fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler will be equipped with an integral selective catalytic reduction (SCR) system for additional removal of NOx using aqueous ammonia. The boiler construction will be outdoor with at least 75% sided. The steam turbine will consist of a multi-casing design consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.

The unit will be equipped with a state-of-the-air quality control system (AQCS) that will include a lime-based wet flue gas desulfurization (FGD) system that will remove a minimum of 95% of the sulfur oxides (SO₂) from the boiler flue gas. The AQCS will also consist of a pulse-jet fabric filter (baghouse) for the removal of ash. The Unit 4 stack will be designed and constructed to good engineering practices with a stack height of no less than the height of the existing stacks (600').

Hunter Unit 4 will be located at the Hunter Plant. The Hunter Plant is a three unit coal-fired power plant located in Emery County, Utah. The facility is located on State Highway 10 approximately 3 miles south of Castle Dale, Utah. The site consists of about 1000 acres at an elevation of 5644 feet above sea level. The nearest railroad access is the Utah Railway Company which is 20 miles from the plant by paved road. The design outdoor temperature range is -10F to 100F with a design 64F wet bulb temperature.

Hunter Unit 4 will burn predominantly local Utah bituminous coals but will have the capability to also burn Wyoming coals. Coal storage and handling facilities will be added to provide for up to 45 days of storage and coal blending. The existing fuel oil storage tanks will be used for startup and stabilization fuel.

A cross-flow or counter-flow cooling tower will provide cooling for the unit. Raw water for Unit 4 will be pumped from the existing raw basin southeast of the plant site. This basin receives makeup water from a surface reservoir and pipeline system. Water treatment equipment will be installed to process the raw water to meet the needs of the various process needs of the boiler and cooling systems. The Unit 4 demineralized water tie in

~~point will be at the existing Unit 3 demineralized water tank. The boiler will be equipped with an on-line condensate polisher to meet the high quality water standards necessary for a supercritical boiler. The Unit 4 potable water will be tied into the existing Unit 3 potable water tank. Potable water is piped from the city of Castle Dale.~~

~~The existing fire protection system will be extended and modified. Some fire protection piping will be demolished and replaced with new fire protection piping where it interferes with the construction of Unit 4.~~

~~The Hunter Plant is a zero liquid discharge (ZLD) plant. Cooling tower blowdown will be used as makeup to the FGD system and ash handling systems. The balance of the water is evaporated from a pond or used for irrigation of hay crops. Plant sewage is treated and discharged to the evaporation pond. Bottom ash and fly ash will be land-filled on the plant site.~~

~~Site upgrades will include new warehouse facilities, plant roads, site lighting, fencing, security, and communications equipment.~~

~~Power from Hunter Unit 4 will connect into existing 345 kV transmission lines that connect to the Camp Williams substation, Huntington substation, and the Sigurd substation. An evaluation is in process to determine the need to add transmission lines to avoid generator tripping in the event of multiple transmission line outages.~~

**PacifiCorp Energy 2012
Benchmark 2012 -340MW Intermountain Power Project Unit 3**

~~PacifiCorp Energy is participating as a development partner in the construction of the Intermountain Power Project (IPP) Unit 3. IPP Unit 3 has a planned commercial operation date in the summer of 2012. IPP Unit 3 will have a nominal net rating of 900 MW. PacifiCorp Energy has 340 MW (or 37.8%) share of the unit's output. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.~~

~~IPP Unit 3 is currently permitted as a hybrid subcritical boiler with expected main steam conditions of 2520 psig and nominal steam temperatures of 1050°F (main steam) and 1050°F (reheat steam). The participants are currently evaluating the use of supercritical boiler design. If the studies confirm that a supercritical design is cost effective and that a change can be made administratively, then the participants will pursue construction on a supercritical design. The boiler will be either tangentially fired or wall fired. The boiler combustion system will use low NOx burners combined with state-of-the-art over fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler~~

~~will be equipped with an integral selective catalytic reduction (SCR) system for additional NO_x reduction using anhydrous ammonia. Unit 3 will meet a NO_x emission limit of 0.07 lb/mmBtu on a 24-hour average basis. The boiler will be totally enclosed. The steam turbine will be a tandem-compound six-flow machine consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.~~

~~The unit will be equipped with a state-of-the-air quality control system (AQCS) that will include a wet limestone forced-oxidation flue gas desulfurization (FGD) system that will remove a approximately 95% of the sulfur oxides (SO₂) from the boiler flue gas to comply with the air permit allowable emission level of 0.09 lb/mmBtu SO₂ on a 24 hour average basis. The AQCS will also consist of a reverse air fabric filter (baghouse) for the removal of particulate. The Unit 3 stack will have a minimum height of 712' and will be designed for wet operation.~~

~~IPP Unit 3 will be located on the site of the existing Intermountain Power Agency's Intermountain Generating Station that consists of two 900 MW (net) units. Unit 3 will be located next to Unit 2. The Intermountain Generating Station is located in Millard County, Utah. The facility is located approximately 10 miles west of Lynddyl, Utah, off Utah State Highway 132. The site consists of approximately 4,600 acres at an elevation of 4670 feet above sea level. The plant site has both rail and road access for deliveries of coal. Deliveries by rail are provided by Union Pacific. The design outdoor temperature range is 0°F to 100°F with a design wet bulb temperature of 65°F wet bulb temperature.~~

~~IPP Unit 3 will burn predominantly local Utah bituminous coals but will have the capability to burn sub-bituminous coals. Modifications will be made to the existing coal storage piles to facilitate coal blending. Upgrades to the existing coal conveyors and conveyor motor drives will be made to improve fuel loading the units. A new transfer tower and conveyor will be installed for Unit 3. The existing fuel oil storage tanks will be used for startup and stabilization fuel. Additional limestone storage and transfer equipment will be provided for Unit 3.~~

~~A mechanical draft cooling tower will provide cooling for Unit 3. Raw water for Unit 3 will be pumped from the existing plant raw water reservoir. The plant reservoir receives makeup water from the DMAD surface reservoir and pipeline system. Additional pumps will be installed at the DMAD reservoir to meet the water requirements of the additional unit. No modifications to the pipeline are expected since the makeup water supply system was sized for 3,000 MW of generation at the site. The existing water treatment equipment will be used to process the additional raw water to meet the needs of the service and cooling water systems. Demineralized water will be provided by the existing demineralized water system. The boiler will be equipped with an on-line condensate polisher. The potable water needs of Unit 3 will be provided by extending the existing potable water system.~~

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~~The existing fire protection system will be extended and modified to meet the needs of Unit 3.~~

~~The Intermountain Power Project is a zero liquid discharge (ZLD) facility. Cooling tower blowdown will be used as makeup to the FGD system and boiler seals. Excess waste water will be treated with a brine concentrator. High quality effluent from the brine concentrator will be used as makeup to the demineralizer system. Plant sewage is treated in a tile field. Fly ash will be marketed to the extent possible. Bottom ash and unsold fly ash will be land-filled on the plant site.~~

~~Site upgrades will include plant roads, site lighting, fencing, security, controls, and communications equipment. Unit 3 will use existing warehouses and shop facilities.~~

~~Power from IPP Unit 3 will connect the 345kV IPP AC switchyard. Power from the AC switchyard is connected to IPA's existing 345 kV Northern Transmission System which connects directly to PacifiCorp's Mona substation.~~

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**2013 COMPANY BENCHMARK
BASE LOAD RESOURCE**

~~BRIDGER 5~~ Hunter 4

or

IGCC Jim Bridger

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PacifiCorp Energy ~~2012-2013~~ Benchmark Option
~~2012 Company Benchmark 600MW-575 MW~~ at Hunter Unit 4

One of PacifiCorp Energy's ~~planned 2012-2013~~ benchmark options is the addition of a 4th Unit at the Hunter Plant with a nominal net rating of ~~600-575~~ MW. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.

Hunter Unit 4 will employ supercritical boiler-steam turbine technology with main steam conditions of at least 3600 psig and a nominal steam temperatures of 1050°F (main steam) and 1100°F (reheat steam). The boiler itself will be either tangentially-fired or wall-fired. The boiler combustion system will use low-NOx burners combined with state-of-the-art over-fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler will be equipped with an integral selective catalytic reduction (SCR) system for additional removal of NOx using aqueous ammonia. The boiler construction will be outdoor with at least 75% sided. The steam turbine will consist of a multi-casing design consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.

The unit will be equipped with a state-of-the air quality control system (AQCS) that will include a lime-based wet flue gas desulfurization (FGD) system that will remove a minimum of 95% of the sulfur oxides (SO₂) from the boiler flue gas. The AQCS will also consist of a pulse-jet fabric filter (baghouse) for the removal of ash. The Unit 4 stack will be designed and constructed to good engineering practices with a stack height of no less than the height of the existing stacks (600').

Hunter Unit 4 will be located at the Hunter Plant. The Hunter Plant is a three unit coal-fired power plant located in Emery County, Utah. The facility is located on State Highway 10 approximately 3 miles south of Castle Dale, Utah. The site consists of about 1000 acres at an elevation of 5644 feet above sea level. The nearest railroad access is the Utah Railway Company which is 20 miles from the plant by paved road. The design outdoor temperature range is -10F to 100F with a design 64F wet bulb temperature.

Hunter Unit 4 will burn predominantly local Utah bituminous coals but will have the capability to also burn Wyoming coals. Coal storage and handling facilities will be added to provide for up to 45 days of storage and coal blending. The existing fuel oil storage tanks will be used for startup and stabilization fuel.

A cross-flow or counter-flow cooling tower will provide cooling for the unit. Raw water for Unit 4 will be pumped from the existing raw basin southeast of the plant site. This basin receives makeup water from a surface reservoir and pipeline system. Additional water

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collection and storage facilities may be required. Water treatment equipment will be installed to process the raw water to meet the needs of the various process needs of the boiler and cooling systems. The Unit 4 demineralized water tie in point will be at the existing Unit 3 demineralized water tank. The boiler will be equipped with an on-line condensate polisher to meet the high quality water standards necessary for a supercritical boiler. The Unit 4 potable water will be tied into the existing Unit 3 potable water tank. Potable water is piped from the city of Castle Dale.

The existing fire protection system will be extended and modified. Some fire protection piping will be demolished and replaced with new fire protection piping where it interferes with the construction of Unit 4.

The Hunter Plant is a zero liquid discharge (~~ZLD~~) plant. Cooling tower blowdown will be used as makeup to the FGD system and ash handling systems. The balance of the water is evaporated from a pond or used for irrigation of hay crops. Plant sewage is treated and discharged to the evaporation pond. Bottom ash and fly ash will be land-filled on the plant site.

Site upgrades will include new warehouse facilities, plant roads, site lighting, fencing, security, and communications equipment.

Power from Hunter Unit 4 will connect into existing 345 kV transmission lines that connect to the Camp Williams substation, Huntington substation, and the Sigurd substation. An evaluation is in process to determine the need to add transmission lines to avoid generator tripping in the event of multiple transmission line outages.

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~~**2014 COMPANY BENCHMARK
BASE LOAD RESOURCE
IGCC PROJECT**~~

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PacifiCorp Energy 2014~~3~~ Benchmark Option
-IGCC B500 MW at Jim Bridger~~enehmark~~

One of PacifiCorp Energy's ~~2014-2013~~ IGCC benchmark options is a coal gasification facility together with its associated auxiliaries necessary to provide syn-gas to fuel a "2 x1" combined cycle configuration using either General Electric's 7FB or Siemens Power SGT-5000F gas turbines. The 2013 IGCC benchmark will consist of multiple gasifiers, with potential sparing as economically indicated with the goal to provide 90% syngas availability on coal alone. The primary fuel will be pulverized coal with natural gas for startup, pilot fuel and during planned outages of the coal gasification system. The 2014 IGCC benchmark may consist of up to three gasifiers as necessary to provide 90% availability on coal alone. The primary fuel will be pulverized coal with either natural gas or light oil for startup.

Potential gasifier technologies may include Conoco-Philips, General Electric, Shell, Siemens, and Mitsubishi. Potential gasifier technologies would include Conoco-Philips, General Electric, and Shell. Potentially, Siemens' newly acquired Sustec gasifier technology may also be considered as potential gasifier technology supplier provided adequate scale-up and target availability levels are demonstrated. Since the designs of the gasifiers and the associated reference plants are unique, specific details on the selected benchmark design will depend on future project specific scoping studies and Front End Engineering Design (FEED) studies. The designs are also dependent on coal composition and location. ~~As a~~ As a general guideline, the benchmark IGCC plant will be based on the standard reference plant configuration as supplied by the selected technology suppliers consistent with fuel specific requirements. The benchmark design requirements would also be supplemented as necessary by the findings and recommendations of Electric Power Research Institute's (EPRI) Coal fleet IGCC User Design Basis Specification.

The design basis for environmental performance for the ~~2014-2013~~ IGCC benchmark is the EPRI Coal fleet IGCC User Design Basis Specification Environmental Design Level II. In order to achieve NO_x emissions levels associated with Coal Fleet's Environmental Design Level II, a Selective Catalytic Reduction (SCR) system would be required. As a consequence of using an SCR additional H₂S would need to be removed from the syngas in order to reduce the potential of fouling of the SCR catalyst. A refrigerated amine, Selexol™, or similar high-efficiency system would be used to reduce the H₂S levels to the necessary levels. The ~~2014-2013~~ benchmark would not incorporate an oxidation catalyst.

The ~~2014-2013~~ IGCC plant benchmark would be designed and constructed to allow for future CO₂ capture equipment in that sufficient space and interconnections would be provided to allow for future installation of CO₂ capture equipment. The CO₂ capture

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equipment, such as humidification towers, shift reactors, CO₂ absorbers/strippers, and dryers ~~and~~ compressors would not be installed as part of the original design. Depending on the results of further study, it is possible the IGCC benchmark would include a mitigation provision for future CO₂ capture by over-sizing certain components as part of the original design. This will minimize the performance impacts associated with any later installation of CO₂ capture equipment. Installation of CO₂ capture equipment for enhanced oil recovery would be a site specific consideration.

The air separation unit of ~~2014~~2013 IGCC benchmark would need to have a guaranteed availability level of 98% or better. Sufficient on-site nitrogen storage would be required to meet purge gas requirements. The need for liquid or gaseous oxygen storage would be evaluated depending on the expected duration and frequency of unexpected outages of the vendor's proposed air separation system. The ~~2014~~2013 IGCC benchmark would be designed such that the air separation unit would receive a portion of the air supply requirement from the gas turbine compressor. An auxiliary air separation unit compressor would provide the remaining compressed air requirement. The degree of integration would be a parameter to be determined during the FEED study.

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Project Characteristics

Characteristics of how the Proxy is modeled in the
2006 RFP/IRP

	Hunter 4 Supercritical	Bridger 5 Supercritical	Inter Mountain Power Project 3 Supercritical	Integrated Gasification Combined Cycle Resource Utah Wyoming	
Starts per Day	Base Load Unit not expected to cycle on & off on a daily basis				
Start Up Cost (2006\$)	\$15,907 / Start	\$19,884 / Start	\$15,907 / Start	\$13,380 / Start	\$13,380 / Start
Variable O&M (2006\$)	\$2.41 / MWh	\$2.08 / MWh	\$2.41 / MWh	\$1.10 / MWh	\$1.08 / MWh
Minimum Up Time	16 Hours	16 Hours	16 Hours	16 Hours	16 Hours
Minimum Down Time	12 Hours	12 Hours	12 Hours	30 Hours	30 Hours
Ramp Rate (warm start)	30 MW / minute	30 MW / minute	30 MW / minute	12.5 MW / minute	12.5 MW / minute
Run-Up Rate (cold start)	212 MW / Hour	212 MW / Hour	212 MW / Hour	48 MW / Hour	48 MW / Hour

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Attachment 2: QF Bidder
Information

~~Attachment 2~~

~~Qf Bidder INFORMATION~~



ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

II. B. Procedures (continued)

Generally, the interconnection process involves (1) initiating a request for interconnection, (2) completion of studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, (3) execution of an Interconnection Facilities Agreement to address facility construction, testing and acceptance and (4) execution of an Interconnection Operation and Maintenance Agreement to address ownership and operation and maintenance issues.

Consistent with PURPA, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis.

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

II. Process for Negotiating Interconnection Agreements (continued)

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's power delivery function.

A. Communications

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

Utah Power & Light Company
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's power delivery function that will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

B. Procedures

The Company will follow the procedures for generation interconnection described in Part IV of the Company's Open Access Transmission Tariff (Tariff) on file with the Federal Regulatory Commission. A copy of the Tariff is available on-line at <http://www.oasis.pacificorp.com>

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures

1. The Company's proposed generic power purchase agreement may be obtained from the Company's website at www.pacificorp.com, or if the owner is unable to obtain it from the website, the Company will send a copy within seven days of a written request."
2. To obtain an indicative pricing proposal with respect to a proposed project, the owner must provide in writing to the Company, general project information reasonably required for the development of indicative pricing, including, but not limited to:
 - a) generation technology and other related technology applicable to the site
 - b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system
 - c) quantity and timing of monthly power deliveries (including project ability to respond to dispatch orders from the Company)
 - d) proposed site location and electrical interconnection point
 - e) proposed on-line date and outstanding permitting requirements
 - f) demonstration of ability to obtain QF status

- g) fuel type (s) and source (s)
 - h) plans for fuel and transportation agreements
 - i) proposed contract term and pricing provisions (i.e., fixed, escalating, indexed)
 - j) status of interconnection arrangements
3. The Company shall not be obligated to provide an indicative pricing proposal until all information described in Paragraph 2 has been received in writing from the QF owner. Within 30 days following receipt of all information required in Paragraph 2, the Company will provide the owner with an indicative pricing proposal, which may

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures (continued)

include other indicative terms and conditions, tailored to the individual characteristics of the proposed project. Such proposal may be used by the owner to make determinations regarding project planning, financing and feasibility. However, such prices are merely indicative and are not final and binding. Prices and other terms and conditions are only final and binding to the extent contained in a power purchase agreement executed by both parties and approved by the Commission. The Company will provide with the indicative prices a description of the methodology used to develop the prices.

4. If the owner desires to proceed forward with the project after reviewing the Company's indicative proposal, it may request in writing that the Company prepare a draft power purchase agreement to serve as the basis for negotiations between the parties. In connection with such request, the owner must provide the Company with any additional project information that the Company reasonably determines to be necessary for the preparation of a draft power purchase agreement, which may include, but shall not be limited to:
- a) updated information of the categories described in Paragraph B.2,

- b) evidence of adequate control of proposed site
- c) identification of, and timelines for obtaining any necessary governmental permits, approvals or authorizations

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures (continued)

- d) assurance of fuel supply or motive force
 - e) anticipated timelines for completion of key project milestones
 - f) evidence that any necessary interconnection studies have been completed and assurance that the necessary interconnection arrangements are being made in accordance with Part II.
5. The Company shall not be obligated to provide the owner with a draft power purchase agreement until all information required pursuant to Paragraph 4 has been received by the Company in writing. Within 30 days following receipt of all information required pursuant to paragraph 4, the Company shall provide the owner with a draft power purchase agreement containing a comprehensive set of proposed terms and conditions, including a specific pricing proposal for purchases from the project. Such draft shall serve as the basis for subsequent negotiations between the parties and, unless clearly indicated, shall not be construed as a binding proposal by the Company
6. After reviewing the draft power purchase agreement, the owner may prepare an initial set of written comments and proposals regarding the draft power purchase agreement and forward such comments and proposals to the Company. The Company shall not be obligated to commence negotiations with a QF owner until the Company has received an initial set of written comments and proposals from the QF owner. Following the Company's receipt of such comments and proposals, the owner may contact the Company to schedule contract negotiations at such times and places as are mutually agreeable to the parties. In connection with such negotiations, the Company:

- a) will not unreasonably delay negotiations and will respond in good faith to any additions, deletions or modifications to the draft power purchase agreement that are proposed by the owner

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures (continued)

- b) may request to visit the site of the proposed project if such a visit has not previously occurred
 - c) will update its pricing proposals at appropriate intervals to accommodate any changes to the Company's avoided-cost calculations, the proposed project or proposed terms of the draft power purchase agreement may request any additional information from the owner necessary to finalize the terms of the power purchase agreement and satisfy the Company's due diligence with respect to the Project.
7. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner a final, executable version of the agreement. The Company reserves the right to condition execution of the power purchase agreement upon simultaneous execution of an interconnection agreement between the owner and the Company's power delivery function, as discussed in Part II. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties and approved by the Commission.

II. Process for Negotiating Interconnection Agreements

In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon all necessary interconnection arrangements being consummated.

It is recommended that the owner initiate its request for interconnection as early in the planning process as possible, to ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

II. Process for Negotiating Interconnection Agreements (continued)

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's power delivery function.

A. Communications

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

Utah Power & Light Company
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's power delivery function that will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

B. Procedures

The Company will follow the procedures for generation interconnection described in Part IV of the Company's Open Access Transmission Tariff (Tariff) on file with the Federal Regulatory Commission. A copy of the Tariff is available on-line at <http://www.oasis.pacificorp.com>

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RFP
Attachment 3: Power Purchase
Agreement
~~2012~~
Attachment 3
Power Purchase CONTRACT
Agreement

RFP-2012

**Attachment 4: Role And Function Of
The Independent Evaluator And
Communication Protocols ~~Between~~
~~The Benchmark Team, The
Evaluation Team, The Bidders And
The Independent Evaluator~~**

Attachment 4

**Role And Function Of The
Independent Evaluator And THE
Communication Protocols AND
COMMUNICATIONS Between The
Benchmark Team, The Evaluation**

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~~Team, The Bidders And The Independent EVALUATOR~~

ROLE OF THE INDEPENDENT EVALUATOR

1) ~~1)~~ The role and function of the Independent Evaluator (“IE”) is outlined ~~below as follows:~~

- a. ~~1)~~ Facilitate and monitor communications between the Soliciting Utility and Bidders.
- b. ~~2)~~ Review and validate the assumptions and calculations of any Benchmark Option(s).
- c. ~~3)~~ Analyze the Benchmark Option(s) for reasonableness and consistency with the Solicitation Process.
- d. ~~4)~~ Access all important models in order to Aanalyze, operate and validate all important models, modeling techniques, assumptions and inputs utilized by the Soliciting Utility in the Solicitation Process, including the evaluation of Bids.
- e. ~~5)~~ Receive and “blind” Bid responses.
- f. ~~6)~~ Provide input to the Soliciting Utility on:
 - i.- ~~7)~~ -the development of screening and evaluation criteria, ranking factors and evaluation methodologies that are reasonably designed to ensure that the Solicitation Process is fair, reasonable and in the public interest in preparing a Solicitation and in evaluating Bids;
 - ii. ~~8)~~ -the development of initial screening and evaluation criteria that take into consideration the assumptions included in the Soliciting Utility’s most recent IRP, any recently filed IRP Update, any Commission order on the IRP or IRP Update and in its Benchmark Option(s);-
 - iii. ~~9)~~ whether a Bidder has met the criteria specified in any RFQ and whether to reject or accept non-conforming RFQ responses;

- iv. ____ whether and when data and information should be distributed to Bidders because it is necessary to facilitate a fair and reasonable competitive ~~Bidding~~bidding process or has been reasonably requested by Bidders;
- v. ____ whether to reject non-conforming bids for any reason or accept conforming changes;
- vi. ____ whether to return bid fees.
- g. ____ Ensure that all Bids are treated in a fair and non-discriminatory manner.
- h. ____ Monitor, observe, validate and offer feedback to the Soliciting Utility and the regulators on all aspects of the Solicitation and Solicitation Process, including:
 - i. ____ ~~–~~content of the Solicitation;
 - ii. ____ ~~–~~evaluation and ranking of Bid responses;
 - iii. ____ ~~–~~creation of a short list(s) of Bidders for more detailed analysis and negotiation;
 - iv. ____ ~~–~~Post-Bid-bid discussions and negotiations with, and evaluations of, short-listed Bidders; and
 - v. ____ ~~–~~negotiation of proposed contracts with successful Bidders.
- i. ____ The IE will independently evaluate the Soliciting Utility's Benchmark Resource options and a sample of the bids to determine whether the selections for the initial and final short-lists are reasonable.

- j. ____ The IE will evaluate the unique risks and advantages associated with Benchmark Resources, including the regulatory treatment of costs or benefits related to actual constructions cost and plant operation differing from what was projected for the RFP.
 - k. ____ Once the competing bids and Benchmark Resources have been evaluated by the Soliciting Utility and the IE, the Soliciting Utility and the IEs will ~~the two should~~ compare results.
 - l. ____ Offer feedback to the Soliciting Utility on possible adjustments to the scope or nature of the Solicitation or requested resources in light of b~~B~~id responses received.
 - m. ~~Solicit~~ ____ Solicit additional information on Bids necessary for screening and evaluation purposes.
 - n. ____ Advise the Commission at all stages of the process of any unresolved disputes or other issues or concerns that could affect the integrity or outcome of the Solicitation Process.
 - o. ____ Analyze and attempt to mediate disputes that arise in the Solicitation Process with the Soliciting Utility and/or Bidders, and present recommendations for resolution of unresolved disputes to the Commission.
 - p. ____ Participate in and testify at Commission hearings on approval of the Solicitation and Solicitation Process and/or approval of a Significant Energy Resource Decision and/or acknowledgement of the final shortlist.
 - q. ____ Coordinate as appropriate and as directed by the Commission with staff or evaluators designated by regulatory authorities from other states served by the Soliciting Utility.
 - r. ____ -Perform such other evaluations and tasks as the Commission may direct.
- 2). ____ The Communications between the ~~Independent Evaluator, IE~~ the Company and the Bidders shall be conducted in the following manner:
- a. ____ Communications between a Soliciting Utility and potential or actual Bidders shall be conducted only through or in the presence of the IE Evaluator. Bidder questions and Soliciting Utility or IE Evaluator responses shall be posted on an appropriate website. The ~~Evaluator-IE~~

shall protect or redact competitively sensitive information from such questions or responses to the extent necessary.

- b. The Soliciting Utility may not communicate with any Bidder regarding the Solicitation Process, the content of the Solicitation or Solicitation documents, or the substance of any potential response by a Bidder to the Solicitation, except through or in the presence of the IE.
- c. The Soliciting Utility shall provide timely and accurate responses to any request from the IE~~Evaluator~~, including requests from Bidders submitted by the EvaluatorIE, for information regarding any aspect of the Solicitation or the Solicitation Process.

3) The Independent EvaluatorE will provide the following R~~r~~ports.

The EvaluatorIE shall prepare at least the following confidential reports and provide them to the Regulators and the Soliciting Utility:

a.i. Monthly progress reports on all aspects of the Solicitation Process as it progresses;

ii.b. Final Reports as soon as possible following the completion of the Solicitation Process. Final reports shall include analyses of the Solicitation, the Solicitation Process, the Soliciting Utility's evaluation and selection of Bids and resources, the final results and whether the selected resources are in the public interest.

4) Communication between the Evaluation Team and the Benchmark Team:

- a. The Evaluation Team, including Non-blinded Personnel, may not be members of the Benchmark Team, nor communicate with members of the Benchmark Team during the Solicitation Process about any aspect of the Solicitation Process, except as authorized herein.
- b. The names and titles of each member of the Benchmark Team, the Non-blinded Personnel and Evaluation Team shall be provided in writing to the Evaluator.
- c. ~~The Evaluation Team may solicit written comments on matters of technical expertise from the members of the Benchmark Team. All such communications to or from the Benchmark Team must be in writing.~~ The

~~Evaluator IE~~ must participate in ~~all such~~any communications between members of the Benchmark Team and Evaluation Team and must retain a copy of all such correspondence to be made available in future Commission proceedings. ~~The Evaluator must also make available to the Bidder about whose bid the Benchmark Team's technical expertise was sought a written copy of the correspondence between the Evaluation and Benchmark Teams. Any response to such correspondence from the Bidder must be in writing to the Evaluator and must be conveyed to the Evaluation Team. The Evaluator must provide its own or third party verification of the reasonableness of any technical information solicited from the Benchmark Team or Bidder before it may be used in any evaluation.~~

- d. ____ There shall be no communications regarding blinded Bid information, either directly or indirectly, between the Non-blinded Personnel and other Evaluation Team members until the final short-list is determined except as authorized herein, which communications shall be done in the presence of the ~~IE~~Evaluator. The Non-blinded Personnel must not reveal to other Evaluation Team members, either directly or indirectly in any form, any blinded information regarding the identity of any of the Bidders.
- e. ____ The Evaluation Team shall have no direct or indirect contact or communication with any Bidder other than through the ~~IE~~Evaluator until such time as a final short-list is selected by the Soliciting Utility.
- f. ____ Should any Bidder or a member of the Benchmark Team, attempt to contact a member of the Evaluation Team, such Bidder or member of the Benchmark Team shall be directed to the ~~IE~~Evaluator for all information and such communication shall **promptly** be reported to the ~~IE~~Evaluator by the Evaluation Team.

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Attachment 5: Tolling Service
Agreement
~~Attachment 5~~
~~Tolling Service Agreement~~
CONTRACT

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~~Attachment 6~~
~~Asset Purchase And Sale Agreement~~
~~(APSA) With Appendices~~

Attachment 6: Asset Purchase And
Sale Agreement (APSA) With
Appendices

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Attachment 7: Lake Side APSA
Rights And Facilities

~~Attachment 7~~
~~Lake Side APSA~~
~~Rights And Facilities~~

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ATTACHMENT 7:

LAKE SIDE RIGHTS AND FACILITIES

PPA AND TSA BIDDERS ONLY

Easements

PacifiCorp will grant a non-exclusive easement on PacifiCorp's property between Bidder's switchyard to the new 345kV substation serving Bidder's Facility. Easement will be determined based on Bidder's routing of Bidder's cable.

PacifiCorp will grant a non-exclusive easement to allow for the connection of Bidder's Facility to a natural gas supply line located on PacifiCorp property, if required. As an alternative, PacifiCorp, in its sole discretion, may convey such property as required for Bidder's natural gas pipeline and metering station to Bidder as part of the Site Purchase Agreement for Lake Side shown as **Attachment 196** to this RFP. Specific details of the interconnection are provided in **Appendix B** to the APSA.

Water Rights

PacifiCorp does not hold any Water Rights that can be acquired by the Bidder. Bidder will be responsible for acquiring such rights.

Emission Reduction Credits (ERCs)

PacifiCorp has ERCs that can be acquired by the Bidder. Pricing is shown in the Site Purchase Agreement for Lake Side. The available Utah County ERCs are (in tons):

PM-10	46.8
SO ₂	4.6
NO _x	22.4

Bidder is responsible for obtaining all ERCs necessary for the operation of the Project.

Facilities Interconnections

Bidder will be entitled to connect, at its own expense with PacifiCorp's raw water connection as specified in Appendix B to the APSA. Supply is limited to water used for construction purposes.

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Bidder will acquire under the Bidder will acquire, under the Site Purchase Agreement for Lake Side (**Attachment 16**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.

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~~Bidder will acquire, under the Site Purchase Agreement for Lake Side (**Attachment 16**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.~~

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~~Attachment 8~~

~~Currant Creek APSA~~

~~Rights And Facilities~~

Attachment 8: Currant Creek APSA

Rights And Facilities

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ATTACHMENT 8:

CURRENT CREEK RIGHTS AND FACILITIES

PPA AND TSA BIDDERS ONLY

Easements

PacifiCorp will grant a non-exclusive easement on PacifiCorp's property between Bidder's switchyard to the 345kV substation serving Bidder's Facility. Easement will be determined based on Bidder's routing of Bidder's cable.

PacifiCorp will grant a non-exclusive easement to allow for the connection of Bidder's Facility to a natural gas supply line located on PacifiCorp property, if required. As an alternative, PacifiCorp, in its sole discretion, may convey such property as required for Bidder's natural gas pipeline and metering station to Bidder as part of the Site Purchase Agreement for Currant Creek shown as **Attachment -17** to this RFP. Specific details of the interconnection are provided in **Appendix B** to the APSA.

Water Rights

PacifiCorp has Water Rights that can be acquired by the Bidder. Quantities and pricing are shown in the Site Purchase Agreement for Currant Creek shown as **Attachment 2117** to this RFP.

Emission Reduction Credits (ERCs)

PacifiCorp does not believe that ERCs will be required for this project at this time. Bidder shall be required to perform air quality analysis and permitting to determine need for ERS. If ERCs are required, Bidder shall be responsible to obtain ERCs.

Facilities Interconnections

Bidder will be entitled to connect, at its own expense with PacifiCorp's raw water connection as specified in **Appendix B** to the APSA.

Bidder will acquire, under the Site Purchase Agreement for Currant Creek (**Attachment -17**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.

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~~Attachment 9~~

~~Owner's Costs Under~~

~~APSA And EPC~~

Attachment 9: Owner's Costs Under

~~APSA And EPC~~

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ATTACHMENT 9:

OWNER'S COST ASSUMPTIONS

UNDER AN APSA

Costs for both Lake Sideside and Currant Creek:

ESTIMATED OWNER COSTS	CURRENT CREEK	LAKE SIDE
Project Management	\$ 1,000,000	\$ 1,000,000
Plant Labor	\$ 682,500	\$ 682,500
Misc. Consultants	\$ 100,000	\$ 100,000
Owners' Legal Counsel	\$ 100,000	\$ 100,000
Regulation, PR & Communication	\$ 100,000	\$ 200,000
C&T Charges for PSC Hearings	\$ 20,000	\$ 20,000
Legal Costs for PSC Hearings	\$ 200,000	\$ 200,000
Computer Hardware	\$ 150,000	\$ 150,000
Permitting & License Fees	\$ 200,000	\$ 200,000
Startup / Fuel and Testing ¹	\$ 965,400	\$ 965,400
Site Surveys/Studies	\$ 50,000	\$ 50,000
Site Security	\$ 250,000	\$ 250,000
Operating Spare Parts	\$ 6,600,000	\$ 6,600,000
Permanent Plant Equipment, Tools, & Furnishings	\$ 300,000	\$ 300,000
Builders All Risk Insurance	TBD	TBD
Training	\$ 250,000	\$ 250,000
Escalation Owner's Costs	TBD	TBD
Sales Tax & Duties ²	Bidder to Supply	Bidder to Supply
Owner Contingency ³	TBD	TBD
Capital Surcharge	\$ 500,000	\$ 500,000
Capitalized Property Taxes ⁴	TBD	TBD
Interest During Construction (AFUDC ⁵) (Based on payment schedule)	TBD	TBD
PROJECT TOTALS	\$ 11,467,900	\$ 11,567,900

The above cost figures were developed by PacifiCorp as estimates to be used by PacifiCorp for its own purposes, including but not limited to evaluation of proposals submitted pursuant to the RFP. In no event shall PacifiCorp be responsible for errors or omissions in the above figures or any cost estimates developed by respondents to the RFP.

Notes:

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1. Actual costs will depend on then current fuel costs and startup and commissioning schedule.
2. Costs over and above those stated in **Attachment 10-7 and ~~8~~** "Owner's Development Costs"
3. Bidder shall divide proposal into taxable and non-taxable items.
4. Owner's Contingency will be the same on both sites.
5. Current Effective Rate for Currant Creek is 0.86%, for Lake Side, 1.10%. Both are subject to change.
6. The Current Effect Rate for AFUDC is 7.5%. This is subject to change.

RFP Analysis Guidelines for AFUDC and Capitalized Property Tax

For purposes of analyzing resource RFP responses which require PacifiCorp to assume a progress payment obligation during the construction phase for a resource that will be transferred to and owned by PacifiCorp, the total capitalized cost shall include:

- (1) a capitalized financing cost as applied through the application of Allowance for Funds Used During Construction (AFUDC), pursuant to Regulatory Commissions' guidelines, and
- (2) an amount for capitalized property taxes, pursuant to PacifiCorp's property tax capitalization policy.

AFUDC

Monthly AFUDC shall be calculated by multiplying the average balance of Construction Work in Progress (CWIP) by the applicable projected AFUDC rate in use by PacifiCorp. CWIP shall include all applicable construction overheads, AFUDC from prior months, and capitalized property taxes that are associated with the final capitalized cost of such resource until such resource is projected to be placed in service.

This rate is currently 7.5% annually. The actual rate in effect at the time of the bid evaluation will be the one used.

Property Tax

If the projected CWIP balance is greater than \$50 million as of the first day of each calendar year, the amount of capitalized property taxes that will be added to CWIP will be equal to each year's beginning CWIP balance multiplied by an estimated property tax rate applicable for the resource under consideration.

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The standard (non-site specific) rate for PacifiCorp is currently 1.2% of the CWIP balance. The actual rate in effect when the final RFP is issued in ~~September~~November, will be the one used.

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Attachment 10: Owner's
Development Cost Assumptions

~~Attachment 10~~
~~Owner's Development Cost~~
~~Assumptions~~

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ATTACHMENT 10:

OWNER'S DEVELOPMENT COST ASSUMPTIONS

Lake Side Development Costs:

Permitting and License Fees	\$200,000
Regulation, PR and Communications	\$200,000
Owner's Legal Counsel	\$100,000
Surveys/Studies	\$50,000
Water Rights ¹	\$12,048,000
ERCs ¹	\$1,065,169
Miscellaneous Consultants	\$125,000
Total	\$13,288,169

Currant Creek Development Costs

Permitting and License Fees	\$200,000
Regulation, PR and Communications	\$200,000
Owner's Legal Counsel	\$100,000
Surveys/Studies	\$50,000
Water Rights ^{2,3}	Obtained with Block 1
⁴	
Miscellaneous Consultants	\$125,000
Total	\$675,000

The above development cost figures were developed by PacifiCorp as estimates to be used by PacifiCorp for its own purposes, including but not limited to evaluation of proposals submitted pursuant to the RFP. Each entity responding to the RFP shall not rely on these figures, and each respondent shall be solely responsible for developing its own estimates of development costs. In no event shall PacifiCorp be responsible for errors or omissions in the above figures or any development cost estimates developed by respondents to the RFP.

Notes:

¹ See Site Purchase Agreement for Lake Side for specific acreages and quantities

² See Site Purchase Agreement for Currant Creek for specific acreages and quantities

³ Currant Creek's design utilizes an Air-Cooled Condenser (ACC)

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⁴: Currently assumed that no ERCs will be required; Air Quality modeling will be revised to determine RC requirements, if any.

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~~Attachment 11~~
~~Form Of Letter Of Credit~~
Attachment 11: Form Of Letter Of
Credit

ATTACHMENT -11: ~~to RFP 2012~~

REQUIREMENTS FOR A LETTER OF CREDIT

A Letter of Credit means an irrevocable standby letter of credit in a form reasonably acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests there under, which letter(s) of credit:

(1) is issued by a U.S. commercial bank or a foreign bank with a U.S. branch, with such bank having a net worth of at least \$1,000,000,000 and a credit rating on its senior unsecured debt of:

(a) "A2" or higher from Moody's; or

(b) "A" or higher from S&P;

(2) on the terms provided in the letter(s) of credit, permits PacifiCorp to draw up to the face amount thereof for the purpose of paying any and all amounts owing by Seller hereunder.

(3) if a letter of credit is issued by a foreign bank with a U.S. branch, permits PacifiCorp to draw upon the U.S. branch;

(4) permits PacifiCorp to draw the entire amount available there under if such letter of credit is not renewed or replaced at least thirty (30) Business Days prior to its stated expiration date;

(5) permits PacifiCorp to draw the entire amount available there under if such letter(s) of credit are not increased, replaced or replenished as and when provided where applicable;

(6) is transferable by PacifiCorp to any party to which PacifiCorp may assign;

(7) shall remain in effect for at least ninety (90) days after the end of the Term.

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~~Attachment 12~~

~~Standard And Poor's Inferred Debt~~

~~Methodology Article~~

Attachment 12: Standard And Poor's

Inferred Debt Methodology Article

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~~Attachment 13~~
~~Pacificorp Costs Associated With~~
~~Integration~~
Attachment 13: PacifiCorp Costs
Associated With Integration

Preliminary Assessment of Transmission Impacts Associated with RFP Points of Delivery

1. Overview of Points of Delivery

PacifiCorp is interested in resources that are capable of delivery into or in a portion of the Company's network transmission system in PACE. Specifically, the point(s) of delivery of primary interest to PacifiCorp are:

- Salt Lake Valley
- PacifiCorp Sites
 - Currant Creek
 - Lake Side
- Mona 345 kV
- Glen Canyon 230 kV
- Nevada/Utah Border:
 - Gonder-Pavant 230 kV line known as "Gonder 230 kV"
 - Sigurd – Harry Allen 345 line known as "NUB" or Red Butte 345 kV
 - Crystal 500 kV
- West of Naughton

The Company is generally not interested in resources delivered to the following areas:

- Wyoming, unless the resource(s) electrically reside south of the Naughton-Monument 230 kV line and the cost of the upgrade is included.
- Borah, Brady or Kinport unless such resource is interconnected to the Company's Southeast Idaho electrical system near the Goshen area.

2. Transmission Assumptions Associated with the Points of Delivery

PacifiCorp may need to increase transmission import capability and upgrade its network system capacity in order to integrate a resource delivered to the preferred points of delivery. The table below indicates what possible additions might be necessary and the indicative cost associated with the upgrade. These indicative costs are based on assessments done by the PacifiCorp Transmission group for RFP 2003B, the 2004 Integrated Resource Plan and System Impact Studies. These cost estimates will be used for the purpose of evaluating bids and may be refined if better estimates are received prior to issuance of the RFP.

Point of Delivery	Description of Possible Transmission Additions / Upgrades¹	Path(s) to Upgrade and Voltage Support	Estimated Cost of Upgrades
Salt Lake Valley 138 kV 600 MW	Upgrades to existing lines	Unknown location	\$30 M
Lake Side 345 kV 600 MW	Transmission line, substation	Lake Side to Salt Lake Valley	\$60 M
Mona/ Currant Creek 345 kV 600 MW	Transmission line, substation	Mona to PACE	\$70 M
Glen Canyon 345 kV 600 MW	Transmission line(s), substation, phase shifter	Glen Canyon to Sigurd and Mona to PACE	\$220 M
Gonder 345 kV 600 MW	Transmission line(s), substation	Gonder/Nev Border to Sigurd and Mona to PACE	\$210 M
NUB (Harry Allen 345 kV) 600 MW	Transmission line, substation, phase shifter	H.Allen to RButte + RButte-Sigurd + Mona to PACE	\$310 M
Crystal 345 kV 600 MW	Transmission line(s), substation, transformer, phase shifter	Crystal to RButte + RButte-Sigurd + Mona to PACE	\$330 M
West of Naughton 230 kV 600 MW	New line, substation	Naughton to Evanston + Evanston to Salt Lake Valley	\$180 M
Four Corners 345kV 600 MW	New line, terminations, phase shifter	F.Corners to Mona + Mona to PACE	\$360 M
Path C up to 600 MW	New line, substation	Populus to Terminal	\$160 M

Two SVCs are needed for imports from any location. Cost is not included in any POD.

¹ Two SVCs are needed for imports from any location. Cost is not included in any POD.

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Attachment 14: Confidentiality
Agreement

~~Attachment 14~~
~~Confidentiality Agreement~~

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CONFIDENTIALITY AGREEMENT

This CONFIDENTIALITY AGREEMENT (this "Agreement") is entered into as of the ____ day of _____, 2005, by and between PacifiCorp, an Oregon corporation ("PPW"), and _____ (collectively with all its subsidiaries, officers, directors, members, managers, employees, agents, accountants and attorneys, "Recipient"); with reference to the following:

WHEREAS, PPW and Recipient are discussing a potential transaction relating to PPW's Request for Proposals Base Load Resources ("RFP")-2012, and in connection therewith Recipient wishes to receive certain Confidential Information (as hereinafter defined), but requires as a condition precedent Recipient's execution of this Agreement;

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 any oral or written information which is made available to Recipient by PPW or any of its corporate affiliates or its or their officers, directors, employees, agents, accountants or attorneys (a "Disclosing Party") before or after the date hereof, regardless of the manner furnished, and includes without limitation: (i) compilations and analyses prepared by Recipient; (ii) names of current and potential manufacturers, suppliers, customers and marketing relationships of any Disclosing Party, (iii) the nature, terms, conditions or other facts respecting any discussions between PPW and Recipient (including their existence and status). Confidential Information does not include information which at the time of disclosure is generally available to the public (other than as a result of disclosure by Recipient) or was available to Recipient on a nonconfidential basis from a source other than a Disclosing Party not under a duty of confidentiality to a Disclosing Party.

2. Confidentiality; Disclosure. The Confidential Information will be kept confidential by each Recipient and will not be used for any purpose by its Recipient other than for the purpose set forth above. Recipient will be responsible for any breach of this Agreement by any of its officers, directors, employees, agents, accountants and attorneys. Recipient shall restrict the dissemination of the Confidential Information to its employees who have a need to see it, and shall cause any agent, accountant or other non-employee to whom it wishes to show the Confidential Information sign an agreement in the form hereof in advance thereof. Recipient will keep confidential any Confidential Information contained in any analyses, compilations, studies or other documents prepared by Recipient that contain or reflect any Confidential Information. Upon request from PPW, Recipient promptly will return all copies of the Confidential Information.

3. Protective Order. If Recipient becomes legally compelled to disclose any Confidential Information, it shall provide PPW with prompt prior written notice so that

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PPW may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained, Recipient shall (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.

4. No Representation or Warranty. Recipient acknowledges that no Disclosing Party is making any representation or warranty as to the accuracy or completeness of any information furnished (except specifically to the extent and only to such extent as shall be expressly set forth in an executed and delivered definitive agreement). No Disclosing Party or any of its officers, directors, employees, agents or controlling persons (including, without limitation, parent and subsidiary companies) shall have any liability to a Recipient or any other person relating to or arising from the use of the Confidential Information provided by a Disclosing Party.

5. Conduct of Process. Except for any confidentiality agreements, none of PPW or any Disclosing Party is under any obligation to Recipient, and PPW is free to elect not to consummate an agreement or to furnish or receive information. Nothing contained in this Agreement shall prevent PPW from negotiating with or entering into a definitive agreement with any other person or entity without prior notice to Recipient. Until PPW and Recipient enter into a definitive agreement, no contract or agreement or other investment or relationship shall be deemed to exist between any Disclosing Party or any Recipient 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 shall be relied upon as the basis for an implied contract or a contract by estoppel.

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

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

8. Remedies. PPW shall be entitled to equitable relief, including injunction and specific performance, in the event of any breach hereof, in addition to all other remedies available to PPW at law or in equity. No failure or delay by PPW 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.

9. 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

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hereof, or the interpretation, performance or breach hereof, shall 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.

10. Miscellaneous. 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 shall be in writing and be effective when actually delivered. This Agreement may be executed in counterparts, each of which, when taken together, shall constitute one and the same original instrument. Neither party may assign or otherwise transfer its rights or delegate its duties hereunder without prior written consent, and any attempt to do so is void.

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

PACIFICORP
an Oregon corporation

a _____

By: _____

Its: _____

By: _____

Its: _____

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~~Attachment 15~~
~~Non-Reliance Letter~~

Attachment 15: Non-Reliance Letter

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

Date

[Name]

[Address]

Re: PacifiCorp's Request For Proposals Base Load Resources~~FP-2012~~

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 Request for Proposals ("RFP")~~2012~~ (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~~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 shall not obligate PacifiCorp to accept or to proceed

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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 shall 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 ~~2012~~ 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 ~~2012~~, and to pursue any other course it deems appropriate, including without limitation the development of a cost-base self build alternative.

PacifiCorp shall 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 shall 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, gas or 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 gas or 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

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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 both originals of this letter in the space indicated below, returning one original to the undersigned within three days of the date hereof and retaining the other original for your files.

Sincerely,

PacifiCorp

By: _____

Name: _____

Title: _____

Date: _____

ACCEPTED AND AGREED:

[Insert Name of Party]

By: _____

Name: _____

Title: _____

Date: _____

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~~Attachment 16~~
~~Site Purchase Agreement For Lake~~
~~Side~~

Attachment 16: Site Purchase
Agreement For Lake Side

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AGREEMENT FOR SALE AND PURCHASE OF REAL PROPERTY

This Agreement for Sale and Purchase of Real Estate (the "Agreement") is entered into as of the ___ day of _____, 20____, by and between _____ ("Buyer") and PacifiCorp, an Oregon corporation ("Seller").

RECITALS

A. Seller is the owner of approximately _____ acres of real property situated within Utah County, _____ and more particularly described on the attached Exhibit "A" (the "Property").

B. Buyer wishes to purchase the Property for;

C. Seller is willing to sell the Property on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the amounts to be paid and the mutual promises contained herein, Buyer and Seller agree as follows:

ARTICLE I AGREEMENT TO PURCHASE AND SELL; PURCHASE PRICE

1.1 Purchase and Sale. Upon the terms and conditions set forth in this Agreement, Seller agrees to convey to Buyer, and Buyer agrees to purchase and take from Seller, fee title interest in and to that certain parcel of real property, as more particularly described on Exhibit "A", attached hereto and by this reference made part of this Agreement, together with all appurtenances, rights, privileges and easements belonging thereto (collectively referred to herein as the "Property"), unless otherwise expressly stated in this Agreement.

(a) The description of the Property contained in Exhibit "A" is approximate. The exact acreage of the Property will be determined by a survey (the "Survey") to be prepared by Seller, at its sole cost, and provided to Buyer no later than ninety (90) days after the date of this Agreement. The Survey shall be attached to this Agreement as Exhibit "B" upon its completion.

(b) Any water rights associated with the Property are not included as part of this Agreement.

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(c) Emissions Reduction Credits associated with the Property are included as part of this Agreement. Details of the Credits are provided in Exhibit "C".

(d) An assignment and transfer from Seller to Buyer, and the acceptance and assumption by Buyer, of fifty percent (50%) of Seller's rights and obligations under that certain Agreement for Firm Transportation to PacifiCorp – Lakeside Generation Facilities dated February 4, 2005, as amended May 3, 2005 between Seller and Questar Gas Company is being entered into in connection with this Agreement. The terms of such assignment, transfer and assumption are included in a separate Assignment and Assumption Agreement between Seller and Buyer of even date herewith, and the effectiveness of such agreement constitutes an express condition for the effectiveness of this Agreement.

1.2 Purchase Price. The purchase price for the Property (the "Purchase Price") shall be _____ (\$_____).

1.3 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller in cash, by cashier's check, or other immediately available funds on the Closing Date, as adjusted for prorations on the Closing Date as provided herein.

ARTICLE II TITLE INSURANCE

2.1 Commitment of Title Insurance.

(a) Within thirty (30) days after the date of this Agreement, Seller shall deliver to Buyer a commitment for title insurance covering the Property (the "Commitment"), issued by the Title Company and dated on or after the date of this Agreement.

(b) Buyer shall have ten (10) days following receipt of the Commitment to provide any written objections to any matter set forth on Schedule B of the Commitment. If Buyer does not timely deliver written notice of objection to Seller, Buyer shall be deemed to have approved of all matters set forth in the Commitment. Matters which Seller has agreed to discharge pursuant to Section 2.1 (c) and any encumbrances or other title exceptions to which Buyer does not object shall be deemed to be "Permitted Exceptions" and shall not be considered objections to any matter contained in the Commitment.

(c) If Buyer provides a written notice of objections in accordance with Section 2.1 (b), then Seller shall have the option to: (i) cure such objections at Seller's sole cost; or (ii) terminate this Agreement.

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(d) Buyer's sole remedy for Seller's inability to convey title subject only to the Permitted Exceptions or to cure Buyer's objections in accordance with Section 2.1 (c) shall be to terminate this Agreement. In that case, Seller shall have no other obligation to Buyer in connection with this Agreement or the Property.

2.2 Delivery of Title Insurance. Except as otherwise stated in Section 2.1, Seller shall obtain and deliver to Buyer within ten (10) days after the Closing Date an ALTA Standard Owner's Policy of title insurance in the amount of the Purchase Price, effective as of the Closing Date and containing no exceptions other than the Permitted Exceptions.

ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall extend beyond the Closing Date and delivery of the Special Warranty Deed.

(a) Seller has and on the Closing Date will have good and marketable fee simple title to the Property to be conveyed, free and clear of all encumbrances, liens, claims, or reservations, except as specifically approved by Buyer under this Agreement.

(b) Seller has the right, power and authority to execute, deliver, and perform this Agreement and the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Seller, and upon execution and delivery this Agreement shall constitute valid and binding obligations of Seller enforceable against Seller in accordance with its terms and except as enforceability may be limited by bankruptcy, insolvency, and other similar laws affecting claims and rights generally or be general equitable principles.

(c) Seller has not received written notice of any judgment, suit, claim, action, arbitration. Legal, administrative, or other proceeding or governmental investigation pending or threatened with respect to any of the Property that would materially adversely affect the Property, and no activities or events have occurred on or in connection with the Property that could give rise to any such claims or proceedings.

(d) Seller has not received any written notices, demands or deficiency statements from any mortgagee of the Property or from any state, municipal or county government or agency or any insurer relating to the Property and which

have not been cured or remedied except property valuation and tax notices issued by Utah County.

(e) Except as otherwise expressly disclosed in the Commitment, the Property is not subject to any proposed special assessment or to any existing special assessment lien arising as a result of any works or improvements completed, installed or contemplated at or before the Closing Date.

(f) Seller has paid and shall pay all liens, charges, taxes and assessments for the Property arising prior to the Closing Date.

(g) No person, broker or entity, whether or not affiliated with Seller, is entitled to a commission, finder's fee or other compensation arising from this Agreement, as regarding Seller. Seller shall indemnify defend and hold Buyer harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Seller.

3.2 Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall survive the Closing and delivery of the Special Warranty Deed.

(a) Buyer has the right, power and authority to execute, deliver and perform this Agreement.

(b) No person, broker or entity, whether or not affiliated with Buyer, is entitled to a commission, finder's fee or other compensation arising from this Agreement as regarding Buyer. Buyer shall indemnify, defend and hold Seller harmless form and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Buyer.

3.3 Acknowledgment by Buyer Regarding Seller's Representations and Warranties. Except as expressly set forth in other portions of this agreement, Buyer hereby affirms that neither Seller nor its agents, employees or attorneys have made, nor has Buyer relied upon any representation, warranty, or promise (either express or implied) with respect to the Property or any other subject matter of this Agreement including, without limitation:

(a) the general plan designation, zoning, value, use, tax status or physical condition of any part of the Property or the improvements to the Property;

- (b) the flood elevations, drainage patterns and soil and subsoils composition and compaction levels and other conditions at the Property;
- (c) the existence or nonexistence of any hazardous or toxic substance, waste or material (as defined or regulated by any federal, state or local law or regulation);
- (d) the accuracy of any soils reports or any other plans or reports regarding the Property;
- (e) the suitability of the Property for Buyer's intended purpose; or
- (f) the status, suitability or sufficiency of any Emissions Reduction Credits associated with the Property.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING AND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER ACCEPTS THE PROPERTY FROM THE SELLER "AS IS", SUBJECT TO "ALL FAULTS" INCLUDING, BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS, AND THE ENVIRONMENTAL CONDITION OR DEFECTS THEREOF. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER HEREBY WAIVES ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITIONS AND THE USE OF THE SUBJECT PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE IV USE OF PROPERTY

4.1 Seller's Use of the Property Prior to Closing Date. From and after Seller's execution of this Agreement and except in the ordinary course of administering its general mortgage, Seller shall not grant or convey any easement, lease, license, permit or any other legal or beneficial interest in or to the Property or engage in any contract with any party other than Buyer regarding the purchase or sale of the Property, without the prior written consent of Buyer. Further, except as otherwise provided for herein, Seller agrees to pay, as and when the same are due, all payments on any encumbrances presently affecting the Property and any and all taxes, assessments and levies in respect of the Property through the Closing Date.

4.2 Buyer's Right to Enter Property Prior to the Closing Date. Buyer or its employees or agents may enter the Property at any time prior to the Closing Date upon twenty-four (24) hours notice to Seller to inspect the Property and perform surveys or tests as Buyer may elect; provided, however, that such entry shall not unreasonably interfere with the activities of Seller on the Property, and Buyer shall indemnify and hold Seller harmless from, all liabilities and all consequences of any interruption of

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Seller's operation of Seller's generation facilities located adjacent to the Property associated with Buyer's activities on the Property.

ARTICLE V EASEMENTS

5.1 Seller's Use of the Property After the Closing Date. Seller reserves the right to continue to use those portions of the Property identified in Attachment A for the purpose of owning, operating and maintaining electrical distribution and transmission lines and related facilities, including communications and other facilities, whether above or underground, and also for access to Seller's existing substation located adjacent to the Property. On or before the Closing Date, Buyer shall grant to Seller one or more easements, in a form acceptable to Seller, which will allow for such continued use and access or future related uses and access by Seller.

5.2 Existing Easements. Buyer purchases the Property subject to all existing easements identified as Permitted Exceptions under Section 2 above.

5.3 New Easements. On or before the Closing Date, Seller shall grant to Buyer one or more easements for access to Seller's existing, or future, electrical and/or natural gas interconnection points (to be) located near the Property, which will allow for such continued use and access or future related uses and access by Buyer.

ARTICLE VI CLOSING

6.1 Time and Place of Closing. The Purchase and sale transaction contemplated by this Agreement shall be consummated through a closing conference (the "Closing") which shall be held at the Title Company on or before _____, (the "Closing Date"), or at such earlier time and place as the parties may mutually agree in writing.

6.2 Actions at Closing. At the Closing, the following events shall occur and each being declared to have occurred simultaneously with the other:

(a) All documents to be recorded and funds to be delivered hereunder shall be delivered to the Title Company in escrow, to hold, deliver, record and disburse in accordance with supplemental escrow instructions, the form and content of which shall be agreed to by the parties prior to Closing.

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(b) At the Closing or sooner as otherwise stated in the escrow instructions, the following shall occur:

_____ (i) Seller shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) Special Warranty Deed conveying the Property to Buyer, duly executed and acknowledged by Seller and in proper form generally for recording in _____; and

(2) All other documents required to be executed by Seller pursuant to the terms of this Agreement.

_____ (ii) Buyer shall deliver or cause to be delivered in accordance with the escrow instructions:

_____ (1) The Purchase Price to be; and

(2) All other documents required to be executed by Buyer pursuant to the terms so this Agreement.

(c) ~~Buyer and Seller shall each deliver to the other, two executed copies of the Buyer's and Seller's Statement of Settlement setting forth all prorations, credits provided in this Agreement, disbursements of the purchase price, and expenses of the Closing.~~

~~(e)~~ (d) Seller shall bear any and all Closing or escrow charges of the Title Company.

6.3 Seller's Remedies. In the event this transaction fails to close due to Buyer's fault or inability to close, Seller may elect either to seek specific performance of this Agreement by suit in equity, to seek damages from Buyer.

6.4 Buyer's Remedies. In the event this transaction fails to close due to Seller's fault, this Agreement shall be declared void and of no effect.

ARTICLE VII PRORATIONS

_____ 7.1 Prorations Between Seller and Buyer. The following prorations shall be made between Seller and Buyer as of the Closing Date:

(a) Real property taxes and assessments on the Property for the year of Closing shall be prorated between Seller and Buyer based on the number of days each owned the Property. In the event the Property constitutes some portion of a larger tract of land, such proration shall be based upon the average of the Property as a percentage of the acreage of the entire tract. If, as of the Closing Date, the actual tax bills for the year or years in question are not available and the amount of taxes to be prorated cannot be ascertained, then the most recent known rates, millages and assessed valuations (which amounts shall relate to the same tax year) shall be used, and such proration shall be repeated when the final tax bill is available and either Buyer and Seller, as the case may be, shall promptly pay to the other the net amount owing as a result of such redetermination.

(b) Other Closing costs shall be apportioned between the parties in accordance with the normal and customary practice of commercial real estate transactions in Utah County, Utah.

ARTICLE VIII RELEASE, ASSUMPTION AND INDEMNITY

 8.1 Seller shall indemnify, hold harmless and defend Buyer against all claims, suits, losses and damages made against or incurred by Buyer relating to the condition of the Property prior to the Closing Date or any activity in connection with the Property which occurred prior to the Closing Date. Buyer shall indemnify, hold harmless and defend Seller against all claims, suits, losses and damages incurred by Seller relating to the condition of the Property after the Closing Date or any activity in connection with the Property which occurs after the Closing Date.

ARTICLE IX MISCELLANEOUS

 9.1 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, which written or oral, between the parties respecting such matters. Any amendments or modifications hereto in order to be effective shall be in writing and executed by the parties hereto. Notwithstanding the foregoing, Buyer's use and occupancy of this Agreement shall be subject at all times to the terms and conditions of that certain Construction Coordination Agreement dated [DATE] between Seller and Buyer.

 9.2 Amendments. This Agreement may be amended or modified only by mutual written agreement.

 9.3 Survival. All warranties, representations, covenants and agreements contained in this Agreement shall survive the execution and delivery of this Agreement

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and all documents delivered in connection with this Agreement and shall survive the Closing of the transactions contemplated by this Agreement and all performances in accordance with this Agreement.

9.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators, and assigns; provided, however, that notwithstanding the foregoing, neither party's interest under this Agreement may be assigned, encumbered, or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise.

9.5 Notices. Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall be in writing, and may be personally delivered or given or made by recognized overnight courier service or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Seller:

To Buyer:

Any party may designate a different address for itself by notice similarly given. Unless provided herein, any such notice, demand or document so given shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

9.6 Time of Essence. Time is of the essence in the performance of each and every term, condition, and covenant of this Agreement.

9.7 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the contract of the parties.

9.8 Paragraph Headings. The paragraph headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.

9.9 Attorneys' Fees. The prevailing party in any legal proceeding brought to enforce rights hereunder shall recover from the other party its reasonable attorneys' fees and costs. As used herein in the term "prevailing party" means the party entitled to recover the costs in any suit, whether or not brought to judgment, and whether or not incurred before or after the filing of suit.

9.10 Waiver. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or any warranty or representation under this Agreement by another party shall be deemed to be a waiver of any other breach of any kind or nature (whether preceding or succeeding and whether or not of the same or similar nature) and no acceptance of payment or performance by a party after any such breach by another

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party shall be deemed to be a waiver of any further breach of this Agreement or of any representation or warranty by such other party whether or not the first party knows of such a breach at the time it accepts such payment or performance. No failure on the part of a party to exercise any right it may have by the terms of this Agreement or by law upon the default of another party, and no delay in the exercise of any such right by the first party at any time when such other party may be in default, shall operate as a waiver of any default, or as a modification in any respect of the provision of this Agreement.

____ 9.11 Exhibits. Any and all exhibits attached or to be attached hereto are hereby incorporated and made a party of this Agreement by reference.

____ 9.12 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Utah.

____ 9.13 No Recording. This Agreement shall not be recorded in the real property records.

____ 9.14 Further Instruments. Each party hereto shall from time to time execute and deliver such further documents or instruments as the other party, its counsel or the Title Company may reasonably request to effectuate the intent of this Agreement, including without limitation documents necessary for compliance with the laws, ordinances, rules and regulations of any applicable governmental authorities.

____ 9.15 Confidentiality. The purchase price and terms of this Agreement are intended by both parties to be confidential. Therefore, except as directed by a court, administrative authority or required by subpoena, neither party shall disclose the purchase price or terms of this Agreement or any other non-public information related thereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

PACIFICORP

By: _____

Its: _____

Date Signed:

[BUYER]

By: _____

Its: _____

Date Signed:

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EXHIBIT A

PROPERTY DESCRIPTION TO BE COMPLETED PRIOR TO CLOSING

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EXHIBIT B

SURVEY TO BE ATTACHED

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EXHIBIT C

EMISSIONS REDUCTION CREDITS

Buyer shall receive the following credits (in tons) as part of the transaction:

- PM-10 46.8
- SO₂ 4.6
- NO_x 22.4

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**Attachment 17: Site Purchase
Agreement For Currant Creek**

~~Attachment 17~~

**~~Site Purchase Agreement For Currant
Creek~~**

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AGREEMENT FOR SALE AND PURCHASE OF REAL PROPERTY

This Agreement for Sale and Purchase of Real Estate (the "Agreement") is entered into as of the ___ day of _____, 20____, by and between _____ ("Buyer") and PacifiCorp, an Oregon corporation ("Seller").

RECITALS

A. Seller is the owner of approximately _____ acres of real property situated within Juab County, _____ and more particularly described on the attached Exhibit "A" (the "Property").

B. Buyer wishes to purchase the Property for;

C. Seller is willing to sell the Property on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the amounts to be paid and the mutual promises contained herein, Buyer and Seller agree as follows:

ARTICLE I AGREEMENT TO PURCHASE AND SELL; PURCHASE PRICE

1.1 Purchase and Sale. Upon the terms and conditions set forth in this Agreement, Seller agrees to convey to Buyer, and Buyer agrees to purchase and take from Seller, fee title interest in and to that certain parcel of real property, as more particularly described on Exhibit "A", attached hereto and by this reference made part of this Agreement, together with all appurtenances, rights, privileges and easements belonging thereto (collectively referred to herein as the "Property"), unless otherwise expressly stated in this Agreement.

(a) The description of the Property contained in Exhibit "A" is approximate. The exact acreage of the Property will be determined by a survey (the "Survey") to be prepared by Seller, at its sole cost, and provided to Buyer no later than ninety (90) days after the date of this Agreement. The Survey shall be attached to this Agreement as Exhibit "B" upon its completion.

(b) Water rights associated with the Property are included as part of this Agreement. These rights are defined in Exhibit "C" to this agreement.

(c) An assignment and transfer from Seller to Buyer, and the acceptance and assumption by Buyer, of fifty percent (50%) of Seller's rights and obligations under that certain Firm Transportation Contract—Rate Schedule T-1 dated March 31, 2005, between Seller and Questar Pipeline Company is being entered into in connection with this Agreement. The terms of such assignment, transfer and assumption are included in a separate Assignment and Assumption Agreement between Seller and Buyer of even date herewith, and the effectiveness of such agreement constitutes an express condition for the effectiveness of this Agreement.

1.2 Purchase Price. The purchase price for the Property (the "Purchase Price") shall be _____ (\$_____).

1.3 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller in cash, by cashier's check, or other immediately available funds on the Closing Date, as adjusted for prorations on the Closing Date as provided herein.

ARTICLE II TITLE INSURANCE

2.1 Commitment of Title Insurance.

(a) Within thirty (30) days after the date of this Agreement, Seller shall deliver to Buyer a commitment for title insurance covering the Property (the "Commitment"), issued by the Title Company and dated on or after the date of this Agreement.

(b) Buyer shall have ten (10) days following receipt of the Commitment to provide any written objections to any matter set forth on Schedule B of the Commitment. If Buyer does not timely deliver written notice of objection to Seller, Buyer shall be deemed to have approved of all matters set forth in the Commitment. Matters which Seller has agreed to discharge pursuant to Section 2.1 (c) and any encumbrances or other title exceptions to which Buyer does not object shall be deemed to be "Permitted Exceptions" and shall not be considered objections to any matter contained in the Commitment.

(c) If Buyer provides a written notice of objections in accordance with Section 2.1 (b), then Seller shall have the option to: (i) cure such objections at Seller's sole cost; or (ii) terminate this Agreement.

(d) Buyer's sole remedy for Seller's inability to convey title subject only to the Permitted Exceptions or to cure Buyer's objections in accordance with Section 2.1 (c) shall be to terminate this Agreement. In that case, Seller

shall have no other obligation to Buyer in connection with this Agreement or the Property.

2.2 Delivery of Title Insurance. Except as otherwise stated in Section 2.1, Seller shall obtain and deliver to Buyer within ten (10) days after the Closing Date an ALTA Standard Owner's Policy of title insurance in the amount of the Purchase Price, effective as of the Closing Date and containing no exceptions other than the Permitted Exceptions.

ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall extend beyond the Closing Date and delivery of the Special Warranty Deed.

(a) Seller has and on the Closing Date will have good and marketable fee simple title to the Property to be conveyed, free and clear of all encumbrances, liens, claims, or reservations, except as specifically approved by Buyer under this Agreement.

(b) Seller has the right, power and authority to execute, deliver, and perform this Agreement and the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Seller, and upon execution and delivery this Agreement shall constitute valid and binding obligations of Seller enforceable against Seller in accordance with its terms and except as enforceability may be limited by bankruptcy, insolvency, and other similar laws affecting claims and rights generally or be general equitable principles.

(c) Seller has not received written notice of any judgment, suit, claim, action, arbitration. Legal, administrative, or other proceeding or governmental investigation pending or threatened with respect to any of the Property that would materially adversely affect the Property, and no activities or events have occurred on or in connection with the Property that could give rise to any such claims or proceedings.

(d) Seller has not received any written notices, demands or deficiency statements from any mortgagee of the Property or from any state, municipal or county government or agency or any insurer relating to the Property and which have not been cured or remedied except property valuation and tax notices issued by Utah County.

(e) Except as otherwise expressly disclosed in the Commitment, the Property is not subject to any proposed special assessment or to any existing special assessment lien arising as a result of any works or improvements completed, installed or contemplated at or before the Closing Date.

(f) Seller has paid and shall pay all liens, charges, taxes and assessments for the Property arising prior to the Closing Date.

(g) No person, broker or entity, whether or not affiliated with Seller, is entitled to a commission, finder's fee or other compensation arising from this Agreement, as regarding Seller. Seller shall indemnify defend and hold Buyer harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Seller.

3.2 Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall survive the Closing and delivery of the Special Warranty Deed.

(a) Buyer has the right, power and authority to execute, deliver and perform this Agreement.

(b) No person, broker or entity, whether or not affiliated with Buyer, is entitled to a commission, finder's fee or other compensation arising from this Agreement as regarding Buyer. Buyer shall indemnify, defend and hold Seller harmless form and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Buyer.

3.3 Acknowledgment by Buyer Regarding Seller's Representations and Warranties. Except as expressly set forth in other portions of this agreement, Buyer hereby affirms that neither Seller nor its agents, employees or attorneys have made, nor has Buyer relied upon any representation, warranty, or promise (either express or implied) with respect to the Property or any other subject matter of this Agreement including, without limitation:

(a) the general plan designation, zoning, value, use, tax status or physical condition of any part of the Property or the improvements to the Property;

(b) the flood elevations, drainage patterns and soil and subsoils composition and compaction levels and other conditions at the Property;

(c) the existence or nonexistence of any hazardous or toxic substance, waste or material (as defined or regulated by any federal, state or local law or regulation);

(d) the accuracy of any soils reports or any other plans or reports regarding the Property;

(e) the suitability of the Property for Buyer's intended purpose; or

(f) the status, suitability or sufficiency of any water rights associated with the Property.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING AND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER ACCEPTS THE PROPERTY FROM THE SELLER "AS IS", SUBJECT TO "ALL FAULTS" INCLUDING, BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS, AND THE ENVIRONMENTAL CONDITION OR DEFECTS THEREOF. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER HEREBY WAIVES ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITIONS AND THE USE OF THE SUBJECT PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE IV USE OF PROPERTY

4.1 Seller's Use of the Property Prior to Closing Date. From and after Seller's execution of this Agreement and except in the ordinary course of administering its general mortgage, Seller shall not grant or convey any easement, lease, license, permit or any other legal or beneficial interest in or to the Property or engage in any contract with any party other than Buyer regarding the purchase or sale of the Property, without the prior written consent of Buyer. Further, except as otherwise provided for herein, Seller agrees to pay, as and when the same are due, all payments on any encumbrances presently affecting the Property and any and all taxes, assessments and levies in respect of the Property through the Closing Date.

4.2 Buyer's Right to Enter Property Prior to the Closing Date. Buyer or its employees or agents may enter the Property at any time prior to the Closing Date upon twenty-four (24) hours notice to Seller to inspect the Property and perform surveys or tests as Buyer may elect; provided, however, that such entry shall not unreasonably interfere with the activities of Seller on the Property, and Buyer shall indemnify and hold Seller harmless from, all liabilities and all consequences of any interruption of Seller's operation of Seller's generation facilities located adjacent to the Property associated with Buyer's activities on the Property.

ARTICLE V

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EASEMENTS

5.1 Seller's Use of the Property After the Closing Date. Seller reserves the right to continue to use those portions of the Property identified in Attachment A for the purpose of owning, operating and maintaining electrical distribution and transmission lines and related facilities, including communications and other facilities, whether above or underground, and also for access to Seller's existing substation located adjacent to the Property. On or before the Closing Date, Buyer shall grant to Seller one or more easements, in a form acceptable to Seller, which will allow for such continued use and access or future related uses and access by Seller.

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5.3 New Easements. On or before the Closing Date, Seller shall grant to Buyer one or more easements for access to Seller's existing, or future, electrical and/or natural gas interconnection points (to be) located near the Property, which will allow for such continued use and access or future related uses and access by Buyer.

ARTICLE VI CLOSING

6.1 Time and Place of Closing. The Purchase and sale transaction contemplated by this Agreement shall be consummated through a closing conference (the "Closing") which shall be held at the Title Company on or before _____, (the "Closing Date"), or at such earlier time and place as the parties may mutually agree in writing.

6.2 Actions at Closing. At the Closing, the following events shall occur and each being declared to have occurred simultaneously with the other:

(a) All documents to be recorded and funds to be delivered hereunder shall be delivered to the Title Company in escrow, to hold, deliver, record and disburse in accordance with supplemental escrow instructions, the form and content of which shall be agreed to by the parties prior to Closing.

(b) At the Closing or sooner as otherwise stated in the escrow instructions, the following shall occur:

_____(i) Seller shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) Special Warranty Deed conveying the Property to Buyer, duly executed and acknowledged by Seller and in proper form generally for recording in _____; and

(2) All other documents required to be executed by Seller pursuant to the terms of this Agreement.

_____(ii) Buyer shall deliver or cause to be delivered in accordance with the escrow instructions:

_____(1) The Purchase Price to be; and

(2) All other documents required to be executed by Buyer pursuant to the terms so this Agreement.

(c) Buyer and Seller shall each deliver to the other, two executed copies of the Buyer's and Seller's Statement of Settlement setting forth all prorations, credits provided in this Agreement, disbursements of the purchase price, and expenses of the Closing.

Seller shall bear any and all Closing or escrow charges of the Title Company.

6.3 Seller's Remedies. In the event this transaction fails to close due to Buyer's fault or inability to close, Seller may elect either to seek specific performance of this Agreement by suit in equity, to seek damages from Buyer.

6.4 Buyer's Remedies. In the event this transaction fails to close due to Seller's fault, this Agreement shall be declared void and of no effect.

ARTICLE VII PRORATIONS

7.1 Prorations Between Seller and Buyer. The following prorations shall be made between Seller and Buyer as of the Closing Date:

(a) Real property taxes and assessments on the Property for the year of Closing shall be prorated between Seller and Buyer based on the number of days each owned the Property. In the event the Property constitutes some portion of a larger tract of land, such proration shall be based upon the average of the Property as a percentage of the acreage of the entire tract. If, as of the Closing Date, the actual tax bills for the year or years in question are not available and the amount of taxes to be prorated cannot be ascertained, then the most recent known rates, millages and assessed valuations (which amounts shall relate to the same tax year) shall be used, and such proration shall be repeated when the final tax bill is available and either Buyer and Seller, as the case may be, shall promptly pay to the other the net amount owing as a result of such redetermination.

(b) Other Closing costs shall be apportioned between the parties in accordance with the normal and customary practice of commercial real estate transactions in Utah County, Utah.

ARTICLE VIII RELEASE, ASSUMPTION AND INDEMNITY

8.1 Seller shall indemnify, hold harmless and defend Buyer against all claims, suits, losses and damages made against or incurred by Buyer relating to the condition of the Property prior to the Closing Date or any activity in connection with the Property which occurred prior to the Closing Date. Buyer shall indemnify, hold harmless and defend Seller against all claims, suits, losses and damages incurred by Seller relating to the condition of the Property after the Closing Date or any activity in connection with the Property which occurs after the Closing Date.

ARTICLE IX

MISCELLANEOUS

9.1 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, which written or oral, between the parties respecting such matters. Any amendments or modifications hereto in order to be effective shall be in writing and executed by the parties hereto. Notwithstanding the foregoing, Buyer's use and occupancy of this Agreement shall be subject at all times to the terms and conditions of that certain Construction Coordination Agreement dated [DATE] between Seller and Buyer.

9.2 Amendments. This Agreement may be amended or modified only by mutual written agreement.

9.3 Survival. All warranties, representations, covenants and agreements contained in this Agreement shall survive the execution and delivery of this Agreement and all documents delivered in connection with this Agreement and shall survive the Closing of the transactions contemplated by this Agreement and all performances in accordance with this Agreement.

9.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators, and assigns; provided, however, that notwithstanding the foregoing, neither party's interest under this Agreement may be assigned, encumbered, or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise.

9.5 Notices. Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall be in writing, and may be personally delivered or given or made by recognized overnight courier service or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Seller:

To Buyer:

Any party may designate a different address for itself by notice similarly given. Unless provided herein, any such notice, demand or document so given shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

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9.7 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the contract of the parties.

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9.9 Attorneys' Fees. The prevailing party in any legal proceeding brought to enforce rights hereunder shall recover from the other party its reasonable attorneys' fees and costs. As used herein in the term "prevailing party" means the party entitled to recover the costs in any suit, whether or not brought to judgment, and whether or not incurred before or after the filing of suit.

9.10 Waiver. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or any warranty or representation under this Agreement by another party shall be deemed to be a waiver of any other breach of any kind or nature (whether preceding or succeeding and whether or not of the same or similar nature) and no acceptance of payment or performance by a party after any such breach by another party shall be deemed to be a waiver of any further breach of this Agreement or of any representation or warranty by such other party whether or not the first party knows of such a breach at the time it accepts such payment or performance. No failure on the part of a party to exercise any right it may have by the terms of this Agreement or by law upon the default of another party, and no delay in the exercise of any such right by the first party at any time when such other party may be in default, shall operate as a waiver of any default, or as a modification in any respect of the provision of this Agreement.

9.11 Exhibits. Any and all exhibits attached or to be attached hereto are hereby incorporated and made a party of this Agreement by reference.

9.12 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Utah.

9.13 No Recording. This Agreement shall not be recorded in the real property records.

9.14 Further Instruments. Each party hereto shall from time to time execute and deliver such further documents or instruments as the other party, its counsel or the Title Company may reasonably request to effectuate the intent of this Agreement, including without limitation documents necessary for compliance with the laws, ordinances, rules and regulations of any applicable governmental authorities.

9.15 Confidentiality. The purchase price and terms of this Agreement are intended by both parties to be confidential. Therefore, except as directed by a court, administrative authority or required by subpoena, neither party shall disclose the purchase price or terms of this Agreement or any other non-public information related thereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

PACIFICORP

By: _____

Its: _____

Date Signed:

[BUYER]

By: _____

Its: _____

Date Signed:

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EXHIBIT A

PROPERTY DESCRIPTION TO BE COMPLETED PRIOR TO CLOSING

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EXHIBIT B

SURVEY TO BE ATTACHED

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EXHIBIT C

WATER RIGHTS

Buyer shall receive water rights to two hundred (200) acre-feet of ground water as part of this transaction.

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~~Attachment 18~~

**~~Currant Creek Engineering,
Construction And Procurement
Contract (EPC)~~**

**Attachment 18: Currant Creek
Engineering, Construction And
Procurement Contract (EPC)**

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**Attachment 19: Due Diligence Items
For The Acquisition Of An Existing
Facility**

~~Attachment 19~~

**~~Due Diligence Items For The
Acquisition Of An Existing Facility~~**

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DUE DILIGENCE ITEMS

The following ing is not to be considered a complete listing of due diligence items. The final listing shall be determined, in PacifiCorp's sole discretion, based on the Facility offered by the Bidder.

~~Due Diligence Items:~~

~~Technical Assessment~~

1.0 Plant General

- 1.1 ~~Request Pp~~lant organization charts.
- 1.2 ~~Request the~~ Annual Plant Budget (total) Actual for 5 years. Projected for 5 years.
- 1.3 ~~Request a s~~Summary of the budget. ~~L for l~~ast 5 years and next 5 years.
 - 1.3.1 Labor expenses.
 - 1.3.2 Maintenance expense.
 - 1.3.3 Equipment expense.
 - 1.3.4 Insurance expense.
 - 1.3.5 Operations expense.
 - 1.3.6 Administrative expense.
 - 1.3.7 Capital escrow.
 - 1.3.8 Major Maintenance Escrow.
 - 1.3.9 Inventory Purchase. Total Value of Inventory. ~~Inventory Value for each division.~~
 - 1.3.10 Fuel by component.
- 1.4 ~~Request a S~~summary of the maintenance expenses.
 - 1.4.1 Major Maintenance (annual).
 - 1.4.2 Consumables.

- 1.4.3 Inventory draws.
- 1.4.4 Maintenance contracts.
- 1.4.5 Building and grounds.
- 1.4.6 Other.

1.5 ~~Request a s~~Summary of equipment expenses.

- 1.5.1 Shop equipment maintenance.

- ~~1.5.2~~ Equipment rental.

- ~~1.5.3~~ Power tools (Leased).

~~1.5.4~~

- 1.5.~~4~~3 Rolling stock fuel.

- 1.5.~~4~~5 Rolling stock maintenance.

- 1.5.~~6~~5 Other.

1.6 ~~Request a s~~Summary of insurance expenses.

- 1.6.1 Business Interruption.

- 1.6.2 Property.

- 1.6.3 General liability.

- 1.6.4 Vehicle liability.

1.7 ~~Request a s~~Summary of operating expenses.

- 1.7.1 Regeneration Cost.

- 1.7.2 Clarifier Cost.

- ~~1.7.3~~ Boiler water chemicals.

- 1.7.4 Lubricants.

- 1.7.5 Consumables.

- 1.7.6 Electricity purchased.

- 1.7.7 Hazardous material disposal.

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1.7.8 Discharge treatment chemicals

1.7.9 Laboratory supplies.

1.7.10 Emission testing.

1.7.11 Hydrogen and CO2 for generator.

1.7.12 Ammonia, lime, limestone, other.

1.8 ~~Request a~~Summary of administrative expenses.

1.8.1 Telephone expenses.

1.8.2 Postage.

1.8.3 Computer hardware.

1.8.4 Computer software.

1.8.5 Office supplies.

1.8.6 Permits and licenses.

1.8.7 Professional Services.

1.9 ~~Request a s~~Summary of capital escrow accounts.

1.9.1 Equipment purchases.

1.9.2 Balance of Plant capital.

1.9.3 Dispersion schedule of escrow accounts.

2.0 Plant Personnel.

2.1 ~~Request a p~~Personnel roster [and organization chart](#).

2.1.1 Complete list of Classifications.

2.1.2 Number in each classification. Remaining years before retirement.

2.1.3 Annual base salary.

2.1.4 Hourly wage rate.

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2.1.5 Straight time additions (%).

2.1.6 Straight time ~~H~~hourly cost (Hourly rates + additions).

2.1.7 Overtime hourly costs.

2.1.8 Total overtime (% of annual base salary).

2.1.9 Employee age demographics ~~chart~~.

2.2 ~~S~~Request a summary of payroll additions.

2.2.1 Payroll taxes.

2.2.2 Workman's compensation.

2.2.3 Retirement Account.

2.2.4 Insurance.

2.2.5 Employee Savings.

2.2.6 Vacation and Sick Leave.

2.2.7 Indirect Additions.

2.2.8 Other (Pensions, benefits and welfare Plans).

~~2.3 Labor.~~

~~2.3.1 Labor contracts.~~

~~2.3.2 Organizing initiatives.~~

3.0 Major maintenance.

3.1 ~~S~~Request a summary of maintenance costs and schedules.

3.1.1 Annual, major and frequency of major outages for:

3.1.1.1 Turbine valves.

3.1.1.2 Coal feeders and scales.

3.1.1.3 Pulverizers.

3.1.1.4 Boiler pressure parts.

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- 3.1.1.5 Boiler auxiliaries.
- 3.1.1.6 Boiler draft system.
- 3.1.1.7 Casing and ductwork.
- 3.1.1.8 Boiler insulation and lagging.
- 3.1.1.9 Main steam Tturbine.
- 3.1.1.10 Main Condenser.
- 3.1.1.11 Generator.
- 3.1.1.12 Pumps.
- 3.1.1.13 Switchgear.
- 3.1.1.14 Water treatment system/Demineralizer.
- 3.1.1.15 Precipitators.
- 3.1.1.16 Flue Gas Desulphurization system.
- ~~3.1.1.17~~ 3.1.1.17 ~~—~~Selective Catalytic Reduction System~~CR~~.
- 3.1.1.18 Gas Turbines.
- 3.1.1.19 Cooling Tower or Air Cooled Condenser
- 3.1.1.20 Auxiliary Cooling Towers.

3.2 Provide the latest overhaul inspection reports and summaries showing the condition of major equipment. These reports are required to show the “~~as-found~~” equipment condition, work performed during the overhaul, equipment settings, and test results ~~upon~~after returning the equipment to service. Overhaul reports shall be provided for the following equipment:

~~—~~ a.3.2.1 steam generation and fuel firing equipment

3.2.2 ~~—b-~~steam turbine and/or combustion turbines

3.3.3 ~~—c-~~generator and excitation equipment

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3.3.4 ~~d.~~ all emissions control equipment

~~3.3.5~~ e. all ~~plant~~ large transformers

~~3.3.6~~ f. all ~~plant~~ large electric motors

3.3.7 critical piping

3.3 Provide list of all OEM service bulletins for the following equipment.
~~Also when~~Identify correction action was taken in response to the service bulletin and who performed the corrective action:

3.3.1a ~~a.~~ steam turbine and/or combustion turbines

3.3.2 ~~b.~~ generator and excitation equipment

3.3.3 ~~e.~~ large transformers

4.0 Plant Performance:

4.1 Provide the following for the design of the plant:

4.4.1 Summary of plant design and operating conditions

4.4.2 ~~P&ID's~~iping & Instrument Diagrams for the plant

4.4.3 Heat balance ~~calculations or~~ diagrams
with heat balance data

4.4.4 Fuel specifications

4.4.5 Design parameters for emissions control equipment

4.2 Provide the following actual performance data for the last five (5) years:

4.2.1 ~~Actual fuel~~Fuel consumed ~~quality~~ reports and analysis data

4.2.2 Plant heat rate data

4.2.3 Availability data per NERC GADS formulas and codes for calculations and identification of the types of equipment component failure mechanisms.

4.2.3.1 Availability data for the unit

~~_____~~ 4.2.3.2 Availability data for each piece of major equipment

~~_____~~ 4.2.4 Generation summaries, net and gross

~~_____~~ 4.2.5 Emission rates and tests reports

~~_____~~ 4.2.6 Major equipment performance testing reports

~~Plant chemical treatment technologies and systems reports showing chemical treatment activities~~

~~Plant cathodic protection plan and testing reports~~

~~3.2~~ ~~Major maintenance escrow.~~

~~3.2.1~~ ~~Request a major maintenance analysis (summary of planned majors and dispersions for the last 5 years and projected for the next 5 years).~~

~~4.0~~ ~~Capital expense items.~~

~~4.1~~ ~~Capital expense escrow.~~

~~4.1.1~~ ~~Request a capital escrow analysis (summary of planned capital expenditures and dispersion for the last 5 years and projected for the next 5 years).~~

5.0 Operations.

5.1 ~~How~~ Description of how do you track efficiency is tracked?

5.2 ~~How~~ Description of how availability is determined do you calculate availability?

~~5.3~~ ~~In your opinion what are the major strengths of you department?~~

~~5.4~~ ~~What are the major weaknesses?~~

~~5.5~~ 3 ~~What~~ Identify the equipment that presents the most problems?

~~5.6~~ ~~Are you satisfied with the maintenance efforts?~~

~~5.7~~ ~~Are the existing controls satisfactory?~~

~~_____~~ ~~5.8~~ ~~How would you rate the knowledge level of your personnel?~~

~~_____~~ ~~5.8.1~~ ~~Would you be receptive to additional training for your people?~~

~~5.8.2~~ ~~Do you think the training would be cost effective?~~

~~5.8.3~~ ~~What are the existing training methods?~~

~~5.8.4—Give a rough estimate of the average experience level of your department (years of experience).~~

~~5.8.5—How are operations people utilized during outages?~~

~~5.8.6—How would you rate relations with the various unions?~~

~~5.9—What is your occurrence of “Operator error”?~~

~~5.10If you owned this plant what would you do to improve it?~~

~~5.11Do you help prioritize and plan work required for efficient plant operation?~~

6.0 Maintenance

6.1 ~~How heavy is the workload for your department?~~

~~6.1.1Do you have all the resources needed to complete the defined tasks?~~

~~6.1.2How is your maintenance work prioritized?~~

~~6.1.3How much maintenance backlog work do you have?~~

~~6.2—How successful have you been in maintaining the plant within budget forecasts?~~

~~6.3—How much input do you have in budgeting for maintenance?~~

~~6.4—How often do you Description on how schedule mmmajor maintenance outages is scheduled?.~~

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~~6.2~~ ~~6.4.1~~—Are you allowed sufficient time to complete planned tasks during outages?

~~6.4.2~~—Do you have adequate inventories of spare parts?Evaluation on whether the inventory of spare parts is adequate.

6.3

~~6.4.3~~—Do you have enough tools?

~~6.5~~—What are the major strengths of your department?

~~6.6~~—What are the major weaknesses of your department?~~6.7~~—How would you rate the skills level of your technicians?

~~6.7.1~~—Would you be receptive to additional *training* for your people?
What areas?

~~6.8~~—What are the boundaries of your responsibilities?

~~6.9~~—Do you feel that you have sufficient latitude to perform your job efficiently?

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~~6.10—Do you have an extended plan for Capital improvements?~~

~~6.10.1—How long is the time span for forecasted equipment replacement?~~

~~6.116.10.2—Do~~Are there you have contingency plans for equipment failure?

6.4

~~6.103—Are there any problems with excessive lead time for equipment purchase?~~

~~Do~~Reports on you perform any non-destructive testings performed on you ~~mm~~major boiler parts and steam lines in the last 10 years?

6.5

Have you conducted a comprehensive review of your H~~Reports on any comprehensive reviews of the HT/HP~~ piping systems?

6.6 Evaluation of the electrical switchgear.

~~6.13—When were the last overhauls of you turbines?~~

~~6.13.1—What were the major problems found?~~

~~6.13.2—How were these problems corrected?~~

~~6.13.3—Do you perform bore inspections?~~

~~6.13.4—How often are overspeed trip tests conducted?~~

~~6.13.5—Are there any generator problems that you are aware of??~~

~~6.14—What is the condition of your electrical switchgear?~~

~~6.146.1—Do~~Schedule of regularly performed you perform

~~scheduled~~ switchgear inspections?

~~6.14.2 Are parts available for the switchgear?~~

~~6.715 What is the condition of~~Condition assessment of ~~your~~the water treatment plant?

~~6.15.1 Are any major maintenance activities planned for the water treatment plant in the foreseeable future?~~

~~6.16 Are there any major problems with any existing environmental protection equipment?~~

~~6.16.1 Does existing environmental equipment require an inordinate amount of your people's time?~~

~~6.17 Do you have adequate on-site transportation to prevent loss of efficiency by your people?~~

7.0 Controls.

~~7.1 Description of the type, age and condition of the control systems.~~
What type of control systems do you have?

~~7.2 How old are these systems?~~Description of any plans to change out any of the control systems.

~~7.3 Do you consider them obsolete?~~

~~7.4 Are parts readily available?~~

~~7.5 Who sets your work priorities?~~

~~7.6 How heavy is your workload and how much "backlog" do you have?~~

~~7.7 How would you rate the knowledge of your workforce?~~

~~7.7.1 Would you be receptive to additional training for your technicians?~~

~~7.7.2 Do you think additional training could be cost justified?~~

~~7.8 Do you have sufficient test equipment and tools?~~

~~7.9 Are there any plans to make major controls system change outs in the foreseeable future?~~

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~~7.130~~ Identify if plant is equipped~~Is your plant equipped~~ for fire protection?

~~7.10.1~~ Who is responsible for testing of fire fighting equipment?

~~7.10.2~~ Is there a need for more fire equipment or do you think the existing equipment is sufficient?

~~7.411~~ How do you handle injuries~~Description of how injuries are handled.~~?

~~7.152~~ Do you have dangerous chemicals on the plant site? If so, please identify~~Identify any dangerous or hazardous chemicals or materials located on the plant site.~~

~~7.12.1~~ Do you have contingency plans for emergencies?

8.0 Safety

~~8.1~~ Describe the ~~o you have an~~ on-going safety program?

~~8.2~~ Please describe your approach to safety?

~~8.3~~ In you opinion, does the program work?

~~8.4~~ How could the program be improved?

~~8.5~~ Provide a d~~Description of the health and safety compliance program with respect to the Facility. Include a description of any safety management systems that have been put in place and any safety policies that have been implemented at the Facility.~~

~~8.63~~ Provide copies of A~~all OSHA citations or orders issued to the Facility, or settlements entered into by the Facility, in the last ten (10) years in each case with respect to the Facility.~~

~~8.74~~ A~~Provide a~~ll worker-related or third-party lawsuits or claims, including worker's compensation claims, filed within the last ten (10) years or now threatened, pending, or reasonably anticipated by the Facility regarding human exposure to toxic or carcinogenic substances or materials at the Facility.

~~8.85~~ Provide all~~All~~ documents describing the Facility's current and past annual employee medical screening and monitoring programs at the Facility, including but not limited to, documents pertaining to current and former employees that have been diagnosed with: (a) asbestosis or any other lung related illness; (b) elevated blood lead levels; or (c) elevated blood PCB levels.

~~8.96~~ Provide information on safety performance experienced at the Facility within the last five years. Include OSHA recordable, Lost Time Accident and Restricted Work Day statistics in this information.

9.0 Environmental

~~9.1~~ ~~What is the prevailing attitude toward environmental matters?~~

~~9.2~~ ~~Do you think environmental concerns should receive more attention?~~

~~9.3~~ Provide ~~any~~ copies of any environmental audits that have been performed.

~~9.2~~ ~~Is there any~~Description of any known or suspected environmental contamination of the plant site??

~~9.3~~

~~9.5~~Provide a record on any~~What is your~~ environmental exceedancesrecord for the last five (5) years.?

~~9.64~~ ~~Provide c~~Provide copies of all Phase I, Phase II and other environmental site assessments, risk assessments, site investigations, site remediation plans, closure reports, compliance audits, etc.

~~9.75~~ ~~Provide c~~Provide copies of any environmental management systems (“EMS”) policies and procedures (including any documents pertaining to the implementation of the EMS at the facility), EHS compliance policy statement and implementation documents and voluntary disclosure policy statement and implementation documents.

~~9.86~~ ~~Provide c~~Provide copies of all current Environmental Health and Safety permits, licenses, consents, registrations or approvals (collectively, “EHS Permits”) that are required by any governmental authorities and necessary ownership/operation of the Facility, including, but not limited to those associated with any types of air emissions, wastewater discharges, storm water runoff, water use, solid waste management, recycling, and/or hazardous materials generation, storage, treatment and/or disposal. In the event that there are applications (including notices/applications for permit renewals) pending for any EHS Permits, provide copies of such applications and any relevant correspondence.

~~9.97~~ ~~Provide D~~Provide documents (including EHS Permits) pertaining to the use, development, conservation or disturbance of land, wetlands, natural resources, biota and/or ecologically sensitive receptors.

~~9.108~~ ~~Provide Aa~~ Provide a list and description of all landfills, disposal areas, surface impoundments, ponds, diversions, dams and other similar structures located at or related in any way to the Facility, together with copies of all associated EHS Permits.

~~9.149~~ ~~Provide D~~Provide documents pertaining to compliance with applicable federal, state and local EHS laws and its EHS permits (including but not limited to emission statements, compliance monitoring data, compliance inspection reports, plans and correspondence with governmental

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authorities) and/or reports and submissions made pursuant to applicable federal, state and local EHS laws.

9.120 ~~Provide~~ Provide documents identifying or describing anticipated capital expenditures required to control pollution, investigate/remediate any environmental conditions, manage waste or achieve/ensure compliance with applicable EHS permit conditions or EHS laws at the Facility.

9.131 ~~Provide~~ Provide documentation of (1) hazardous waste generator status for the Facility; (2) the types(s) and amounts of waste generated; (3) a list and description of all solid waste and hazardous waste transporters used; (4) a list of all off-site treatment, storage or disposal facilities (“TSDFs”) that have received or are receiving solid and/or hazardous waste from the Facility; and (5) copies of all manifests for off-site hazardous waste disposal.

9.142 ~~Provide~~ Provide (1) A list and description of current and former surface impoundments, underground storage tanks (“USTs”) and above-ground storage tanks (“ASTs”) located on any properties used, owned or leased in connection with the Facility as well as any information concerning the size, content, age and compliance of such impoundments/tanks; (2) any reports prepared in connection with any leaks or releases from such impoundments or tanks; and (3) closure reports prepared in connection with any closure, removal or abandonment of such impoundments, USTs or ASTs.

9.153 ~~Provide~~ Provide documents relating to: (1) the maintenance, handling, storage or disposal of mercury or mercury-containing equipment; or (2) the testing, disposal and/or abandonment of any pipes, transformers, structures or other PCB-containing equipment or materials, particularly as those relate to compliance with the PCB Mega Rule in connection with the Facility.

9.164 ~~Provide~~ Provide incident reports, notifications and/or other documents relating to any spill or release of hazardous materials, wastes or chemicals at the Facility or as a result of operations at the Facility.

9.175 ~~Provide~~ Provide documents pertaining to: (1) the indoor air quality of the Facility; or (2) the presence, management, removal or abatement of asbestos-containing materials or lead-based paint.

9.16 Provide a listing of hazardous and non-hazardous wastes which are stored on-site or off-site, or have been disposed of.

10.0 ~~What~~ Description of any natural perils that could affect this site.?

~~10.1 Give a cost analysis of the last 2 such occurrences.~~

11.0 ~~What~~ Copies of any licenses, permits or certificates are required at this site? ~~(Air? Noise? Water usage? Storm water discharge? Waste water discharge? Air discharge? Business? Power production?~~

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~~Others?~~

12.0 ~~Give~~Provide nameplate data for all units.

12.1 ~~Give~~Provide start up times, ramp rates for synchronization and total event costs to full load for hot, warm and cold start conditions.

12.2 ~~Give heat rate, reduced load heat rates, availability, forced outage rates, capacity factors, environmental performances, catastrophic failures, obsolescence, etc for each unit~~Capacity Factor, Equivalent Availability Factor, and Equivalent Forced Outage Rate for each of the last five (5) years. Define terms and method of calculation

12.3 Results of test of Net Maximum Capacity tests.

~~13.0 Request a copy of all collective bargaining units' agreements.~~

~~14.0 What other contracts, sub-contracts or leases exist for maintenance services, labor, professional services, materials, parts or other?~~

~~15.0 Supply details of all fuel purchase, transportation and storage contracts.~~

~~16.0 Supply details of any waste disposal procedures or contracts.~~

~~16.1 What opportunities do you see for "revenues" from your various waste streams?~~

~~173.0~~ Title.

~~173.1~~ Real property.

~~173.2~~ UCC Filings.

~~184.0~~ Claims history (both by and against Seller-Owner in connection with the Facility).—

~~184.1~~ Litigation (including arbitration and other forms of alternative dispute resolution.

~~184.2~~ Labor issues.

~~184.3~~ Warranty claims.

~~184.4~~ Copies of all auditor's letters prepared by law firms with respect to the Facility or with respect to Seller's-Owner's liability in connection with the Facility.

~~195.0~~ Provide copies of any ~~€~~contracts.

~~195.1~~ O&M contract~~Copies of all contracts.~~

15.2 Power Purchase Agreement

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15.3 Interconnection agreements and terms.

15.4 Fuel purchase, transportation and storage contracts.

15.5 Ash storage, transportation and disposal contracts.

15.6 Production by product sales contracts.

15.7 Steam sales contracts.

15.8 Water supply/sewer agreements.

15.9 All other contracts, subcontracts and leases for maintenance services, labor, professional services, materials, parts or other at each plant.

15.10 Collective bargaining agreements, if any.

15.11 Pension, benefit and welfare plans.

~~20.0 Permits/Licenses.~~

~~20.1 Copies of all permits, licenses, easements, etc.~~

~~21.0 Organizational Documents.~~

~~22~~16.0 Insurance.

2216.1 ~~€~~Provide copies of all insurance policies that have been in effect at any time with respect to the Facility or under which coverage may have at any time been provided with respect to the Facility.

Technical Evaluation of Potential Acquisition Questions, Documents & Data to be Reviewed

- ~~• O&M contract.~~
- ~~• Power Purchase contract.~~
- ~~• Interconnect agreements and terms.~~
- ~~• Fuel purchase, transportation and storage contracts.~~
- ~~• Ash storage, transportation and disposal contracts.~~
- ~~• Production by product sales contracts.~~

- ~~• Steam sales contracts.~~
- ~~• Water supply/sewer agreements.~~
- ~~• All other contracts, subcontracts and leases for maintenance services, labor, professional services, materials, parts or other at each plant.~~
- ~~• Collective bargaining agreements, if any.~~
- ~~• Pension, benefit and welfare plans.~~
- ~~• O&M and capital budgets vs. actuals for last five years. Budgets or budget forecasts for next five years. Status of maintenance escrow accounts.~~
- ~~• Operating & Maintenance plan, and capital improvement plan, for last five years and next five years.~~
- ~~• Staffing plan including organizational chart and salary levels.~~

- ~~• Environmental permits including air, noise, water usage, stormwater discharge and wastewater discharge. Provide documentation to show compliance with permits and/or any violations or citations. Provide reports of any Environmental Audits or Assessments of the projects/sites. Is there any known or suspected environmental contamination of the site of facilities? We may wish to conduct a site assessment.~~

- ~~• A listing of hazardous and non-hazardous wastes which are stored on-site or off-site, or have been disposed of.~~

- ~~• Any federal, state or local licenses, permits and certifications~~
- ~~• Major maintenance requirements at each plant: historical as well as recommended and/or planned major maintenance activities. Maintenance schedules from last five years and projections for next five years.~~
- ~~• Maintenance records—preventative maintenance, corrective maintenance, major maintenance and scheduled maintenance.~~
- ~~• Spare parts inventory—item description, quantity and value.~~
- ~~• Written procedures, programs, policies, records and logs relative to operations, maintenance, safety, environmental, training and others.~~
- Capacity Factor, EAF and EFOR for each of the last five years. Define terms and method of calculation. History of all scheduled maintenance outages and all significant forced outages.
- ~~• Heat rate at each plant: design heat balance; curves of heat rate vs. load; actual average monthly heat rate based on fuel purchases and net energy produced; and results of any heat rate tests.~~
- ~~• Results of tests of Net Maximum Capacity tests.~~
- ~~• Startup times and ramp rates from synchronization to full load for hot, warm, and cold start conditions.~~
- ~~• Data to show compliance with QF requirements (if applicable) for last five years.~~
- ~~• Interviews with Plant Manager and supervisors at each plant.~~
- ~~• Are there any remaining warranties? Are there any warranty claims or issues outstanding?~~
- ~~• Is there potential for efficiency improvement? expansion? repowering?~~
- ~~• Assess the technology employed. Is it proven?~~
- ~~• What are the risks associated with this technology? i.e. startup times, heat rate, heat rate at reduced load, availability, force outage rate, capacity factor, environmental performance, catastrophic failure, obsolescence, etc.~~
- ~~• What Natural perils could affect this site?~~

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~~Attachment 20~~
~~Code Of Conduct~~
Attachment 20: Code Of Conduct

**Code of Conduct Governing PacifiCorp's Intra-Company
Relationships for RFP ~~2012~~ Process**

As part of the RFP ~~2012~~ process, PacifiCorp will commit to abide by a self-imposed code of conduct which will govern PacifiCorp's intra-company business relationships in order to ensure a fair and unbiased RFP evaluation and selection process. As part of the RFP process, PacifiCorp has identified various teams and work groups who will be responsible for the evaluation of the proposals and the development of the benchmark resources. The Evaluation Team and the Benchmark Team will have separate responsibilities and be required to adhere to the self-imposed code of conduct.

Bidders will provide a Request for Qualification ("RFQ") that will not be blinded; however, in order to ensure the proper treatment of "blinded" and "non-~~un~~blinded" Bidder information once the proposals are submitted and throughout this process, each Bidder is expected to adequately blind its proposal such that the bid number is the only identifying aspect of the bid. Following review and a determination by the Independent Evaluators ("IEs") that the bids are adequately blinded, the bids will be provided to the Evaluation Team for analysis. PacifiCorp will take the steps outlined below to maintain the appropriate "blinded" or "non-~~un~~blinded" nature of the Bidder and benchmark information until the final short-list is selected. Once the final short-list is selected, the proposals will be unblinded and the Evaluation Team will negotiate with the counterparties. The Evaluation Team and the Benchmark Team will comply with this code of conduct during the RFP evaluation process beginning on the date the Public Service Commission of Utah approves the RFP for issuance.

EVALUATION TEAM

The Evaluation Team will be made up of ~~eight~~seven separate work groups. Prior to the selection of the final short-list, certain work groups on the Evaluation Team will be considered "Blinded Individuals" and shall not be given access to non-~~un~~blinded Bidder information. Other work groups will be considered "NonUnb-~~blinded~~ Individuals" and shall be given access to non-~~un~~blinded Bidder information; however, these NonUn-~~blinded~~ Individuals will not share such information with Blinded Individuals prior to the selection of the final short list. Consistent with PacifiCorp's identification of shared employees under FERC's Standards of Conduct, the IRP work group will be treated as a shared resource to perform work for the Evaluation Team and the Benchmark Team. The IRP work group will not share any information it obtains from either Team with the other Team until after the final short list and the IRP work group will not share any non-public transmission system information with either Team at any point in this process.

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As set forth below in the Information Status, no members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs~~ Independent Evaluator. If any Bidder or member of the Benchmark Team attempts to contact a member of the Evaluation Team, such Bidder or member of the Benchmark Team shall be directed to the ~~IEs~~ Independent Evaluator for all information and such communication shall promptly be reported to the ~~Independent Evaluators~~ by the Evaluation Team.

The roles and responsibilities of the members of the Evaluation Team work groups are set forth below, along with the individual member's name and title and information status restrictions for each work group.

Blinded Individuals on Evaluation Team: Origination, Structuring and Pricing, ~~IRP~~, Transmission Manager and Environmental

1. Origination

Roles: Members of the Origination work group will be responsible for overall coordination of the RFP process, including bid process management for all proposals. The Origination work group will also have responsibility to coordinate with the ~~Independent Evaluator~~ IEs and all of the Evaluation Team work groups. The Origination work group will also perform the evaluation of the non-price components of the bid analysis.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Origination group will remain blinded prior to the selection of the final short-list. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs~~ Independent Evaluator.

2. Structuring and Pricing

Roles: Members of the Structuring and Pricing work group will be responsible for the economic analysis and modeling for the initial short-list including the validation on the inputs to the risk assessment of the bid.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Structuring and Pricing group will remain blinded prior to the selection of the final short-list. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs~~ Independent Evaluator .

3. Integrated Resource Planning (IRP)

~~*Roles:* Members of the IRP work group will be responsible for running the capacity expansion model and the planning at risk model to determine the portfolios. The IRP work group will receive inputs from the Benchmark Team which will be required to model the benchmark portfolios subject to the information sharing restrictions set forth below. The IRP work group will not be responsible for making an economic determination about the bids.~~

~~*Individual Members and Titles:* [tbd]~~

~~*Information Status:* All Bidder information shared with the IRP group will remain blinded prior to the selection of the final short list. Any information the IRP group obtains from the Benchmark Team on benchmark portfolios will not be shared with the Origination or Structuring and Pricing work groups until after the final short list is determined. No members of the Evaluation Team will have contact or communication with any Bidder other than through the Independent Evaluator.~~

43. Commercial & Trading Regulated Transmission Manager (Transmission Manager)

Roles: The Transmission Manager will assist Structuring and Pricing and Origination with PacifiCorp's transmission requests and evaluations in determining the appropriate costs and/or agreements required for any bid options.

Individual Member and Title: [tbd]

Information Status: All Bidder information shared with the Transmission Manager will remain blinded prior to the selection of the final short-list. No members of the Evaluation Team will have contact or communication with any Bidder other than through the Independent Evaluator.

54. Environmental

Roles: The Environmental work group will be responsible for evaluation and acquisition of necessary air, water supply and discharge, emission credits, and siting and facilities permits.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Environmental group will remain blinded prior to the selection of the final short-list. No members of the Evaluation

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Team will have contact or communication with any Bidder other than through the ~~IE~~s~~ndependent Evaluator~~.

Unblinded-Non-blinded Individuals on Evaluation Team: Credit, Legal and Risk Management

65. Credit

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

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Credit group will be unblinded throughout the entire RFP process. The Credit group must not reveal to other Evaluation Team members any blinded information regarding the identity of any of the Bidders and may not discuss specific bids with the Unblinded-Non-blinded Individuals on the Evaluation Team. No members of the Evaluation Team will have contact or communication with any Bidder other than through the IE~~s~~ndependent Evaluator. The Credit group will also participate on the RFQ Team.

76. Legal

Roles: The Legal work group will be responsible for confirming compliance of bids to the RFP requirements, including the forms, attachments and appendices. The Legal work group will conduct the legal process and due diligence inquiries, and will have responsibility for legal review of any documentation entered into as part of the RFP process.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Legal group will be unblinded throughout the entire RFP process. The Legal group must not reveal to other Evaluation Team members any blinded information regarding the identity of any of the Bidders and may not discuss specific bids with the NonUn-blinded Individuals on the Evaluation Team. No members of the Evaluation Team will have contact or communication with any Bidder other than through the IE~~s~~ndependent Evaluator. The Legal group will also participate on the RFQ Team.

87. Risk Management

Roles: The Risk Management work group will be responsible for validating the internal modeling of the proposals and the Company benchmark proposals.

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Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Risk Management group will be ~~non-un~~blinded throughout the entire RFP process. The Risk Management group must not reveal to other Evaluation Team members any blinded information regarding the identity of any of the Bidders and may not discuss specific bids with the ~~Non-Un~~blinded Individuals on the Evaluation Team. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs, independent~~ Evaluator

INTEGRATED RESOURCE PLANNING TEAM (IRP)

The IRP Team will be responsible for running the capacity expansion model and the planning at risk model to determine the portfolios. The IRP Team will receive inputs from the Benchmark Team which will be required to model the benchmark portfolios subject to the information sharing restrictions set forth below. The IRP Team will not be responsible for making an economic determination about the bids. The IRP Team will also participate on the RFQ Team.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the IRP group will remain blinded prior to the selection of the final shortlist. Any information the IRP group obtains from the Benchmark Team on benchmark portfolios will not be shared with the Origination or Structuring and Pricing work groups until after the final shortlist is determined. No members of the Evaluation Team will have contact or communication with any Bidder other than through the IEs.

BENCHMARK TEAM

The Benchmark Team will consist of members from PacifiCorp Energy's Generation unit. A third-party engineering consultant may be retained by Generation as needed and if retained, will be considered a member of the Benchmark Team. No member of the Evaluation Team will be a member of the Benchmark Team; however, the Benchmark Team ~~may utilize~~will provide inputs to the IRP work group to allow the IRP work group to model benchmark portfolios. This is not intended to be an iterative process. The IRP work group may not share any information received from the Benchmark Team with the Evaluation Team.

Benchmark Team

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Roles: The Benchmark Team will be responsible for development of PacifiCorp's benchmark resources.

Individual Members and Titles: Generation and/or Third Party Engineering Consultant [tbd]

RFQ TEAM

The RFQ is not blinded; however, PacifiCorp will identify a separate RFQ Team comprised of members from PacifiCorp legal, credit and IRP who will work with the IEs to assess the Bidders' qualifications. Following this assessment, the IEs will provide each Bidder who has met the qualifications under the RFQ (which will include creditworthiness, demonstrated capability, experience, performance references and qualifications to deliver the indicated Eligible Resource Alternative selected on the form) with a bid number.

Individual Members and Titles: [tbd]

FERC'S STANDARDS OF CONDUCT

In addition to this self-imposed code 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 Affiliate. Under the Standards of Conduct, PacifiCorp's Transmission Function employees must function independently of PacifiCorp's Marketing Affiliate employees. Marketing Affiliate 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 Affiliate 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 Affiliate. 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 Affiliate employees through any non-public or off-OASIS communications.

Marketing Affiliate Employees

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

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PacifiCorp Energy, Commercial & Trading:

Energy Trading (includes Regulated Transmission Manager)

Marketing & Trading Contracts

Origination

Structuring and Pricing Valuation

Structuring and Pricing Model Integration

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, Environmental, Credit, Legal, and Risk Management as shared employee functions under FERC's Standards of Conduct.

Information Status

PacifiCorp's Marketing Affiliate (as defined above) will not be involved in a Bidder's transmission interconnection and integration with the control 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, Lara Skidmore, should be contacted immediately.

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RFP-~~2012~~
Attachment 21: Credit Methodology
~~Attachment 21~~
~~Credit Methodology~~

~~RFP 2012~~ Credit Security Requirements Methodology

Methodology Overview

The RFP ~~2012~~ (includes eligible resources alternatives for 2012 and 2013-2014) 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 eligible resource (see Eligible Resource Alternatives Key at the end of this paper)
2. Size of eligible resource
3. Expected energy delivery start date
4. Term of underlying contract (would need to be adjusted based on resources less than 10 years in duration)
5. Creditworthiness of Bidder or Bidder's credit support provider

Acquisition of an Asset

For all resources that involve a physical asset with appropriate step-in rights (resources B3-B7, and 9 (APSA only)), PacifiCorp views potential credit exposure as the cost it would incur in the event the resource failed to come on-line when expected. PacifiCorp believes it could take up to 12 months to either step in and complete the project or cause the project to be completed on its behalf. If the failure occurred near the expected on-line date, PacifiCorp would have to procure energy in the open market at then-prevailing market prices.

Although it may take up to one additional year to get the resource on-line in the event of a Bidder default, PacifiCorp is most concerned about replacing expected energy during the summer months (June-September), specifically the on-peak hours.

In determining where prices for replacement power might be between contract execution and the replacement period (i.e. the future summer months), PacifiCorp employs standard stochastic-statistical analysis to estimate future price levels within a certain confidence interval. Once the "stressed" forward price is determined, the expected cost to procure energy, had the project not been delayed, based on contract terms and conditions is subtracted. The difference between these prices is then multiplied by the number of megawatt hours for the replacement period to estimate the expected replacement cost, or damages, PacifiCorp might sustain due to Bidder nonperformance.

To illustrate, for the 2012 resource the forward price for on-peak power delivered at Mona over the four summer months during 2012 as indicated by the market on June 26, 2006 was \$66.26/MWh. Market-implied volatility of prices for those same delivery

months was 37.5%² on the same observation date. Using this data, PacifiCorp estimated – with 84% confidence – that prices for that delivery point and replacement period are expected to be no higher than \$155.49/MWh. Subtracting the cost of on-peak power PacifiCorp expects to pay had the resource been operational (e.g. \$66.26/MWh) yields a potential replacement cost to PacifiCorp of \$89.23/MWh, or \$174,185³ for a 1 MW resource.

With regard to a calculation for the estimate of the price of power for the replacement period of \$155.49/MWh, PacifiCorp estimated, with 84% confidence, how high Utah power prices could be in the event PacifiCorp had to procure replacement energy during the summer of 2012 (four months, June-September) in the event of a bidder default. PacifiCorp used the forward price curve and the five year price volatility level observed on June 26, 2006 as inputs to its statistical analysis. Using a 7x16 delivery pattern, PacifiCorp nominally leveled power prices for each of the individual summer months to arrive at a single strip price of \$66.26/MWh. The price was then multiplied by a stress factor to generate a potential forward price based on the desired confidence level:

Stress factor = $\exp^{(1 \text{ standard deviation} * 37.5\% \text{ annual five year volatility} * \sqrt{[(\text{mid point date of summer strip} - \text{contract signing date})/365.25]}}$ = 2.3469.

Stressed price = 2.3469 stress factor * \$66.26/MWh leveled price = \$155.49/MWh

Using a similar assessment for the 2013 ~~and 2014~~-resources, the potential credit exposure was estimated to be \$190,574 ~~and \$220,427, respectively,~~ for a 1 MW resource.

Asset-Backed Agreements

For other eligible resources that are backed by an asset with appropriate step-in rights (resources ~~B11~~, ~~B22~~, ~~B8~~, ~~9~~ and ~~10~~: asset-backed only), PacifiCorp views its potential credit exposure as the cost it would incur in the event the Bidder failed at any time during the life of the contract. However because the resource is backed by an attachable asset, PacifiCorp believes it can have the project operational, or cause to have the project operational on its behalf, within 12-18 months from the date of nonperformance. PacifiCorp acknowledges that the potential for prices to change is greater for this resource group due to the term of the underlying contract but will treat the potential replacement costs the same as asset backed resources B3-B7. PacifiCorp will hold the security for a longer period, however, due to the length of contract related to this resource group.

² Execution of contracts related to the RFP is expected to occur on June 1, 2007. Therefore, volatility for the 2011 period was used as the best estimate of where volatility levels would be in 2012 as viewed on June 1, 2007.

³ Assumes 1,952 on-peak hours during June-September 2012.

This discussion of the credit requirements for Power Purchase Agreements (and Tolling Services Agreements) and the Asset Purchase and Sales Agreements assumes, for these credit requirements to be comparably analyzed, that each of these types of agreement is backed by its respective physical asset. In order for this to be the case, the agreements by their terms must put that physical resource behind the agreement, which would include, but not be limited to, the following: allowing PacifiCorp meaningful and actual exercise of step-in rights and a second lien (behind only the project lenders) on the assets and the special purpose entity equity, —limiting the amount of leverage on the project by way of a cap on the debt to equity ratio, and other financial covenants for the life of the Power Purchase Agreement (resources [B1](#), ~~[B2](#)~~ ~~and [B](#)~~, [8](#), [9](#) and [10](#)).

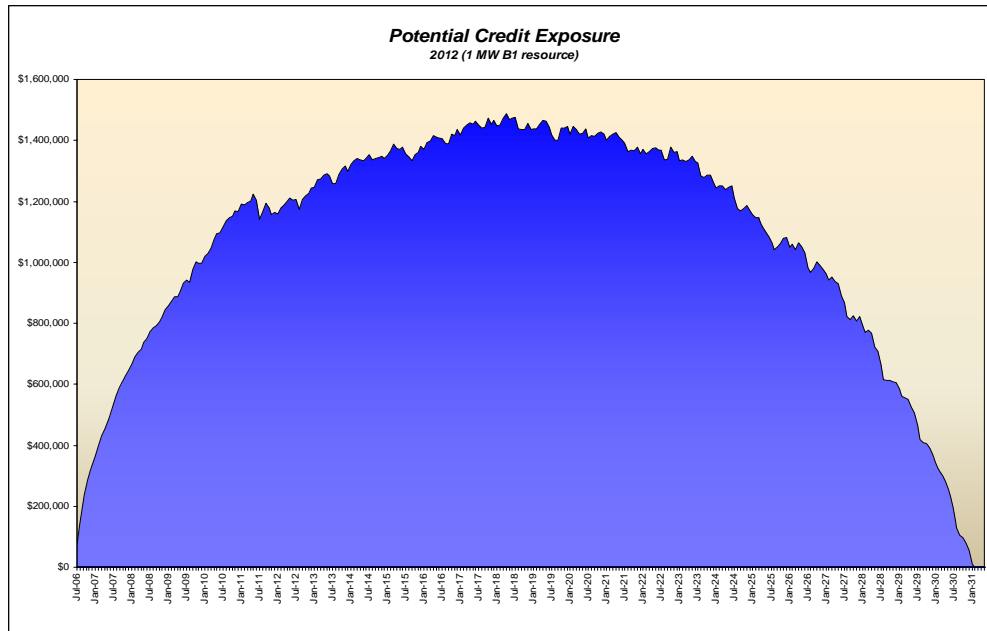
Non-Asset Backed Agreements

For eligible resources that are not backed by an asset (resources [B1](#), ~~[B2](#)~~, [B8](#), [9](#), [10](#) and ~~[B9](#)~~[11\(a\)](#)), PacifiCorp estimates potential credit exposure on not just four summers' worth of replacement volume but on the entire remaining volume at any point a Bidder might default during the term of a contract. PacifiCorp also takes into account the full-time horizon of the contract from contract execution. To estimate potential credit exposure at any possible point of default, PacifiCorp performs a Monte Carlo simulation⁴ using a program purchased from a third-party vendor⁵ that factors in forward prices, forward price volatility, temporal correlations, and asset correlations. The simulation steps through time, removing delivered volumes from the valuation while revaluing remaining, undelivered volumes. The result is a distribution of potential credit exposures from which PacifiCorp uses those at the 84th percentile.

The following chart shows the potential credit risk profile of a 1 MW, ~~[B1](#)~~-resource [#1](#) for 2012:

⁴ A Monte Carlo simulation incorporates randomness into the revaluation process while mindful of the boundaries imposed by volatility and correlation assumptions.

⁵ Risk Capital Management Partners, LLC, acquired by Towers Perrin on June 19, 2006.



For the 2012 ~~,and~~ 2013 ~~,and~~ 2014 resources that are not backed by an asset, the potential credit exposure was estimated to be \$1,488,754, ~~and~~ \$1,603,434, ~~and~~ ~~\$1,605,863~~, respectively, for a 1 MW resource.

Credit Matrix

Once the potential credit exposures were estimated for all resources, the exposures then were inserted into a series of credit matrices (each a “Credit Matrix”). Each Credit Matrix lists various sizes of resources in 50 MW increments (columns) for each possible credit rating of Bidder or Bidder’s credit support provider (rows). A Credit Matrix for each resource category is shown for each resource year.

Next, PacifiCorp applies its internal credit risk tolerance specific to this RFP to each potential credit exposure in every cell of every Credit Matrix. The results are the amounts of excess credit risk that PacifiCorp requests be secured through third-party guaranties, cash, letters of credit, or other collateral, or combinations thereof.

To interpret a Credit Matrix, a Bidder needs to select the type of resource, the size of the resource, and the year the resource is expected to be operational. Depending on the credit rating of the Bidder or the Bidder’s credit support provider, the value in the specific Credit Matrix represents the maximum value of credit security the Bidder or Bidder’s credit support provider must provide.

Using the Credit Matrix excerpt below for illustration, credit security required for a 550 MW asset purchase and sale agreement for 2012 with a ‘BBB+’ rated Bidder would be \$0 (row 8). If the Bidder was not rated or was rated less than investment grade, the

Bidder would be required to provide \$95,801,750 (row 11) in credit security to cover the potential credit exposure. Security could include a third-party guaranty from an investment grade entity but in that event additional security may be required depending on the security amounts listed in the Credit Matrix corresponding to the rating of the guarantor. For instance, if the third-party guarantor was only rated 'BBB', PacifiCorp would require a guaranty in the amount of \$75m (\$95,801,750 (row 11) minus \$20,081,750 (row 9)) from the guarantor and additional security (i.e. a letter of credit) in the amount of \$20,801,750 (row 9) from the Bidder.

Size of Nameplate bid in MW ==>	501-550	
Credit Rating		
AAA/Aaa and above	\$0	row 1
AA+/Aa1	\$0	row 2
AA/Aa2	\$0	row 3
AA-/Aa3	\$0	row 4
A+/A1	\$0	row 5
A/A2	\$0	row 6
A-/A3	\$0	row 7
BBB+/Baa1	\$0	row 8
BBB/Baa2	\$20,801,750	row 9
BBB-/Baa3	\$45,801,750	row 10
Below BBB-/Baa3	\$95,801,750	row 11

In the event the Bidder's credit rating or Bidder's credit support provider's credit rating adversely changes during the contract term, the amount of credit security must be adjusted commensurate with the amounts listed in the Credit Matrix.

Posting of Credit Security

For all eligible resources that are backed by an asset that can be attached by PacifiCorp, credit security must be posted in accordance with the following schedule: [Note that this includes a Power Purchase Agreement that is backed by an asset:](#)

Cumulative Value of Credit Security*	2012 Resource	2013 Resource
10%	Effective Date (ED)	Effective Date (ED)
20%	ED+6 months	ED+18 months
30%	ED+12 months	ED+24 months
40%	ED+18 months	ED+30 months
100%	ED+24 months	ED+36 months

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* When the Bidder receives project development financing, 100% of the required credit security is then immediately due, regardless of the deadlines contained in the schedule.

The Effective Date is the date the contract is approved by the Utah Commission or the date the contract is executed by the parties, which ever is later.

A Bidder may select to either post the initial security, which must be in the form of cash or letter of credit only, or alternatively, a Bidder may post the full amount of credit security using *any* form of security acceptable to PacifiCorp (e.g. a third-party guaranty.)

For all other resources, full credit security is due within ten (10) business days after the Effective Date.

Eligible Resource Alternatives Key:	
B1	Power Purchase Agreements
B2	Tolling Service Agreements
B3	Asset Purchase and Sale Agreements on PPW sites
B4	Asset Purchase and Sale Agreements
B5	EPC Contract for Currant Creek
B6	Purchase of an Existing Facility
B7	Purchase of a portion of a facility jointly owned by or operated by PPW
B8	Restructuring of existing Power Purchase Agreement or Exchange Agreement
9	IGCC Proposals (Power Purchase Agreements, Tolling Service Agreements or Asset Purchase and Sale Agreements)
10	Geothermal and/or Biomass Power Purchase Agreement
B911(a))	Load Curtailment

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~~**Attachment 22**~~

~~**Credit Commitment Letter**~~

~~**Attachment 22: Credit Commitment**~~
~~**Letter**~~

~~**RFP 2012**~~

~~**ATTACHMENT 22**~~

~~**Credit Commitment Letter**~~

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ATTACHMENT -22: —

GUARANTY COMMITMENT LETTER

(Bidder parent or credit support provider letterhead)

PacifiCorp

~~(insert our address)~~[Address]

Dear Sirs:

The undersigned bears the following relationship to the Bidder _____ (NOTE: Please insert Bidder name) ("Counterparty") in your RFP ~~2012~~—process: (NOTE: insert nature of relationship, e.g., Parent company, tax investor, etc.).

This will indicate our promise to you that, should you enter into a transaction with Counterparty arising out of any bid submitted by Counterparty in the RFP, ~~2012~~, that we will at that time issue an unconditional guaranty in form and substance reasonably satisfactory to you, and that we will guarantee all obligations of payment and performance of Counterparty to you as our independent obligation, (up to a maximum amount of \$_____, plus enforcement expenses).

We understand that you will not enter into a transaction with Counterparty without said guaranty. We understand that you are under no obligation to enter into any transaction with Counterparty, under the RFP ~~2012~~—or otherwise.

Yours truly,

(name of committing guarantor)

(name of authorized officer)

RFP
Attachment 23
Operating And Maintenance Terms
And Conditions
Attachment 23: Operating ~~A~~and
Maintenance Terms ~~A~~and Conditions

Operating & Maintenance Term Sheet for Operations
Coal-Fired Generation Resources

Option 1 – To the extent PacifiCorp does not have input on the design, the following Operations & Maintenance Agreement will be negotiated by the Parties.

PacifiCorp pays all prudent O&M and capital costs and directs operator to achieve PacifiCorp's performance objectives for the plant. Plant is managed through an engineering and operating committee. Operator operates to prudent industry standards. Operator negligence covered by insurance. PacifiCorp maintains the right to step in for default, negligence or transfer of operating entity.

At Commercial Operation Date a percentage (as determined by PacifiCorp's review of the design) of the total project cost is withheld until the end of operating term of the O&M agreement. The repayment of the withheld capital cost will depend on the plant achieving specific forced outage rates compared to [a standard] and the plant operating and maintenance costs are maintained equal to or less than [a standard]. These terms are to protect against design risk.

Bidders will provide a fueling plan with cost and a fuel transportation plan to provide fuel for the duration of the O&M agreement. The fueling plan will include primary and start-up and stabilization fuels. PacifiCorp retains the option to provide fuel within the constraints of the negotiated agreements to provide fuel.

Parties will negotiate in good faith to further develop the following:

1. Plant will be owned by PacifiCorp.
2. Plant will be operated by the Plant Operator
3. Term of agreement: Ten (10) years then by PacifiCorp. PacifiCorp can assume operation of the facility prior to the end of term with 18 months notice. PacifiCorp will assume operations in the event of default, or failure to meet agreed Operating Performance Requirements..
4. O&M Services will be provided by the Plant Operator
 - a. Labor
 - b. Operating materials and services
 - c. Operations
 - i. Labor for manning plant 24 hours per day, 365 days per year basis, providing control room manning, auxiliary equipment operations and operating procedures
 - d. Maintenance

- i. Predictive and Preventive maintenance activities
 - ii. Scheduled Maintenance Activities
 - 1. Scope and schedule of work
 - iii. Unscheduled maintenance
 - e. Plant data and record keeping per NERC/GADS guidelines
- 5. Plant Operating Performance Requirements for the plant:
 - a. Health and Safety achievement
 - b. Production of power
 - c. Equivalent forced outage rate
 - d. Planned outage rate
 - e. Equivalent availability rate
 - f. Heat rate
 - g. Compliance with regulatory and environmental permits
 - h. Other plant performance criteria as specified by Plant Operator:
 - i. Start up durations
 - ii. Loading and ramping rate
 - iii. Ancillary services
- 6. Operating and maintenance costs reimbursable by PacifiCorp
 - a. Management services
 - b. Labor, directs and indirects
 - c. Contract, Parts, Materials, Chemicals and Services
 - d. Permits and fees
 - e. Budget:
 - i. 1 year and 5 year Operations Budget, updated annually
 - ii. 1 year and 5 year Capital Budget, updated annually
 - iii. Budget variances
- 7. Fuel may be supplied by PacifiCorp to an agreed-to fuel specification, including, start up, stabilization and primary fuels.
- 8. Dispatching
 - a. Agree an annual production schedule
 - b. PacifiCorp dispatches the unit as part of PacifiCorp's system based on the physical and economic needs of the system

Option 2 – PacifiCorp has material input on design

PacifiCorp accepts design and pays for plant

O&M services reimbursed similar to PacifiCorp's Cholla agreement

Option 3 – PPA with plant purchase option

APSA is a PPA with an option to purchase exercisable by PacifiCorp after [X] years.

PPA supplier provides plant purchase price schedule as part of bid.

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- PPA demonstrates design and reliability
- O&M costs will be recovered in PPA energy price
- Cost and risk similar to existing PPAs

RFP
Attachment 24: Operating and
Maintenance Terms and Conditions
for IGCC

**Operating & Maintenance Term Sheet for Operations
Integrated Gasification Combined Cycle Generation Resources**

Option 1 – To the extent PacifiCorp does not have any input on design, the following Operations & Maintenance Agreements will be proposed and negotiated by the Parties.

PacifiCorp pays all prudent O&M and capital costs and directs operator to achieve the PacifiCorp's performance objectives for the plant. Plant is managed through an engineering and operating committee. Operator operates to prudent industry standards. Operator negligence covered by insurance. PacifiCorp maintains the right to step in for default, negligence or transfer of operating entity.

At Commercial Operation Date a percentage (as determined by PacifiCorp's review of the design) of the total project cost is withheld until the end of operating term of the O&M agreement. The repayment of the withheld amount will depend on the plant achieving specific forced outage rates compared to [a standard] and the plant operating and maintenance costs are maintained equal to or less than [a standard]. These terms are to protect against design risk.

Bidders will provide a fueling plan with a cost and a fuel transportation plan to provide fuel for the duration of the O&M agreement. Fueling plan will include provision for both primary and secondary fuels. PacifiCorp retains the option to provide fuel within the constraints of the negotiated agreements to provide fuel.

Parties will negotiate in good faith to further develop the agreement along the following principles:

1. Plant will be owned by PacifiCorp.
2. Plant will be operated by the Plant Operator.
3. Term of Agreement – through the second major gas turbine overhaul. This is expected to be approximately twelve (12) years depending on the actual operating regime of the plant and the gas turbine supplier's operating and maintenance guidelines. PacifiCorp can assume operations with eighteen (18) months notice. PacifiCorp will assume operations for default or failure to meet agreed Operating Performance Requirements.
4. Separate agreements shall be proposed:
 - a. Combined operation – both gasification and power islands
 - b. Gasification island only
 - c. Power island only

5. O&M Services will be provided by the Plant Operator

a. Labor

a. Operating materials and services

b. Operations

i. Labor for operating the plant on a 24 hours per day basis, 365 days per year, providing control room manning, auxiliary equipment operations and operating procedures

d. Maintenance

i. Predictive and Preventive maintenance activities

ii. Scheduled Maintenance Activities

1. Scope and schedule of work

iii. Unscheduled maintenance

e. Plant data and record keeping per NERC/GADS guideline

6. Plant Operating Performance Requirements:

a. Health and Safety achievement

b. Production of power

c. Equivalent Forced outage rate – gasification island

d. Equivalent Forced outage rate – power block

e. Planned outage rate – gasification island

f. Planned outage rate – power block

g. Equivalent availability - gasification island

h. Equivalent availability - power block

i. Overall plant availability on syngas

j. Heat rate on syngas

k. Heat rate on secondary fuel

l. Compliance with regulatory and environmental permits

m. Other plant performance criteria as specified by Plant Operator:

i. Start-up durations

ii. Loading and ramping rate

iii. Ancillary services

7. Operating and maintenance costs reimbursable by PacifiCorp:

a. Management services

a. Labor, directs and indirects

b. Contracts, Parts, Materials, Chemicals, and Services

c. Royalties

d. Permits and Fees

e. Budget Information:

i. 1 year and 5 year Operations Budget, updated annually

ii. 1 year and 5 year Capital Budget, updated annually

iii. Budget variances to actual over or under

8. Fuel maybe supplied by PacifiCorp to an agreed-to fuel specification, including start-up, stabilization and primary fuels.

9. Dispatching

a. Agree to an annual production schedule

b. PacifiCorp dispatches the unit as part of PacifiCorp's system based on the physical and economic needs of the system

Option 2 – PPA with plant purchase option

Option to APSA is a PPA with an option to buy exercisable by PacifiCorp after [X] years. PPA supplier provides plant purchase price schedule.

- PPA for demonstration of reliability
- O&M is in PPA energy price
- Cost and risk similar to existing PPAs

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~~FORM 1~~

~~Pricing Input Sheet~~

FORM 1: Pricing Input Sheet

Form 1 Pricing Input Sheet

PacifiCorp RFP 2012: CONFIDENTIAL and PROPRIETARY

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ID	Input Description	Bidder Input
1	Resource Alternative Category (THIS FIELD MUST BE ENTERED BEFORE PROCEEDING TO OTHER INPUTS)	AFSA - Bidder Site
2	Resource Type (THIS FIELD MUST BE ENTERED BEFORE PROCEEDING TO OTHER INPUTS)	Coal
3	Bid Number	9999
4	Project Name	To Be Stripped Out by IE
5	Delivery to PacifiCorp Start Date (mm/dd/yyyy)	01/2012
6	Delivery to PacifiCorp End Date (mm/dd/yyyy)	N/A
7	Point of Interconnection	Oquirrh, UT
8	Point of Power Delivery	Moira 345KV
9	New or Existing Resource?	New
10	Economic Life of Resource (Years)	40
11	Beginning of Plant Life/Commercial On-Line Date for New or Existing Resource (mm/dd/yyyy)	01/2012
12	Firm or Unit Contingent?	Unit Contingent
13	Transmission Interconnection Credit Assigned to PacifiCorp (\$)	\$0,000,000
14	Third Party PTC Transmission (\$/Mwh) Charge to PacifiCorp	\$0.00
15	Third Party Losses Transmission (%) Charge to PacifiCorp	0.00%
16	PacifiCorp or Bidder to Deliver Fuel (if applicable)?	PacifiCorp
17	Point of Fuel Delivery (or Index, if applicable)	Facility
IGCC Option Inputs		
18	IGCC Project Cost (required)	
19	IGCC Project On-line Date (required)	
20	IGCC carbon capture ready Project Cost (optional)	
21	IGCC carbon capture ready Project On-line Date (optional)	
22	IGCC with carbon capture and sequestration Project Cost (optional)	
23	IGCC with carbon capture and sequestration Project On-line Date (optional)	
Load Curtailment Option Inputs		
24	Resource Capacity & Fixed Charges Applicator (MW)	
25	Capacity Payment (\$/KW-mo)	
26	Capacity Payment Annual Calendar Escalation Index?	
27	Capacity Payment Annual Calendar Escalation (%)	
28	Bidder's Incremental Energy Retail Rate (\$/MWh)	
29	Hours Per Day Dispatch Limitation	0
30	Hours Per Month Dispatch Limitation	0
31	Hours Per Year Dispatch Limitation	0
Resource Inputs		
32	Resource Capacity (Nameplate) & Fixed Charges Applicator (MW)	
33	Capacity (Hourly, Day Or, Day Ahead, Monthly)	
34	Fixed Energy Payment (\$/MWh, if applicable)	
35	Fixed Energy Payment Annual Calendar Escalation Index?	
36	Fixed Energy Payment Annual Calendar Escalation Rate	
37	Published Index for Energy Payment (if applicable)	
38	Published Index for Energy Payment Adder	
39	Published Index for Energy Payment Multiplier (%)	
40	Heat Rate (Btu/KWh) - PPA/Tolling Structures (if applicable)	
41	Variable O&M Payment (\$/MWh)	\$2.00
42	Variable O&M Payment Annual Calendar Escalation Index?	Fixed Bidder Rate
43	Variable O&M Payment Annual Calendar Escalation Rate	1.00%
44	Start-Up Costs (\$/MWh) 8 hours per run	
45	Start-Up Costs (\$/MWh) 16 hours per run	
46	Start-Up Costs for Non-Natural Gas Resource (\$/MWh)	\$2.00
47	Start-Up Cost Annual Calendar Escalation Index?	Fixed Bidder Rate
48	Start-Up Cost Annual Calendar Escalation Rate	1.0%
49	Fixed O&M Payment (\$/KW-mo)	\$1.00
50	Fixed O&M Payment Annual Calendar Escalation Index?	Fixed Bidder Rate
51	Fixed O&M Payment Annual Calendar Escalation Rate	1.00%
52	Capacity Payment (\$/KW-mo)	\$0.00
53	Capacity Payment Annual Calendar Escalation Index?	Fixed Bidder Rate
54	Capacity Payment Annual Calendar Escalation Rate	0.00%
55	Percentage of Capacity Payment that is Executive Costs (%)	0%
56	Cost to Build (\$/KW)	\$1,000
57	Gas Capacity (D/Day)	
58	Gas Demand Charge (\$/D/Day)	
59	Gas Distribution Charges Above Commodity Rate or Index Adder (\$/MMBtu)	
60	Gas Distribution Charges Adder Calendar Escalation Index?	
61	Gas Distribution Charges Adder Calendar Escalation Rate	
62	Fuel Multiplier (%, if applicable)	100.0%
63	Hours Per Day Dispatch Limitation (if applicable)	N/A
64	Hours Per Year Dispatch Limitation (if applicable)	N/A
65	Runup Rates - Warm Start (MW/min.)	10.0
66	Runup Rates - Cold Start (MW/min.)	5.0
67	Min. Up (hours)	12.0
68	Min. Down (hours)	12.0
69	Spinning Reserve Amounts (Max that can be used for Spin) (MW)	100
70	Non-Spinning Reserve Amounts (Max that can be used for Non-Spin from Cold Starts) (MW)	0
Mechanical Availability by Month: (Expected, or Guaranteed if Applicable)		
71	January	97%
72	February	97%
73	March	97%
74	April	97%
75	May	97%
76	June	97%
77	July	97%
78	August	97%
79	September	97%
80	October	97%
81	November	97%

Note:
 Each Bidder is required to copy this form and revise it with their bid number and submit it on a CD or Diskette as an electronic copy in Excel. Form 1 can be downloaded from either PacifiCorp website and/or the IE website for Bidders to save on a CD or Diskette. (www.pacifiCorp.com)
 The electronic copy of Form 1 will be interactive requiring the bidder to specify inputs to items 1 and 2 before filling out the remaining sections of the Pricing Input Sheet.

	Planned Outages by Month	Normal Day Resources				All Other Resources Contract/Other	ID	Fuel Costs	Unit/HR
		Contract Code %	Simple Code %	Test/Fire %	Power Assessment				
YEAR 1	January					1001	January	\$0.00	
	February					1002	February	\$0.00	
	March					1003	March	\$0.00	
	April					1004	April	\$0.00	
	May					1005	May	\$0.00	
	June					1006	June	\$0.00	
	July					1007	July	\$0.00	
	August					1008	August	\$0.00	
	September					1009	September	\$0.00	
	October					1010	October	\$0.00	
	November					1011	November	\$0.00	
	December					1012	December	\$0.00	
YEAR 2	January					1013	January	\$0.00	
	February					1014	February	\$0.00	
	March					1015	March	\$0.00	
	April					1016	April	\$0.00	
	May					1017	May	\$0.00	
	June					1018	June	\$0.00	
	July					1019	July	\$0.00	
	August					1020	August	\$0.00	
	September					1021	September	\$0.00	
	October					1022	October	\$0.00	
	November					1023	November	\$0.00	
	December					1024	December	\$0.00	
YEAR 3	January					1025	January	\$0.00	
	February					1026	February	\$0.00	
	March					1027	March	\$0.00	
	April					1028	April	\$0.00	
	May					1029	May	\$0.00	
	June					1030	June	\$0.00	
	July					1031	July	\$0.00	
	August					1032	August	\$0.00	
	September					1033	September	\$0.00	
	October					1034	October	\$0.00	
	November					1035	November	\$0.00	
	December					1036	December	\$0.00	
YEAR 4	January					1037	January	\$0.00	
	February					1038	February	\$0.00	
	March					1039	March	\$0.00	
	April					1040	April	\$0.00	
	May					1041	May	\$0.00	
	June					1042	June	\$0.00	
	July					1043	July	\$0.00	
	August					1044	August	\$0.00	
	September					1045	September	\$0.00	
	October					1046	October	\$0.00	
	November					1047	November	\$0.00	
	December					1048	December	\$0.00	
YEAR 5	January					1049	January	\$0.00	
	February					1050	February	\$0.00	
	March					1051	March	\$0.00	
	April					1052	April	\$0.00	
	May					1053	May	\$0.00	
	June					1054	June	\$0.00	
	July					1055	July	\$0.00	
	August					1056	August	\$0.00	
	September					1057	September	\$0.00	
	October					1058	October	\$0.00	
	November					1059	November	\$0.00	
	December					1060	December	\$0.00	
YEAR 6	January					1061	January	\$0.00	
	February					1062	February	\$0.00	
	March					1063	March	\$0.00	
	April					1064	April	\$0.00	
	May					1065	May	\$0.00	
	June					1066	June	\$0.00	
	July					1067	July	\$0.00	
	August					1068	August	\$0.00	
	September					1069	September	\$0.00	
	October					1070	October	\$0.00	
	November					1071	November	\$0.00	
	December					1072	December	\$0.00	
YEAR 7	January					1073	January	\$0.00	
	February					1074	February	\$0.00	
	March					1075	March	\$0.00	
	April					1076	April	\$0.00	
	May					1077	May	\$0.00	
	June					1078	June	\$0.00	
	July					1079	July	\$0.00	
	August					1080	August	\$0.00	
	September					1081	September	\$0.00	
	October					1082	October	\$0.00	
	November					1083	November	\$0.00	
	December					1084	December	\$0.00	
YEAR 8	January					1085	January	\$0.00	
	February					1086	February	\$0.00	
	March					1087	March	\$0.00	
	April					1088	April	\$0.00	
	May					1089	May	\$0.00	
	June					1090	June	\$0.00	
	July					1091	July	\$0.00	
	August					1092	August	\$0.00	
	September					1093	September	\$0.00	
	October					1094	October	\$0.00	
	November					1095	November	\$0.00	
	December					1096	December	\$0.00	
YEAR 9	January					1097	January	\$0.00	
	February					1098	February	\$0.00	
	March					1099	March	\$0.00	
	April					1100	April	\$0.00	
	May					1101	May	\$0.00	
	June					1102	June	\$0.00	
	July					1103	July	\$0.00	
	August					1104	August	\$0.00	
	September					1105	September	\$0.00	
	October					1106	October	\$0.00	
	November					1107	November	\$0.00	
	December					1108	December	\$0.00	
YEAR 10	January					1109	January	\$0.00	
	February					1110	February	\$0.00	
	March					1111	March	\$0.00	
	April					1112	April	\$0.00	
	May					1113	May	\$0.00	
	June					1114	June	\$0.00	
	July					1115	July	\$0.00	
	August					1116	August	\$0.00	
	September					1117	September	\$0.00	
	October					1118	October	\$0.00	
	November					1119	November	\$0.00	
	December					1120	December	\$0.00	
YEAR 11	January					1121	January	\$0.00	
	February					1122	February	\$0.00	
	March					1123	March	\$0.00	
	April					1124	April	\$0.00	
	May					1125	May	\$0.00	
	June					1126	June	\$0.00	
	July					1127	July	\$0.00	
	August					1128	August	\$0.00	
	September					1129	September	\$0.00	
	October					1130	October	\$0.00	
	November					1131	November	\$0.00	
	December					1132	December	\$0.00	
YEAR 12	January					1133	January	\$0.00	
	February					1134	February	\$0.00	
	March					1135	March	\$0.00	
	April					1136	April	\$0.00	
	May					1137	May	\$0.00	
	June					1138	June	\$0.00	
	July					1139	July	\$0.00	
	August					1140	August	\$0.00	
	September					1141	September	\$0.00	
	October					1142	October	\$0.00	
	November					1143	November	\$0.00	
	December					1144	December	\$0.00	
YEAR 13	January					1145	January	\$0.00	
	February					1146	February	\$0.00	
	March					1147	March	\$0.00	
	April					1148	April	\$0.00	
	May					1149	May	\$0.00	
	June					1150	June	\$0.00	
	July					1151	July	\$0.00	
	August					1152	August	\$0.00	
	September					1153	September	\$0.00	
	October					1154	October	\$0.00	
	November					1155	November	\$0.00	
	December					1156	December	\$0.00	
YEAR 14	January					1157	January	\$0.00	
	February					1158	February	\$0.00	
	March					1159	March	\$0.00	
	April					1160	April	\$0.00	
	May					1161	May	\$0.00	
	June					1162	June	\$0.00	
	July					1163	July	\$0.00	
	August					1164	August	\$0.00	
	September					1165	September	\$0.00	
	October					1166	October	\$0.00	
	November					1167	November	\$0.00	
	December					1168	December	\$0.00	
YEAR 15	January					1169	January	\$0.00	
	February					1170	February	\$0.00	
	March					1171	March	\$0.00	
	April					1172	April	\$0.00	
	May					1173	May	\$0.00	
	June					1174	June	\$0.00	
	July					1175	July	\$0.00	
	August					1176	August	\$0.00	
	September					1177	September	\$0.00	
	October					1178	October	\$0.00	
	November					1179	November	\$0.00	
	December					1180	December	\$0.00	
YEAR 16	January					1181	January	\$0.00	

371	January								371	January	\$0.00
372	February								372	February	\$0.00
373	March								373	March	\$0.00
374	April								374	April	\$0.00
375	May								375	May	\$0.00
376	June								376	June	\$0.00
377	July								377	July	\$0.00
378	August								378	August	\$0.00
379	September								379	September	\$0.00
380	October								380	October	\$0.00
381	November								381	November	\$0.00
382	December								382	December	\$0.00
383	January								383	January	\$0.00
384	February								384	February	\$0.00
385	March								385	March	\$0.00
386	April								386	April	\$0.00
387	May								387	May	\$0.00
388	June								388	June	\$0.00
389	July								389	July	\$0.00
390	August								390	August	\$0.00
391	September								391	September	\$0.00
392	October								392	October	\$0.00
393	November								393	November	\$0.00
394	December								394	December	\$0.00
395	January								395	January	\$0.00
396	February								396	February	\$0.00
397	March								397	March	\$0.00
398	April								398	April	\$0.00
399	May								399	May	\$0.00
400	June								400	June	\$0.00
401	July								401	July	\$0.00
402	August								402	August	\$0.00
403	September								403	September	\$0.00
404	October								404	October	\$0.00
405	November								405	November	\$0.00
406	December								406	December	\$0.00
407	January								407	January	\$0.00
408	February								408	February	\$0.00
409	March								409	March	\$0.00
410	April								410	April	\$0.00
411	May								411	May	\$0.00
412	June								412	June	\$0.00
413	July								413	July	\$0.00
414	August								414	August	\$0.00
415	September								415	September	\$0.00
416	October								416	October	\$0.00
417	November								417	November	\$0.00
418	December								418	December	\$0.00
419	January								419	January	\$0.00
420	February								420	February	\$0.00
421	March								421	March	\$0.00
422	April								422	April	\$0.00
423	May								423	May	\$0.00
424	June								424	June	\$0.00
425	July								425	July	\$0.00
426	August								426	August	\$0.00
427	September								427	September	\$0.00
428	October								428	October	\$0.00
429	November								429	November	\$0.00
430	December								430	December	\$0.00
431	January								431	January	\$0.00
432	February								432	February	\$0.00
433	March								433	March	\$0.00
434	April								434	April	\$0.00
435	May								435	May	\$0.00
436	June								436	June	\$0.00
437	July								437	July	\$0.00
438	August								438	August	\$0.00
439	September								439	September	\$0.00
440	October								440	October	\$0.00
441	November								441	November	\$0.00
442	December								442	December	\$0.00
443	January								443	January	\$0.00
444	February								444	February	\$0.00
445	March								445	March	\$0.00
446	April								446	April	\$0.00
447	May								447	May	\$0.00
448	June								448	June	\$0.00
449	July								449	July	\$0.00
450	August								450	August	\$0.00
451	September								451	September	\$0.00
452	October								452	October	\$0.00
453	November								453	November	\$0.00
454	December								454	December	\$0.00
455	January								455	January	\$0.00
456	February								456	February	\$0.00
457	March								457	March	\$0.00
458	April								458	April	\$0.00
459	May								459	May	\$0.00
460	June								460	June	\$0.00
461	July								461	July	\$0.00
462	August								462	August	\$0.00
463	September								463	September	\$0.00
464	October								464	October	\$0.00
465	November								465	November	\$0.00
466	December								466	December	\$0.00
467	January								467	January	\$0.00
468	February								468	February	\$0.00
469	March								469	March	\$0.00
470	April								470	April	\$0.00
471	May								471	May	\$0.00
472	June								472	June	\$0.00
473	July								473	July	\$0.00
474	August								474	August	\$0.00
475	September								475	September	\$0.00
476	October								476	October	\$0.00
477	November								477	November	\$0.00
478	December								478	December	\$0.00
479	January								479	January	\$0.00
480	February								480	February	\$0.00
481	March								481	March	\$0.00
482	April								482	April	\$0.00
483	May								483	May	\$0.00
484	June								484	June	\$0.00
485	July								485	July	\$0.00
486	August								486	August	\$0.00
487	September								487	September	\$0.00
488	October								488	October	\$0.00
489	November								489	November	\$0.00
490	December								490	December	\$0.00
491	January								491	January	\$0.00
492	February								492	February	\$0.00
493	March								493	March	\$0.00
494	April								494	April	\$0.00
495	May								495	May	\$0.00
496	June								496	June	\$0.00
497	July								497	July	\$0.00
498	August								498	August	\$0.00
499	September								499	September	\$0.00
500	October								500	October	\$0.00
501	November								501	November	\$0.00
502	December								502	December	\$0.00
503	January								503	January	\$0.00
504	February								504	February	\$0.00
505	March								505	March	\$0.00
506	April								506	April	\$0.00
507	May								507	May	\$0.00
508	June								508	June	\$0.00
509	July								509	July	\$0.00
510	August								510	August	\$0.00
511	September								511	September	\$0.00
512	October								512	October	\$0.00
513	November								513	November	\$0.00
514	December								514	December	\$0.00
515	January								515	January	\$0.00
516	February								516	February	\$0.00
517	March								517	March	\$0.00
518	April								518	April	\$0.00
519	May								519	May	\$0.00
520	June								520	June	\$0.00
521	July								521	July	\$0.00
522	August								522	August	\$0.00
523	September								523	September	\$0.00
524	October								524	October	\$0.00
525	November								525	November	\$0.00
526	December								526	December	\$0.00
527	January								527	January	\$0.00
528	February								528	February	\$0.00
529	March								529	March	\$0.00
530	April								530	April	\$0.00
531	May								531	May	\$0.00
532	June								532	June	\$0.00
533	July								533	July	\$0.00
534	August								534	August	\$0.00
535	September								535	September	\$0.00
536	October								536	October	\$0.00
537	November								537	November	\$0.00
538	December								538	December	\$0.00
539	January								539	January	\$0.00
540	February								540	February	\$0.00
541	March								541	March	\$0.00
542	April								542	April	\$0.00
543	May								543	May	\$0.00
544	June								544	June	

PacifiCorp

Draft RFP

2012

Responses due ~~January~~February, 2007

Input Field	Definition
Delivery to PacifiCorp Start Date (mm/dd/yyyy)	The date that PacifiCorp begins receiving energy and/or capacity from the proposed resource. For new resources that will become PacifiCorp assets, enter the commercial online date.
Delivery to PacifiCorp End Date (mm/dd/yyyy)	For PPAs, Tolling Agreements, Load Curtailment, and Qualifying Facility proposals, enter the end of the contract term proposed. For resources that will become PacifiCorp assets, enter the date corresponding to the end of the asset life proposed.
Point of Interconnection	The location where the proposed resource is connected to the electrical system (i.e. Oquirrh, UT).
Point of Power Delivery	The location on the electrical system where PacifiCorp will take ownership of the energy and/or capacity from the proposed resource (i.e. Mona 345 kV).
Economic Life of Resource	For the FASB 13 Test, this is the economic or useful life of the proposed or existing resource.
Beginning of Plant Life/Commercial On-Line Date for New or Existing Resource	The date the plant was placed in-service or is expected to be place in-service.
Firm	WSPP Schedule C
Unit Contingent	WSPP Schedule B
Transmission Interconnection Credit Assigned to PacifiCorp (\$)	For bids that will become PacifiCorp assets, specify the amount of the interconnection costs that are eligible for an interconnection credit from the transmission service provider.
Third Party PTP Transmission (\$/KW-mo) Charge to PacifiCorp	Enter the monthly rate for third party point-to-point transmission service that will be PacifiCorp's responsibility.
Third Party Losses Transmission (%) Charge to PacifiCorp	Enter the third party transmission loss rate, in addition to any capacity or energy payments, that will be PacifiCorp's responsibility.
PacifiCorp or Bidder to Deliver Fuel (if applicable)?	Specify whether PacifiCorp or the Bidder will be responsible for fuel delivery to the proposed resource.
Point of Fuel Delivery (or index, if applicable)	Specify the where the fuel is to be delivered for the proposed resource or enter the index applicable to the point of delivery.
Resource Capacity (Nameplate) & Fixed Charges Applicator (MW)	The nameplate capacity of the proposed resource. This is the same value to which any fixed charges (\$/kW or \$/kW-mo) will be applied.
Bidder's Incremental Energy Retail Rate	The bidder's incremental energy retail rate that would be paid to PacifiCorp for an otherwise non-curtailed hour. Either enter the rate as \$/MWh or specify the appropriate rate schedule.
Hours Per Day Dispatch Limitation	The total # of hours per day that PacifiCorp will not be permitted to curtail load from the proposed resource.
Hours Per Month Dispatch Limitation	The total # of hours per month that PacifiCorp will not be permitted to curtail load from the proposed resource.
Hours Per Year Dispatch Limitation	The total # of hours per year that PacifiCorp will not be permitted to curtail load from the proposed resource.
Optionality (Hourly, Day Of, Day Ahead, Monthly)	For proposed resources offering dispatch optionality to PacifiCorp, specify when PacifiCorp must determine to exercise the option.
Fixed Energy Payment (\$/MWh, if applicable)	Enter the fixed energy payment amount PacifiCorp must pay to the bidder.
Fixed Energy Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the fixed energy payment amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Fixed Energy Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed fixed energy payment amount.
Published Index for Energy Payment (if applicable)	Enter the name of the published price index that PacifiCorp must pay to the bidder for the energy.
Published Index for Energy Payment Adder	Enter the price to be added to the published index for every hour of delivery. The adder should be in the same units as the index.
Published Index for Energy Payment Multiplier (%)	Enter the percentage to be multiplied by the index for every hour of delivery.
Heat Rate (Btu/KWh) - PPA/Tolling Structures (if applicable)	Enter the contract heat rate applicable to PPAs and Tolling Agreements. Detailed heat rate data for resources that will become PacifiCorp assets is entered elsewhere.
Variable O&M Payment (\$/MWh)	Variable Operating & Maintenance Cost, not including start-up costs.
Variable O&M Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the variable O&M payment amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Variable O&M Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed variable O&M payment amount.
Start-Up Costs (\$/MWh) 8 hours per run	Applicable to natural gas resources, enter the start-up cost assuming 8 hours per run.
Start-Up Costs (\$/MWh) 16 hours per run	Applicable to natural gas resources, enter the start-up cost assuming 16 hours per run.
Start-up Costs for Non-Natural Gas Resource (\$/MWh)	Applicable to non-natural gas resources, enter the start-up cost assuming extended base load dispatch.

Input Field	Definition
Start-up Cost Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the start-up cost amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Start-up Cost Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed start-up cost amount.
Fixed O&M Payment (\$/KW-mo)	Fixed Operating & Maintenance Cost
Fixed O&M Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the fixed O&M cost amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Fixed O&M Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed fixed O&M cost amount.
Capacity PMT (\$/KW-mo)	Capacity payment to be applied to the value entered in the "Resource Capacity & Fixed Charges Applicator" input field.
Capacity Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the capacity payment amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Capacity Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed capacity payment amount.
Percentage of Capacity Payment that is Executory Costs (%)	For FASB 13 Test, those costs such as insurance, maintenance, and taxes incurred for the leased property.
Cost to Build (\$/kW)	For FASB 13 Test, the cost required to build the plant in order to calculate the Fair Market Value. Needs to be a weighted average for complete plant.
Gas Capacity (DT/day)	For proposed gas resources, the amount of daily natural gas capacity required to dispatch the resource.
Gas Demand Charge (\$/DT-mo)	For proposed gas resources, the monthly reservation charge for which PacifiCorp is responsible in order to secure the gas capacity required to dispatch the asset.
Gas Distribution Charges Above Commodity Rate or Index Adder (\$/MMBtu)	Figure that when added to the commodity price (and fuel multiplier if applicable) to derive the all-in fuel price, in \$/MMBtu, that can be applied to the heat rate(s).
Gas Distribution Charges Adder Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the gas distribution charges proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Gas Distribution Charges Adder Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed gas distribution charges.
Fuel Multiplier (% ,if applicable)	Multiplier than can be applied to the gas commodity price OR index to derive the pre-gas distribution charge fuel price. A 2.5% increase in the commodity price should be entered as a 102.5% multiplier.
Hours Per Day Dispatch Limitation (if applicable)	Enter the number of hours in a day over which the proposed resource cannot be dispatched by PacifiCorp.
Hours Per Day Dispatch Limitation (if applicable)	Enter the number of hours in a year over which the proposed resource cannot be dispatched by PacifiCorp.
Ramp Rates - Warm Start (MW/min.)	Enter the MW/min permitted change in unit generation, both up and down, when the unit is operating at or above its minimum operating capacity.
Runup Rate - Cold Start (MW/min.)	Enter the MW/min permitted change in unit generation when the unit is first committed to operation until it reaches its minimum operating capacity.
Min. Up (hours)	Enter the number of hours a unit must remain online after being committed.
Min. Down (hours)	Enter the number of hours a unit must remain offline after being decommitted.
Spinning Reserve	Unloaded generation which is synchronized, ready to serve additional demand and able to reach reserve amount within 10 minutes
Non-Spinning Reserve	Non-Synchronized and able to reach amount within 10 minutes
Mechanical Availability by Month: (Expected, or Guaranteed if Applicable)	In the appropriate column, enter the percent of a month's hours that the proposed resource is expected or guaranteed to be available. This does not include reductions for planned outages. For natural gas resources, the monthly availability inputs should take into consideration the dependence of duct firing on the CCCT along with the potential dependence of power augmentation on duct firing.
Planned Outages by Month	Planned Outages for Scheduled Maintenance, etc. Does not include reduction for mechanical availability. Percent of month's hours the unit is to be offline for planned outages.
Fuel Costs	If applicable supply the fuel costs as \$/MMBtu over the term of the proposed resource.
Degradation Table:	Expected or Guaranteed degradation of Heat Rate and Capacity (provided in % increase or decrease from undegradated value).
Undegradated Heat Rate & Capacity @ Ambient Conditions	The manufacturers guaranteed performance at substantial completion when the units are new and clean. Information not needed when bidder guarantees heat rate and/or capacity.
Initial Capital Lump Sum Amount (\$)	Initial capital expenditures NOT related to maintenance or transmission interconnection or resource integration. For a lump sum capital payment, please include AFUDC, land, buildings, plant, sales tax, property tax, etc.
Initial Capital Lump Sum Payment Date (mm/dd/yyyy)	For lump sum initial capital payments, specify the anticipated payment date.
Eligible Investment Tax Credit Amount (if applicable)	For proposed resources that have secured investment tax credits, please specify the dollar amount of the tax credit for which the resource is eligible.
Percentage of Total Initial Capital from Emission Control Equipment Cost	Please specify the amount of initial capital for the proposed project that is associated with the installation of emission control equipment as a percentage of the total capital cost.
Sales Tax Amount (\$)	If the initial capital does not include sales tax, please specify the sales tax amount.
Initial Capital Expenditures: Staged Payment Schedule	For proposals that involve staged capital payments, enter the monthly payment schedule. The capital expenditures should NOT include AFUDC or property taxes, as PacifiCorp will calculate these figures based on the current rates.
Ongoing Capital Expenditures	For projects that will require PacifiCorp to make on-going capital payments, identify the annual capital expenditures for the life of the project.

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~~**FORM 1**~~
~~**PRICING INPUT SHEET**~~

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~~FORM 2~~

**~~Permitting And Construction
Milestones~~**

**FORM 2: Permitting ~~A~~and
Construction Milestones**

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RFP FORM 2
PERMITTING AND CONSTRUCTION MILESTONES

Milestone	Date	Bidder to insert Break up Fee
Notice to Proceed		
Secure Property		
Secure Water Rights		
Secure ERCs		
Secure Permits		
Natural Gas Interconnection Agreement		
Complete LGIA with PacifiCorp		
Break Ground		
P/O for CTs, Xfmr's, Cooling Tower/Condenser/ACC HRSGs and ST		
Begin Pouring of Foundations		
Delivery of HRSG1		
Delivery of HRSG2		
Set ST		
Set CT1		
Set CT2		
Complete Natural Gas Interconnect		
Set Main Transformers		
Backfeed (at Transmission Level)		
First Fire of CT1		
First Fire of CT2		
Synchronization to Grid		
Complete installation of Cooling Towers/ACC		
Completion of Steam Blows		
Roll ST		
Begin Performance Testing		
Substantial Completion		
Final Acceptance		

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RFP-2012
PERMITTING AND CONSTRUCTION MILESTONES

Milestone	Date	Bidder to insert Break up Fee
Notice to Proceed		
Secure Property		
Secure Water Rights		
Secure ERCs		
Secure Permits		
Natural Gas Interconnection Agreement		
Complete LGIA with PacifiCorp		
Break Ground		
P/O for CTs, Xfrmr's, Cooling Tower/Condenser/ACC HRSGs and ST		
Begin Pouring of Foundations		
Delivery of HRSG1		
Delivery of HRSG2		
Set ST		
Set CT1		
Set CT2		
Complete Natural Gas Interconnect		
Set Main Transformers		
Backfeed (at Transmission Level)		
First Fire of CT1		
First Fire of CT2		
Synchronization to Grid		
Complete installation of Cooling Towers/ACC		
Completion of Steam Blows		
Roll ST		
Begin Performance Testing		
Substantial Completion		
Final Acceptance		

RFP FORM 2 2012

FORM—

PERMITTING AND CONSTRUCTION MILESTONES
INTEGRATED GASIFICATION COMBINED CYCLE

General	Bidder to insert Break up Fee
Feasibility Study Complete	
FEED Study complete	
Geotech Report complete	
Major Permit Applications Filed	
Secure Property	
Secure Water Rights	
Major Permits secured	
Natural Gas Interconnection Agreement	
Complete Large Generator Interconnection Agreement	
Full Notice to Proceed	
Site Access Available	
Power Grid (Backfeed) Available	
Natural Gas Available	
Major Equipment Procurement	
Combustion Turbine generators	
Steam Turbine generator	
Main Condenser	
Generator Step-Up & Main Auxiliary Transformers	
Heat Recovery Steam Generators/SCR System/Duct/Stacks	
Gasifiers	
Coal Preparation System	
Air Separation System	
Acid Gas Removal System	
Tail Gas Clean up System	
Digital Control System	
Engineering (Overall)	
Final Process /Equip. Data Sheets Issued	
Piping & Instrument Diagrams Issued for Design	
Major Foundation Design Completed	
Underground Utilities Design	

General	Break up Fee
Fabrication & Delivery of Major Equipment	
Gas Turbine generators	
Steam Turbine generator	
Main Condenser	
Generator Step-Up & Main Auxiliary Transformers	
Heat Recovery Steam Generators/SCR/Stacks	
Gasifiers	
Coal Preparation System	
Air Separation System	
Acid Gas Removal System	
Tail Gas Clean up System	
Digital Control System	
Overall Construction & Installation	
Mobilized	
Break ground	
Begin pouring of piling & foundations	
Major Buildings Complete	
Combustion Turbine 1 set	
Combustion Turbine 2 set	
Heat Recovery Steam Generator 1 erected	
Heat Recovery Steam Generator 2 erected	
Gasification Major Components set	
Steam turbine set	
Critical Piping Installed	
Install Digital Control System	
Main Transformers set	
Mechanically complete	
First Fire of Combustion Turbine 1	
First Fire of Combustion Turbine 2	
First Fire of each Gasifier and associated Air Separation Unit and downstream cleanup	
Cooling Tower Installation Complete	
Startup and Commissioning	
Steam Blows Complete	

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General	Break-up Fee
Performance Testing Complete – Natural Gas	
Performance Testing Complete – Syn Gas	
Substantial Completion	
Final Acceptance	

RFP FORM 2
PERMITTING AND CONSTRUCTION MILESTONES

<u>Milestone</u>	<u>Date</u>	<u>Bidder to insert Break up Fee</u>	<u>Bidder to insert 1yr Acceleration Fee</u>	<u>Bidder to insert 1 yr Deferral Fee</u>
<u>Notice to Proceed</u>				
<u>Secure Property</u>				
<u>Secure Water Rights</u>				
<u>Secure ERCs</u>				
<u>Secure Permits</u>				
<u>Natural Gas Interconnection Agreement</u>				
<u>Complete LGIA with PacifiCorp</u>				
<u>Break Ground</u>				
<u>P/O for CTs, Xfrmr's, Cooling Tower/Condenser/ACC HRSGs and ST</u>				
<u>Begin Pouring of Foundations</u>				
<u>Delivery of HRSG1</u>				
<u>Delivery of HRSG2</u>				
<u>Set ST</u>				
<u>Set CT1</u>				
<u>Set CT2</u>				
<u>Complete Natural Gas Interconnect</u>				
<u>Set Main Transformers</u>				
<u>Backfeed (at Transmission Level)</u>				
<u>First Fire of CT1</u>				
<u>First Fire of CT2</u>				
<u>Synchronization to Grid</u>				
<u>Complete installation of Cooling Towers/ACC</u>				
<u>Completion of Steam Blows</u>				

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<u>Roll ST</u>				
<u>Begin Performance Testing</u>				
<u>Substantial Completion</u>				
<u>Final Acceptance</u>				

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RFP FORM 2
PERMITTING AND CONSTRUCTION MILESTONES
INTEGRATED GASIFICATION COMBINED CYCLE

<u>General</u>	<u>Bidder to insert Break up Fee</u>	<u>Bidder to insert 1yr Acceleration Fee</u>	<u>Bidder to insert 1 yr Deferral Fee</u>
<u>Feasibility Study Complete</u>			
<u>FEED Study complete</u>			
<u>Geotech Report complete</u>			
<u>Major Permit Applications Filed</u>			
<u>Secure Property</u>			
<u>Secure Water Rights</u>			
<u>Major Permits secured</u>			
<u>Natural Gas Interconnection Agreement</u>			
<u>Complete Large Generator Interconnection Agreement</u>			
<u>Full Notice to Proceed</u>			
<u>Site Access Available</u>			
<u>Power Grid (Backfeed) Available</u>			
<u>Natural Gas Available</u>			
<u>Major Equipment Procurement</u>			
<u>Combustion Turbine generators</u>			
<u>Steam Turbine generator</u>			
<u>Main Condenser</u>			
<u>Generator Step-Up & Main Auxiliary Transformers</u>			
<u>Heat Recovery Steam Generators/SCR System/Duct/Stacks</u>			
<u>Gasifiers</u>			
<u>Coal Preparation System</u>			
<u>Air Separation System</u>			
<u>Acid Gas Removal System</u>			
<u>Tail Gas Clean up System</u>			
<u>Digital Control System</u>			
<u>Engineering (Overall)</u>			
<u>Final Process /Equip. Data Sheets Issued</u>			
<u>Piping & Instrument Diagrams Issued for Design</u>			

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<u>General</u>	<u>Break up Fee</u>	<u>1yr Acceleration Fee</u>	<u>1 yr Deferral Fee</u>
<u>Fabrication & Delivery of Major Equipment</u>			
<u>Major Foundation Design Completed</u>			
<u>Underground Utilities Design</u>			
<u>Gas Turbine generators</u>			
<u>Steam Turbine generator</u>			
<u>Main Condenser</u>			
<u>Generator Step-Up & Main Auxiliary Transformers</u>			
<u>Heat Recovery Steam Generators/SCR/Stacks</u>			
<u>Gasifiers</u>			
<u>Coal Preparation System</u>			
<u>Air Separation System</u>			
<u>Acid Gas Removal System</u>			
<u>Tail Gas Clean up System</u>			
<u>Digital Control System</u>			
<u>Overall Construction & Installation</u>			
<u>Mobilized</u>			
<u>Break ground</u>			
<u>Begin pouring of piling & foundations</u>			
<u>Major Buildings Complete</u>			
<u>Combustion Turbine 1 set</u>			
<u>Combustion Turbine 2 set</u>			
<u>Heat Recovery Steam Generator 1 erected</u>			
<u>Heat Recovery Steam Generator 2 erected</u>			
<u>Gasification Major Components set</u>			
<u>Steam turbine set</u>			
<u>Critical Piping Installed</u>			
<u>Install Digital Control System</u>			
<u>Main Transformers set</u>			
<u>Mechanically complete</u>			
<u>First Fire of Combustion Turbine 1</u>			
<u>First Fire of Combustion Turbine 2</u>			
<u>First Fire of each Gasifier and associated Air Separation Unit and downstream cleanup</u>			
<u>Cooling Tower Installation Complete</u>			

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<u>General</u>	<u>Break up Fee</u>	<u>1yr Acceleration Fee</u>	<u>1 yr Deferral Fee</u>
<u>Startup and Commissioning</u>			
<u>Steam Blows Complete</u>			
<u>Roll Steam Turbine</u>			
<u>Performance Testing Complete - Natural Gas</u>			
<u>Performance Testing Complete - Syn-Gas</u>			
<u>Substantial Completion</u>			
<u>Final Acceptance</u>			

Request for Proposals **Base Load Resources**

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APPENDIX C 4: EXISTING ASSET PURCHASE (IN WHOLE OR IN PART).....

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ATTACHMENTS.....

Attachment 1: Company Benchmark Base Load Resource By Year Over The Term.....

Attachment 2: QF Bidder Information.....

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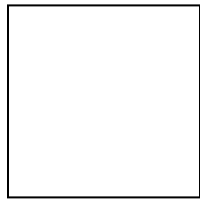
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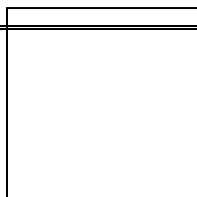
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APPENDICES

**Request for Qualification (RFQ) Bid
Form for Request for Proposal**

Due ~~November-December~~ X, 2006

Complete Appendices A and B



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RFQ due ~~November~~December X, 2006

Request for Qualification (~~RFQ~~) Bid Form for RFP

~~2012~~

This Request for Qualification (“RFQ”) is comprised of Appendices* A and B Appendix B of which both must be fully completed and submitted by ~~November~~December X, 2006 to the Independent Evaluators (“IEs”) in order to participate in PacifiCorp’s RFP-~~2012~~.

This is to declare that the undersigned intends to respond to PacifiCorp’s Request for Proposals Base Load, Electric Resources (“RFP”-~~2012~~).

Please include:

Company:	
Mailing Address:	
<u>Phone:</u>	
<u>Phone:</u>	
Fax:	
Email:	
Contact Person:	
Authorized Signature:	
Date:	

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RFQ due ~~November-December~~ X, 2006

Return five (5) copies of all completed RFQ forms by ~~FedEx Mail~~federal express by ~~November-December~~ X, 2006 to both:

Independent Evaluator Utah
Merrimack Energy Group, Inc.: PacifiCorp RFP
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111

and

Independent Evaluator Oregon
[Insert Name Once Selected]: PacifiCorp RFP
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301~~Attention: Independent Evaluator~~
~~Merrimack Energy Group, Inc.: PacifiCorp RFP 2012~~
~~c/o Utah Division of Public Utilities~~
~~160 E 300 S, 4th floor~~
~~Salt Lake City, Utah 84111~~

The RFQ consists of ~~Appendix-Appendices~~ A and ~~Appendix~~ B. Both Appendices **must be completed in their entirety**. Bidders must be able to demonstrate their credit, capability, experience and qualification to deliver, along with specific references for each and every selected Eligible ~~Reference-Resource Alternative~~resource option being submitted in response to the RFP ~~2012~~.

PacifiCorp reserves the right, ~~without following consultation with the IEs~~qualification and in their sole discretion, to reject as non-responsive any, all, or portions of bid proposals received for failure to meet any requirement of this RFP ~~2012~~. PacifiCorp also reserves the right to request that the IEs ~~-~~contact any Bidder for additional information. PacifiCorp further reserves the right without qualification and in their sole discretion to decline to enter into any Agreement with any Bidder for any reason.

RFQ Bid Form

Appendix A: Bidder's Qualification Capability and Experience

~~2012~~

~~Appendix A~~

~~Bidder's Qualification, Capability
and Experience~~

1. ~~1.~~ ELIGIBLE RESOURCE ALTERNATIVES

Bidder must submit a separate form for each Eligible Resource Alternative it ~~is going plans~~ to submit. Each Eligible Resource Alternative will ~~have be assigned~~ a separate Bid number by the IEs. Bidder must select by marking with an “X” only one of the following Eligible Resource Alternatives ~~which is as~~ described in Section C.1 of the RFP-~~2012~~. To the extent the Bidder submits a proposal that is different than the one checked, in the RFQ, PacifiCorp reserves the right ~~not to accept~~reject the RFP ~~Proposal~~bid proposal.

Power Purchase Agreement

Tolling Agreement

Asset Purchase and Sale Agreement on Bidder’s Site

Asset Purchase and Sale Agreement on PacifiCorp’s Site

Currant Creek _____ Lake Side

Engineering, Procurement and Construction Contract (EPC) (Currant Creek site only)

Purchase of an existing Ffacility

Purchase of a portion of a facility, jointly owned or operated by PacifiCorp

Restructure of an existing Power Purchase Agreement

Restructure of an existing Exchange Agreement

Buyback of an existing Sales Agreement

IGCC Proposal

Asset Purchase Agreement on Bidder’s Site

Tolling Service Agreement

Power Purchase Agreement

Power Purchase Agreement

Geothermal

Biomass

Load Curtailment

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| Qualifying Facility

| ~~Load Curtailment~~

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Full Legal Name of Seller:	
Full Legal Name of Guarantor:	
Commercial Contact:	
Title:	
Office Phone:	
Cell Phone:	
Email Address:	
Credit Contact:	
Title:	
Office Phone:	
Cell Phone:	
Email Address:	
Legal Contact:	
Title:	
Office Phone:	
Cell Phone:	
Email Address:	

<p>Proposed Project</p> <p>(As applicable but not limited to the project submitted.)</p>	<ul style="list-style-type: none">• Commercial Operation Date — _____• Size (100 MW minimum) _____• Location and Delivery Point _____• <u>Fuel (Coal, Gas or Other)</u> _____• <u>Technology (e.g. simple cycle gas-fired, combined cycle gas-fired sub-critical coal-fired Rankin cycle, super-critical coal-fired Rankin cycle, Integrated Gasification, Coal Gasification, etc.)</u> _____ <u>Technology (e.g. LM 6000, CT, CCGT, etc.)</u> _____• New, Repowered or Relocated _____• Status of Project d<u>Development</u> and <u>E</u>ngineering — _____• Status of Construction and Air Applications and Permits _____• Status of Electric Interconnection Request and Studies _____• Status of Gas System Interconnection Agreements _____• <u>Status of Coal Supply Agreements</u> _____• <u>Other Information</u> _____<u>Other Information</u> _____
---	--

2. BIDDER QUALIFICATIONS

Please complete and/or provide documentation on the following sections listed below

1. Corporate structure and primary and secondary businesses

2. Location of offices

3. Provide a list of the officers of the company and provide the Biographies of key officers

4. Please provide documentation of your company's previous experience providing developing/operating the ~~p~~Proposed Eligible ~~resource~~Resource Alternative over the last three (3) to five (5) years. Please provide a list of all projects developed, operated and/or financed during this same timeframe including the name of the project, location of each project, the project type and technology, project size, fuel source(s), commercial operation date, date financed, project partners and power purchasers.

3. BIDDER EXPERIENCE

In the case where a bid contains a proposal to develop a new project or expand an existing project -please describe the status-types of agreements necessary for successful project development and identify the status of all activities necessary to either fully develop and/or implement the project, such as negotiations for partnership agreements, equipment supplier agreements, and EPC agreements, fuel supply agreements, if applicable, permitting, financing, etc. Provide documentation regarding the contractual relationship between the Bidder and any vendor. Indicate the status of any arrangements between the Bidder and vendor regarding the above agreements or any other agreements. **Any and all contingencies must be described in detail.**

If the Bidder cannot demonstrate to the Company's reasonable satisfaction that the Bidder possesses the requisite expertise and experience in providing or operating the Eligible Resource Alternatives, proposed by the Bidder, the Company, after consulting consultation with the IE, reserves the right to exclude the Bidder from the RFP process.

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~~4. BIDDER CAPABILITY~~

~~Site Description and Control~~

~~Provide the following information:~~

~~If the Bidder cannot demonstrate to the Company's reasonable satisfaction that the Bidder possesses the capability to provide the Eligible Resources, proposed by the Bidder, the Company, after consulting with the IE, reserves the right to exclude the Bidder from the RFP process~~

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|

~~RFQ 2012 Bid Form~~
~~Appendix B: Bidder's Credit~~
~~Information~~

~~Appendix B~~
~~Credit and Credit Matrix~~~~Bidder's~~
~~Credit Information~~

RFQ Bid Form
Appendix B: Bidder's Credit
Information

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BIDDER'S CREDIT INFORMATION AND CREDIT MATRIX

Please provide the following information ~~so to enable~~ PacifiCorp ~~can to~~ evaluate the financial viability of the Bidder or any entity providing credit assurances on behalf of the Bidder.

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.

Fiscal Year End:

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 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 to provide credit assurances on Bidder's behalf?

G. Bidder should demonstrate their ability (and/or the ability of their 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 their 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 the project is financeable.

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

A. Exact legal name and address of entity 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, letter of credit, etc.). Bidder must provide a letter of commitment from the entity 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.

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C. 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:

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

Fiscal Year End:

E. Pending legal disputes (describe):

F.F. Please state whether entity 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 MATRIX

The Bidder should utilize the Credit Matrix to determine the maximum credit assurance requirements based on its credit rating and the size and type of Eligible Resource Alternative bid. The Bidder will be required to demonstrate the ability to post any required credit assurances in the form of a comfort letter from a proposed guarantor or from a financial institution that would be issuing a Letter of Credit.

The amount of any credit assurances to be provided will be determined based upon:

~~the~~ a) the Credit Rating in the Credit Matrix of either the Bidder or the entity providing credit assurances on behalf of the Bidder, b) the size of the project, and c) the type of Eligible Resource Alternative. The Credit Rating will be the lower of: x) the most recently published senior, unsecured long term debt rating (or corporate rating if a debt rating is unavailable) ~~from~~ 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 PacifiCorp Credit through an internal process review utilizing a proprietary credit scoring model developed in conjunction with S&P a third party. All Bidders will receive a Credit Rating which will determine the Amount of Unsecured Credit maximum value of any credit assurances to be posted. Please note that should a Bidder be an existing counterparty with PacifiCorp, PacifiCorp reserves the right to protect itself from counterparty credit concentration risk and require credit assurance in addition to those outlined in the Credit Matrix.

Credit Appendix B for RFP ~~2012-2014~~

Credit Matrices Notes

- Columns contain mMaximum ~~V~~value of Ccredit Aassurances to be Posted ~~posted~~ for each range of MW for a 2012-2014 13 Resource ~~resource~~
- Based on Size ~~size~~ and Type ~~type~~ of Eligible Resource Alternative ~~Bid~~ bid
- For projects between 5-10 years the amount of credit assurances required may be adjusted.

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RFP 2012

Credit Appendix B for RFP 2012-2013

Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW for a 2012 Resource
Based on Size and Type of Resource Alternative Bid

For Eligible Resource Alternatives 3, 4, 5, 6 and 7

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,929,500
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,801,750	\$29,511,000	\$38,220,250	\$46,929,500
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$10,964,750	\$19,674,000	\$28,383,250	\$37,092,500	\$45,801,750	\$54,511,000	\$63,220,250	\$71,929,500
Below BBB-/Baa3	\$17,418,500	\$26,127,750	\$34,837,000	\$43,546,250	\$52,255,500	\$60,964,750	\$69,674,000	\$78,383,250	\$87,092,500	\$95,801,750	\$104,511,000	\$113,220,250	\$121,929,500

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,929,500
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,801,750	\$29,511,000	\$38,220,250	\$46,929,500
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$10,964,750	\$19,674,000	\$28,383,250	\$37,092,500	\$45,801,750	\$54,511,000	\$63,220,250	\$71,929,500
Below BBB-/Baa3	\$17,418,500	\$26,127,750	\$34,837,000	\$43,546,250	\$52,255,500	\$60,964,750	\$69,674,000	\$78,383,250	\$87,092,500	\$95,801,750	\$104,511,000	\$113,220,250	\$121,929,500

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (NON ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,127,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$68,814,700	\$143,252,400	\$217,690,100	\$292,127,800
BBB-/Baa3	\$0	\$0	\$0	\$0	\$0	\$21,063,900	\$95,501,600	\$169,939,300	\$244,377,000	\$318,814,700	\$393,252,400	\$467,690,100	\$542,127,800
Below BBB-/Baa3	\$148,875,400	\$223,313,100	\$297,750,800	\$372,188,500	\$446,626,200	\$521,063,900	\$595,501,600	\$669,939,300	\$744,377,000	\$818,814,700	\$893,252,400	\$967,690,100	\$1,042,127,800

For Eligible Resource Alternative 11(a)

	For a term of greater than 10 years			
Size of Nameplate bid in MW ==>	Up to 25	26 to 50	51 to 75	76 to 100
Credit Rating				
AAA/Aaa and above	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0
BBB-/Baa3	\$0	\$0	\$0	\$0
Below BBB-/Baa3	\$37,218,850	\$74,437,700	\$111,656,550	\$148,875,400

Note 1: For Eligible Resource 11(a), the amount of credit assurances required in \$/kW equates to \$1,489/kW. Please note that the amount of credit assurances required for this resource type represents an "up to" amount depending on the terms of the curtailment and whether there is an acceptable physical asset behind the agreement.

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RFQ due November-December X, 2006

RFP 2013

Credit Appendix B for RFP 2012-2013

Credit Matrix

Maximum Value of Credit Assurances to be Posted for each range of MW for a 2013 Resource

Based on Size and Type of Resource Alternative Bid

For Eligible Resource Alternatives 3, 4, 5, 6 and 7

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,287,000	\$29,815,700	\$39,344,400	\$48,873,100	\$58,401,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$19,979,600	\$29,508,300	\$39,037,000	\$48,565,700	\$58,094,400	\$67,623,100	\$77,151,800
BBB-/Baa3	\$0	\$0	\$0	\$10,143,500	\$19,672,200	\$29,200,900	\$38,729,600	\$48,258,300	\$57,787,000	\$67,315,700	\$76,844,400	\$86,373,100	\$95,901,800
Below BBB-/Baa3	\$19,057,400	\$28,586,100	\$38,114,800	\$47,643,500	\$57,172,200	\$66,700,900	\$76,229,600	\$85,758,300	\$95,287,000	\$104,815,700	\$114,344,400	\$123,873,100	\$133,401,800

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,287,000	\$29,815,700	\$39,344,400	\$48,873,100	\$58,401,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$19,979,600	\$29,508,300	\$39,037,000	\$48,565,700	\$58,094,400	\$67,623,100	\$77,151,800
BBB-/Baa3	\$0	\$0	\$0	\$10,143,500	\$19,672,200	\$29,200,900	\$38,729,600	\$48,258,300	\$57,787,000	\$67,315,700	\$76,844,400	\$86,373,100	\$95,901,800
Below BBB-/Baa3	\$19,057,400	\$28,586,100	\$38,114,800	\$47,643,500	\$57,172,200	\$66,700,900	\$76,229,600	\$85,758,300	\$95,287,000	\$104,815,700	\$114,344,400	\$123,873,100	\$133,401,800

For Eligible Resource Alternatives 1, 2, 8, 9 and 10 (NON ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600	601-650	651-700
Credit Rating													
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51,717,000	\$131,888,700	\$212,060,400	\$292,232,100	\$372,403,800
BBB/Baa2	\$0	\$0	\$0	\$0	\$0	\$0	\$78,873,600	\$159,045,300	\$239,217,000	\$319,388,700	\$399,560,400	\$479,732,100	\$559,903,800
BBB-/Baa3	\$0	\$0	\$0	\$25,858,500	\$106,030,200	\$186,201,900	\$266,373,600	\$346,545,300	\$426,717,000	\$506,888,700	\$587,060,400	\$667,232,100	\$747,403,800
Below BBB-/Baa3	\$160,343,400	\$240,515,100	\$320,686,800	\$400,858,500	\$481,030,200	\$561,201,900	\$641,373,600	\$721,545,300	\$801,717,000	\$881,888,700	\$962,060,400	\$1,042,232,100	\$1,122,403,800

For Eligible Resource Alternative 11(a)

Size of Nameplate bid in MW ==>	For a term of greater than 10 years			
	Up to 25	26 to 50	51 to 75	76 to 100
Credit Rating				
AAA/Aaa and above	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0
BBB-/Baa3	\$0	\$0	\$0	\$0
Below BBB-/Baa3	\$40,085,850	\$80,171,700	\$120,257,550	\$160,343,400

Note 1: For Eligible Resource 11(a), the amount of credit assurances required in \$/kW equates to \$1,603/kW. Please note that the amount of credit assurances required for this resource type represents an "up to" amount depending on the terms of the curtailment and whether there is an acceptable physical asset behind the agreement.

Note 2: For projects between 5 -10 years the amount of credit assurances required may be adjusted.

[RFP 2012](#)

[Credit Matrices](#)

	PacificCorp				
	Dr				
	RE				
	For				
	Size				76 to 100
	in M				
	Cre				
	AA				\$0
	AA				\$0
	AA/Aa2	\$0	\$0	\$0	\$0
	AA-/Aa3	\$0	\$0	\$0	\$0
	A+/A1	\$0	\$0	\$0	\$0
	A/A2	\$0	\$0	\$0	\$0
	A-/A3	\$0	\$0	\$0	\$0
	BBB+/Baa1	\$0	\$0	\$0	\$0
	BBB/Baa2	\$0	\$0	\$0	\$0
	BBB-/Baa3	\$0	\$0	\$0	\$0
	Below BBB-/Baa3	\$37,218,850	\$74,437,700	\$111,656,550	\$148,875,400

For projects between 5-10 years the credit may be adjusted.

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- ~~For projects between 5-10 years the credit may be adjusted.~~

RFP 2014 Credit Matrices

For Eligible Resources B3, B4, B5, B6 and B7

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600
Credit Rating											
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$17,606,750	\$28,628,100	\$39,649,450	\$50,670,800	\$61,692,150	\$72,713,500	\$83,734,850	\$94,756,200
BBB/Baa2	\$0	\$0	\$15,960,400	\$26,981,750	\$38,003,100	\$49,024,450	\$60,045,800	\$71,067,150	\$82,088,500	\$93,109,850	\$104,131,200
BBB-/Baa3	\$0	\$14,314,050	\$25,335,400	\$36,356,750	\$47,378,100	\$58,399,450	\$69,420,800	\$80,442,150	\$91,463,500	\$102,484,850	\$113,506,200
Below BBB-/Baa3	\$22,042,700	\$33,064,050	\$44,085,400	\$55,106,750	\$66,128,100	\$77,149,450	\$88,170,800	\$99,192,150	\$110,213,500	\$121,234,850	\$132,256,200

For Eligible Resources B1, B2 and B8 (ASSET BACKED)

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600
Credit Rating											
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$17,606,750	\$28,628,100	\$39,649,450	\$50,670,800	\$61,692,150	\$72,713,500	\$83,734,850	\$94,756,200
BBB/Baa2	\$0	\$0	\$15,960,400	\$26,981,750	\$38,003,100	\$49,024,450	\$60,045,800	\$71,067,150	\$82,088,500	\$93,109,850	\$104,131,200
BBB-/Baa3	\$0	\$14,314,050	\$25,335,400	\$36,356,750	\$47,378,100	\$58,399,450	\$69,420,800	\$80,442,150	\$91,463,500	\$102,484,850	\$113,506,200
Below BBB-/Baa3	\$22,042,700	\$33,064,050	\$44,085,400	\$55,106,750	\$66,128,100	\$77,149,450	\$88,170,800	\$99,192,150	\$110,213,500	\$121,234,850	\$132,256,200

For Eligible Resources B1, B2 and B8

Size of Nameplate bid in MW ==>	100	101-150	151-200	201-250	251-300	301-350	351-400	401-450	451-500	501-550	551-600
Credit Rating											
AAA/Aaa and above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$26,465,750	\$106,758,900	\$187,052,050	\$267,345,200	\$347,638,350	\$427,931,500	\$508,224,650	\$588,517,800
BBB/Baa2	\$0	\$0	\$39,922,600	\$120,215,750	\$200,508,900	\$280,802,050	\$361,095,200	\$441,388,350	\$521,681,500	\$601,974,650	\$682,267,800
BBB-/Baa3	\$0	\$53,379,450	\$133,672,600	\$213,965,750	\$294,258,900	\$374,552,050	\$454,845,200	\$535,138,350	\$615,431,500	\$695,724,650	\$776,017,800
Below BBB-/Baa3	\$160,586,300	\$240,879,450	\$321,172,600	\$401,465,750	\$481,758,900	\$562,052,050	\$642,345,200	\$722,638,350	\$802,931,500	\$883,224,650	\$963,517,800

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For Eligible Resource B9a)

Size of Nameplate bid in MW ==>	For a term of greater than 10 years			
	Up to 25	26 to 50	51 to 75	76 to 100
Credit Rating				
AAA/Aaa and above	\$0	\$0	\$0	\$0
AA+/Aa1	\$0	\$0	\$0	\$0
AA/Aa2	\$0	\$0	\$0	\$0
AA-/Aa3	\$0	\$0	\$0	\$0
A+/A1	\$0	\$0	\$0	\$0
A/A2	\$0	\$0	\$0	\$0
A-/A3	\$0	\$0	\$0	\$0
BBB+/Baa1	\$0	\$0	\$0	\$0
BBB/Baa2	\$0	\$0	\$0	\$0
BBB-/Baa3	\$0	\$0	\$0	\$0
Below BBB-/Baa3	\$40,146,575	\$80,293,150	\$120,439,725	\$160,586,300

~~For projects between 5-10 years the credit may be adjusted.~~

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~~2012~~

Responses due ~~January~~February, 2007

RFP
~~**2012**~~
Appendix C:
Information Required in Bid
Proposals for each Eligible Resource
Alternative

Appendix C-1: Power Purchase Agreements and Tolling Agreements

Appendix C-1

Power Purchase Agreements and Tolling Agreements

Information Required in Bid Proposals

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. In the event a Bidder is proposing a transaction that does not require the construction of a resource, much of the following information may not apply. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-1.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation, if applicable. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

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

Siting – Bidders are responsible for all construction and coordination with the applicable service provider(s) for any new electrical transmission and fuel transportation facilities

required in response to this RFP. Bidders are responsible for satisfying all zoning and environmental requirements.

Bidders should provide the following information:

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
- Proposed noise levels and description of noise baffles and stack silencing equipment.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.
- Characterization of the area surrounding the site, including a description of local zoning, flood plain information (100 yr. & 500 yr.), existing land use and setting (woodlands, grasslands, agriculture, etc.).
- Information of fish, wildlife and vegetation inhabiting the area of the Project.
- Proximity to nearest endangered or threatened species which could be potentially impacted.
- Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
- Location and distance to population centers which could be impacted.
- Expected site ambient temperature extremes and verification that freeze protection will be provided as necessary.

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

- Proposed new fuel transportation route(s).
- Estimated impact on wetlands (e.g., length of route through wetland).
- Describe land use impacts.
- Descriptions of stream crossings.

- Characterization of the area encompassing the fuel transportation route, including a description of existing land use and setting.

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, PacifiCorp is requesting that Bidders ~~confirm~~conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description including turbine, steam generator, emission control equipment, gasifier, cooling equipment, etc.
- Manufacturers of major equipment
- Model number, serial number and age of any previously owned/operated, or “grey market” equipment
- Type of heat rejection equipment (cooling towers, ponds, Air-Cooled Condenser, etc.)
- Project design elements that have been included for the separation and capture of carbon emissions. Identify feasible options if not included in project design
- Strategy for maintaining environmental compliance
- Source of process and/or cooling water
- Wastewater disposal plan
- Water ~~Balance~~balance
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-1.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Any limits on hours of operation in a particular mode (i.e., combined cycle, duct firing, power augmentation, or combination thereof)
- Any limits on emissions

- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Guarantee and expected degradation curves (kW and heat rate)
- Guaranteed availability and reliability
- Long Term Outage Plan
- Anticipated on-site gas compression, if applicable.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material ~~b~~Balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

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

Section 6 – Other Information

Fuel – Bidders should describe their fuel supply plan and the extent to which they desire to provide fuel and transportation and other fuel-related services, including fuel price management (hedging) or a tolling fee in which PacifiCorp will be responsible for all the fuel and fuel-related costs. PacifiCorp's preference is for proposals that address its need for reliability, management of price risk, and meeting the operations. If the energy cost

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portion of the Bidder's terms includes a fuel cost component, the Bidder shall explain its proposed fuel supply program.

Dispatchability – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested in Exhibit 1 of this Appendix.

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

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EXHIBIT 1 TO APPENDIX C-1

TECHNICAL DATA

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes ____ No ____.

If yes then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

If applicable, maximum ~~Maximum~~ continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Expected startup fuel requirement (MMBtus/Start) for:

Cold Start: _____

Hot Start: _____

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Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to duct firing _____ min.

If applicable, duct firing ramp rate: (MW/Min.) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, power augmentation ramp rate: (MW/Min.) Increase: _____ Decrease: _____

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas or fuel oil consumed through CO: _____ (gas, MMBtus; fuel oil, gallons).

~~Time to transfer from combined cycle to duct firing _____ min.~~

~~Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to power augmentation _____ min.~~

~~Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____~~

~~Anticipated quantity of natural gas consumed through CO: _____ dth.~~

Additional Information

Bidder to provide ~~partial~~ load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-1.1 below:

Table C-1.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20	86						
20	86		On				NA
20	86			On			NA
20	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75	29	On					
75	29		On				NA
75	29			On			NA
75	29		On	On			NA
80	25	On					
90	16	On					
95	15	On					
95	15		On				NA
95	15			On			NA
95	15		On	On			NA
105	11						
105	11	On	On	On			NA

Appendix C-2: ~~Asset Purchase Sale Agreement~~BOT Contract (APSA) Bids

Information Required in Bid Proposals

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-2.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

Build Own Transfer (BOT) Option – Bidders may propose a fixed-price, lump-sum sale of new generation assets to PacifiCorp, either at an existing PacifiCorp site or propose other sites. Such proposals must include the following information in addition to any technical information:

- Markup of Asset Purchase and Sale Agreement (APSA), including appendices.
- ~~Markup of Operation & Maintenance (O&M) Term Sheet (or Bidder form of O&M Agreement)–Quantity and impact of proposed changes are a nonprice factor in selecting Bidders for further discussions.~~
- Amounts and dates of milestone-based payments, including descriptions, required of PacifiCorp.
- Information regarding location and transmission availability.

- Information regarding fuel and transportation availability.
- Capacity on summer design day in compliance with all regulatory requirements.
- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Proposed facilities will only contain “OEM-certified new major equipment”. This being defined as OEM equipment that has not been previously installed or operated and has the same warranties and guarantees as equipment delivered directly from the OEM’s production line, and all reliability and design TILS and/or Service Bulletins have been implemented.

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.
- Proposed noise levels and description of noise baffles and stack silencing equipment.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.
- Characterization of the area surrounding the site, including a description of local zoning, flood plain information (100 yr. & 500 yr.), existing land use and setting (woodlands, grasslands, agriculture, etc.).
- Information regarding fish, wildlife and vegetation inhabiting the area of the Project.
- Proximity to nearest endangered or threatened species which could be potentially impacted.

- Proximity to nearest historical or archaeological resources and all nearby historical or archaeological resources which could potentially be impacted.
- Location and distance to population centers which could be impacted.
- Expected site ambient temperature extremes and verification that freeze protection will be provided as necessary.

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

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

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, PacifiCorp is requesting that Bidders ~~confirm~~conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description
- Manufacturers of major equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration

- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-2.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material Balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

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

Section 6 – Other Information –

Fuel – Bidders should describe their fuel supply plan and the extent to which they desire to provide fuel and transportation and other fuel-related services, including fuel price management (hedging) or a tolling fee in which PacifiCorp will be responsible for all the fuel and fuel-related costs. PacifiCorp's preference is for proposals that address its need for reliability, management of price risk, and meeting the Base Load operations. If the

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energy cost portion of the Bidder's terms includes a fuel cost component, the Bidder shall explain its proposed fuel supply program.

Dispatchability – Describe any constraints and/or limitations on PacifiCorp's ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested in Exhibit 1 of this Appendix.

Section 7 – Contract Terms – The Bidder will provide a comprehensive listing/description of all [material](#) modifications to the APSA terms and conditions, including the appendices, [and O&M terms and conditions](#) which the Bidder would seek during contract negotiations.

These may include, but are not limited to:

- Items to be provided by the Owner, including a schedule of timing for the provision of these items and impact on Bidder of any delays.
- Land requirements for construction of the facility, including laydown areas
- Laydown plan for construction.
- Commissioning & Startup Plan with Owner's requirements.

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EXHIBIT 1 TO APPENDIX C-2

TECHNICAL DATA (GAS & COAL BASED RESOURCES)

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is — acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes _____ No _____.

If yes, then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

~~Weighted Average Raw Water Consumption is _____ gallons per minute.~~

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define “cold”, “warm”, and “hot starts”, if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

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Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to duct firing _____ min.

If applicable, duct firing ramp rate: (MW/Min.) Increase: _____ Decrease: _____.

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, power augmentation ramp rate: (MW/Min.) Increase: _____ Decrease: _____.

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): _____.

Anticipated quantity of natural gas or fuel oil consumed through CO: _____ (gas, MMBtus; fuel oil, gallons).

~~Time to transfer from combined cycle to duct firing _____ min.~~

~~Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to power augmentation _____ min.~~

~~Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____~~

~~Anticipated quantity of natural gas consumed through CO: _____ dth.~~

Additional Information

Bidder to provide ~~partial~~ load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-2.1 below:

Table C-2.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20*	86						
20	86		On				NA
20	86			On			NA
20*	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75*	29	On					
75	29		On				NA
75	29			On			NA
75*	29		On	On			NA
80	25	On					
90	16	On					
95*	15	On					
95	15		On				NA
95	15			On			NA
95*	15		On	On			NA
105	11						
105	11	On	On	On			NA

- Indicates Water Balance Sheet Required

TECHNICAL DATA
(For Coal-Based Resources)

The following is a preliminary set of information that will be required to evaluate coal-based resources in this category. Additional technical information will be required for shortlisted bidders.

- Expected Gross Output (MW)
- Expected Net Output (MW)
- Expected sources of coal (to the extent possible, identify the specific mines that are expected to be the most likely sources of coal for this plant)
- Steam conditions (main steam throttle pressure, main steam temperature, and hot reheat steam temperature (if applicable))
- Superheater Flow (lbs/hour)
- Reheater Flow (lbs/hour)
- Design condenser pressure (psia)
- Boiler technology (subcritical, supercritical, or fluidized bed)
- Boiler type (wall-fired, corner-fired, fluidized-bed)
- Expected design heat input (MMBtu/hour)
- Complete Boiler and Performance Coal Quality Characteristics Table
- Startup fuel (Natural Gas, Fuel Oil, Other-specify)
- Heat Input Capacity of Start-up Firing System (MMBtu/Hour)
- Capacity of startup fuel on site (gallons)
- Number of coal mills
- Capacity of each coal mill using boiler design coal (tons/hour)
- Storage capacity of each coal silo (tons)
- Forced Draft fans (Number and Size (%))
- Induced Draft fans (Number and Size (%))
- Primary Air fans (Number and Size (%))
- Number of Feedwater Heaters (including de-aerator)
- Materials of construction of Feedwater Heaters
- Materials of construction of main steam turbine condenser
- Flue Gas Desulfurization (FGD) system type
- FGD system reagent (limestone, lime, soda ash, soda liquor, soda ash, other)
- Expected Air Permit SO₂ emissions level (lbs SO₂/MMBtu)
- Plant Design Target SO₂ Emissions level (lbs SO₂/MMBtu)
- FGD System Reagent Storage Capacity at full load (days of storage)
- NO_x Control Systems
- If NO_x Controls include SCR or SNCR, identify NO_x control reagent (anhydrous ammonia, urea, aqueous ammonia)

- Number of days of storage of NOx control reagent at full load
- Expected air permit NOx emissions level (lbs NOx /MMBtu)
- Expected air permit ammonia slip level (ppmvd @ 3% O2)
- Plant Design Target NOx Emissions level (lbs NOx/MMBtu)
- Particulate Collection Device (Type)
- Expected Permit PM10 emissions level (lbs/MMBtu)
- Plant Design Target PM10 Emissions Level (lbs/MMBtu)
- Mercury removal system type
- Boiler Feed Pumps (number and size (%))
- Boiler Feed Pump Drive (Steam Turbine or Motor)
- Startup Boiler Feed Pump (number and size (%))
- Condensate Pumps (number and size (%))
- Ability to isolate part of main condenser while operating (Yes/No; If Yes, % of full load)
- Station Air Compressors (number and size (%))
- On-site coal storage capacity (days of storage at full load or tons of coal)

- Stack (height, exterior materials of construction, liner type)
- Cooling tower type and design conditions (Design dry bulb and wet bulb temperatures)
- Auxiliary boiler (Pressure (psig) and capacity (lbs/hour)) or Auxiliary steam supply (yes/no)
- Coal delivered by rail (yes/no?)
- On-site trackage for standard unit train (yes/no?)
- Time required to unload unit train (hours)
- Time required to fill coal silos (hours)
- On-site raw water storage tank or pond capacity (gals)
- Water Treatment System:
 - Clarifier (yes/no, size)
 - Reverse osmosis system (yes/no, number of trains, size of each train)
 - Demineralized water system (type, arrangement, size of each train)

- Condensate storage tank capacity (gals)
- Condensate storage tank materials of construction
- Station Facilities (warehouses, administration building, maintenance facilities, etc.)

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Proposed Boiler Design and Performance Coal

	<u>Boiler Design Coal</u>	<u>Performance Coal</u>
<u>Heat Content, AR, Btu/lb</u>		
<u>Moisture, %</u>		
<u>Ash, %</u>		
<u>Sulfur, %</u>		
<u>Volatile Matter, %</u>		
<u>Fixed Carbon, %</u>		
<u>Chlorine, %</u>		
<u>Mercury, ppm</u>		
<u>Mineral Analysis of Ash</u>		
<u>Silicon Dioxide, %</u>		
<u>Aluminum Oxide, %</u>		
<u>Calcium Oxide, %</u>		
<u>Magnesium Oxide, %</u>		
<u>Sodium Oxide, %</u>		
<u>Potassium Oxide, %</u>		
<u>Iron Oxide, %</u>		
<u>Sulfur Trioxide, %</u>		
<u>Phosphorous Pentoxide, %</u>		
<u>Ash Fusion Temperatures</u>		
<u>Softening – Reducing</u>		
<u>Softening - Oxidizing</u>		
<u>Hardgrove Grindability Index</u>		

Initial information requirements for Asset Purchase and Sale Agreement on Bidder's Site – Coal-Based Resource

- Boiler Technology (Subcritical, Supercritical, or Fluidized Bed)
- Boiler Type (Wall-fired, corner fired, fluid bed)
- Expected Design Heat Input (MMBtu/hour)
- Expected Gross Output (MW)
- Expected Net Output (MW)
- Proposed Coal Quality Characteristics (See table)
- Boiler Design Coal quality characteristics (see table)
- Startup Fuel (None, Natural Gas, Fuel Oil, Other)
- Number of Coal Mills
- Capacity of Each Coal Mill with Boiler Design Coal (tons/hour)
- Storage Capacity of each coal silo (tons)
- Forced Draft Fan (Number and Size (%))
- Induced Draft Fans (Number and Size (%))
- Primary Air Fans (Number, Size(%))
- Number of Air Preheaters
- Type of Air Preheater (Bisector, Tri-sector)
- Number of Feedwater Heaters (including de-aerator)
- Materials of Construction for Feedwater Heaters
- Materials of Construction for Main Condenser
- Steam Conditions (main steam throttle pressure, main steam temperature, hot reheat temperature (if applicable))
- Design condenser pressure (psia)
- NOx Controls
- If Selective Catalytic Reduction System, Number of Layers/Number of Spares
- NOx Control Reagent (anhydrous ammonia, urea, aqueous ammonia)
- Number of Days of storage of NOx Control Reagent at full load
- Expected Permit NOx emissions Level (lbs/MMBtu)
- Specification Design Margin for NOx Control Equipment (lbs/MMBtu)
- Particulate Collection Device (Type)
- Flue Gas Desulfurization (FGD) Type
- FGD Reagent (limestone, lime, soda ash, soda liquor, other)
- Expected Permit SO2 emissions level (lbs/MMBtu)
- Specification Design Margin for SO2 (lbs/MMBtu)
- Boiler Feed Pumps (number and size (%))
- Type of Boiler Feed Pump Drive (Steam Turbine or Motor)
- Startup Boiler Feed Pump (number and size (%))

- Condensate Pumps (number and size (%))
- Capacity of Turbine Bridge Cranes
- DA Storage Tank Capacity (minutes)
- Coal Storage (Days of storage)
- FGD System Reagent (Days of storage)
- FGD waste handling
- Cooling tower Type and design conditions (DB and WB)
- Auxiliary boiler (Pressure and Capacity) or Auxiliary steam supply (yes/no)
- Coal Handling and Unloading
- Rail Access
- Condensate Storage Tank Capacity (gals)
- Condensate Storage Tank Materials of Construction

TABLE 1-SS
DESIGN RANGE FUEL ANALYSIS
RAWHIDE

Coal Quality Parameter	Minimum (-2 Std. Dev.)	Typical	Maximum (+2 Std. Dev.)
Proximate Analysis			
% Moisture	30.00	31.00	32.20
% Ash	4.60	5.20	6.00
% Volatile	29.10	30.30	31.50
% Fixed Carbon	32.30	33.50	34.70
Btu/lb	8100	8300	8500
MAF Btu		13004	
Dry Btu		12029	
% Sulfur	0.24	0.36	0.50
Ultimate Analysis (Dry Basis)			
% Moisture			
% Carbon	68.00	69.50	71.00
% Hydrogen	4.40	4.70	5.00
% Nitrogen	0.90	1.00	1.10
% Chlorine	<0.01	<0.01	0.02
% Sulfur	0.35	0.52	0.72
% Ash	6.70	7.50	8.30
% Oxygen	15.30	16.78	18.30
Sulfur Forms			
Pyritic Sulfur (%)	0.03	0.11	0.19
Sulfate Sulfur (%)	<0.01	0.01	0.04
Organic Sulfur (%)	0.28	0.40	0.55
Total Sulfur (%)			
Mineral Analysis of Ash			
% Silicon Dioxide (Silica, SiO ₂)	27.00	31.00	35.00
% Aluminum Oxide (Alumina, Al ₂ O ₃)	11.80	13.80	15.80
% Titanium Dioxide (Titania, TiO ₂)	0.80	1.00	1.30
% Iron Oxide (Ferric Oxide, Fe ₂ O ₃)	4.80	6.30	7.80
% Calcium Oxide (Lime, CaO)	21.80	24.80	28.00
% Magnesium Oxide (Magnesia, MgO)	4.70	6.70	8.70
% Potassium Oxide (K ₂ O)	0.10	0.20	0.30
% Sodium Oxide (Na ₂ O)	1.00	1.50	2.00
% Sulfur Trioxide (SO ₃)	10.00	13.00	16.00
% Phosphorous Pentoxide (P ₂ O ₅)	0.40	0.70	1.00
% Strontium Oxide (SrO)	0.20	0.40	0.60
% Barium Oxide (BaO)	0.40	0.60	0.80
% Undetermined			
Base/Acid Ratio	0.71	0.86	1.01
Base Value			
Acid Value			

TABLE I-5N
DESIGN RANGE FUEL ANALYSIS
BUCKSKIN

Coal Quality Parameter	Minimum	Typical (Wt. Avg.)	Maximum
Ash Fusion Temperatures			
Reducing (°F)			
Initial	2150	2238	2430
Softening (H=W)	2165	2251	2444
Hemispherical (H=1/2W)	2175	2258	2453
Fluid	2197	2277	2464
Fluid-Initial Temp. Difference			
Oxidizing (°F)			
Initial	2085	2189	2397
Softening (H=W)	2114	2206	2415
Hemispherical (H=1/2W)	2122	2212	2441
Fluid	2140	2231	2466
Fluid-Initial Temp. Difference			
Trace Elements			
Mercury (ppm)	<0.01	0.09	0.21
Chlorine (ppm)	94	226	358
Fluorine (ppm)	13.40	24.20	35.00
Hardgrove Grindability Index			
lbs Ash/MM Btu	50	55	62
lbs Sulfur/MM Btu		6.43	
lbs SO ₂ /MM Btu		0.48	

Supplier Triton
 Data Source MEC
 Date 05/17/02
 Type Projected 2002 Quality

Appendix C-3: Engineer Procure Construct (EPC) Contract Bids

Information Required in Bid Proposals

PacifiCorp will only entertain EPC contract bids on the ~~two~~ Currant Creek sites being offered as part of the RFP. In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-3.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

Engineer Procure Construct (EPC) Contract Option – Bidders may propose a fixed-price, lump-sum EPC contract option, but only for the ~~one two~~ PacifiCorp sites currently being offered. Such proposals must include the following information in addition to any technical information:

- Markup of Asset Purchase and Sale Agreement (APSA), including appendices
- Markup of Operation & Maintenance (O&M) Term Sheet (or Bidder form of O&M Agreement). ~~Quantity and impact of proposed changes are a nonprice factor in selecting Bidders for further discussions.~~
- Amounts and dates of **milestone-based** payments, including milestone descriptions, required of PacifiCorp.

- Proposed facilities will only contain OEM-certified “OEM-certified new major equipment”. This being defined as OEM equipment that has not been previously installed or operated and has the same warranties and guarantees as equipment delivered directly from the OEM’s production line, and all reliability and design TILS and/or Service Bulletins have been implemented.

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement.
- Proposed site plans, layouts, elevations and other aspects of the facility.
- Types of transportation access required.

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so,

PacifiCorp is requesting that Bidders ~~confirm~~conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description
- Manufacturers of major equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Plan for site control
- Site layout description
- Description of technology and configuration

- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-3.1.
- Description of emission control technology, including manufacturer
- Project schedule based on latest Notice to Proceed Date necessary for a June 1, 2012 Substantial Completion Date, listing latest, tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal.
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material ~~b~~Balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

Section 4 – Transmission – Not Applicable to this Appendix.

Section 5 – Environmental and Siting – With the exception of any additional emissions reduction credits that may be required, under ~~Under~~ the EPC proposal, PacifiCorp is exclusively and entirely responsible for meeting and satisfying all federal, state, and local permits, licenses, approvals and/or variances that are required to physical construction and operation of the Facility in accordance with any EPC transaction.

Section 6 – Other Information –

Fuel – Not Applicable to this Appendix

Dispatchability – Not Applicable to this Appendix.

Technical Data – Technical data as requested in Exhibit 1 of this Appendix.

Section 7 – Contract Terms – Bidder shall provide a comprehensive listing/description of all material modifications to the APSA terms and conditions, including the appendices, and the O&M terms and conditions which the Bidder would seek during contract negotiations.

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These may include, but are not limited to:

- Descriptions of items to be provided by the Owner, including a schedule of timing for the provision of these items and impact on Bidder of any delays.
- Land requirements for construction of the facility, including laydown areas
- Laydown plan for construction.
- Commissioning & Startup Plan with Owner's requirements.

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EXHIBIT 1 TO APPENDIX C-3

TECHNICAL DATA

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes _____ No _____.

If yes then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

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Time to transfer from combined cycle to duct firing _____ min.

Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

Time to transfer from combined cycle to power augmentation _____ min.

If applicable, duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

Anticipated Number of Starts per combustion turbine to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas consumed through CO: _____ (MMBtus). Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____

Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas consumed through CO: _____ dth.

Additional Information

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table BC-3.1 below:

Table C-3.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20*	86						
20	86		On				NA
20	86			On			NA
20*	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75*	29	On					
75	29		On				NA
75	29			On			NA
75*	29		On	On			NA
80	25	On					
90	16	On					
95*	15	On					
95	15		On				NA
95	15			On			NA
95*	15		On	On			NA
105	11						
105	11	On	On	On			NA

- Indicates Water Balance Sheet Required

Appendix C-4: Existing Asset Purchase (in whole or in part)

Information Required in Bid Proposals

If the Bidder's Proposal is for an interest in an existing facility where PacifiCorp holds an interest, or operates the facility, any information requested under this RFP that would reasonably be expected to already be in the possession of PacifiCorp, may be so stated in the Bidder's response package. If the Bidder's asset is not currently involved with PacifiCorp, the below requirements are to be met as outlined.

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, output capability or performance of a resource. PacifiCorp believes these resource attributes largely consist, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. The Bidder will complete Table C-4.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

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

Ownership Purchase Option – Bidders may propose a sale, either whole or in part, of existing generation assets to PacifiCorp. Such proposals must include the following information in addition to any technical information:

- Ownership percentage and whether a divided or undivided interest
- Amounts and dates of payments required of PacifiCorp.
- Current and projected annual fixed and variable O&M costs associated with the generation facility.
- Any long term service or maintenance agreements, including scope and costs that are in excess of \$25,000 in annual costs. (i.e. CTs, water, O&M, parts, inspections, ash disposal, CEMs)
- Startup costs (i.e., the period of time from when a start is initiated to the time the unit reaches minimum sustainable load)
- Operating Limits – Any limits imposed on the number of startups that may be performed per year or per unit of time. Any limits on the number of hours that a unit may per operated per year or per unit of time. Any annual limits on the number of hours of duct firing or power augmentation.
- Emissions (air, liquid and solid wastes) in pounds per hour per pollutant and/or waste product at 100% load and tons per year of pollutant and/or waste product at a specified capacity factor as selected by the Bidder.
- Annual unit availability and any guaranteed minimum annual availability.
- Information regarding location and transmission.
- Information regarding fuel and transportation.
- Capacity on summer design day in compliance with all regulatory requirements.
- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Terms of remaining warranties and/or guarantees on major equipment.
- Costs to incorporate into PacifiCorp Fleet (Future capital or maintenance).

Significant due diligence may be necessary prior to finalizing any acquisition by PacifiCorp. A list of due diligence items will be provided to a Bidder should they be short-listed.

Siting – Not Applicable to this Appendix.

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

- Air emissions (all criteria pollutants and air toxics), description of emission controls and existing emission offsets
- List of environmental and other regulatory permits
- Water usage quantity, quality and source(s).
- Water discharge quantity and quality, plus water discharge plan.
- Receiving water body identity and description
- Description of local groundwater quality, quantity and uses.
- Site plans, layouts, elevations and other aspects of the facility.

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

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, PacifiCorp is requesting that Bidders ~~confirm~~conform to the following format for presenting their bid information:

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

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

- Type of generation equipment and description
- Manufacturers of major equipment
- Model number, serial number and age of any previously owned/operated equipment
- Type of heat rejection equipment (cooling towers, ponds, ACC, etc.)
- Source of process and/or cooling water
- Wastewater disposal plan
- Description of financing plan
- Description of operation and maintenance plan
- Plan for site control
- Site layout description
- Description of technology and configuration
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-4.1.
- Primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of emission control technology, including manufacturer
- Any limits on hours of operation in a particular mode (i.e., combined cycle, duct firing, power augmentation, or combination thereof)
- Any limits on emissions
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibit 1 to document some of the technical aspects of their Proposal.

- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Size and levels of redundancy for all major process equipment and material handling facilities (i.e. major pumps, fans, compressors, storage tanks, mills)
- Design basis for the resource
- Material ~~B~~balance
- Solid waste disposals.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Also required is a detailed accounting of ownership interest, whether divided or undivided, in the facility, inventory, spare parts, ongoing agreements, or any continuing obligations resulting from PacifiCorp’s ownership, or acquisition of an interest in the asset. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

Section 5 – Environmental and Siting –Bidder must furnish applicable detailed project site, electric transmission, and fuel transportation information, and a description of all permits, so PacifiCorp can assess site suitability and project viability. The site shall clearly be shown on a United States Geological Survey (USGS) 7.5-minute series map.

Section 6 – Other Information –

Dispatchability – Describe any constraints and/or limitations on PacifiCorp’s ability to dispatch the generation and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested [in](#) Exhibit 1 of this Appendix.

Section 7 – Contract Terms – Bidder shall provide a sample purchase and sale agreement outlining the terms and conditions of the proposed acquisition.

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EXHIBIT 1 TO APPENDIX C-4

TECHNICAL DATA

Site Location _____

Net Capacity at 95°F, 20% Relative Humidity, and at Site Conditions is _____ MW

Site Elevation: _____ Feet

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Minimum Sustainable Load at above conditions _____ MW

Automatic Generation Control (AGC) capable: Yes ____ No ____.

If yes then the AGC range at above conditions is _____ MW to _____ MW.

Maximum number of starts per day is _____, per month _____, per year _____.

Maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Weighted Average Raw Water Consumption is _____ gallons per minute.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal Ramp Rate within operating range: (MW/Min.) Increase: _____ Decrease: _____

Emergency Ramp Rate: (MW/Minute) Increase: _____ Decrease: _____

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~~If applicable, time to transfer from combined cycle to duct firing _____ min.~~

~~If applicable, duct firing ramp rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~If applicable, time to transfer from combined cycle to power augmentation _____ min.~~

~~If applicable, power augmentation ramp rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to duct firing _____ min.~~

~~Duct Firing Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Time to transfer from combined cycle to power augmentation _____ min.~~

~~Power Augmentation Ramp Rate: (MW/Min.) Increase: _____ Decrease: _____~~

~~Anticipates Number of Starts per CT to reach Commercial Operation (CO): _____~~

~~Anticipated quantity of natural gas consumed through CO: _____ dth.~~

Additional Information

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table BC-4.1 below:

Table C-4.1

Temp in °F	% RH	Evap or Chiller	Duct Burners	Power Aug.	Heat Rate	Net Output	Min. Load
-10	100						
-10	100		On				NA
0	100						
10	100						
15	84						
20*	86						
20	86		On				NA
20	86			On			NA
20*	86		On	On			NA
30	75						
40	55						
50	49						
52	46						
52	46	On					
60	40	On					
60	40		On				NA
60	40			On			NA
60	40		On	On			NA
70	33	On					
75*	29	On					
75	29		On				NA
75	29			On			NA
75*	29		On	On			NA
80	25	On					
90	16	On					
95*	15	On					
95	15		On				NA
95	15			On			NA
95*	15		On	On			NA
105	11						
105	11	On	On	On			NA

- Indicates Water Balance Sheet Required

Appendix C-5, IGCC Asset Purchase Sale Agreement (APSA) Bid

Appendix C-5; IGCC Asset Purchase Sale Agreement (APSA) Bid

Integrated Gasification Combined Cycle (IGCC) Resources

Information Required in Bid Proposals

In general, PacifiCorp expects Bidders to provide any information that could impact the cost, reliability, dispatch frequency, or output capability of a resource. PacifiCorp believes these resource attributes largely consist of, but may not be limited to, the following information categories:

Impact of Temperature on Output – If Project output will vary with ambient conditions, capacity, and any associated performance impact, should be stated in terms of conditions expected during a summer day, with ambient air conditions of 95°F and 20% relative humidity, and a winter day with ambient conditions of 20°F and 75% relative humidity. Alternatively, the Bidder may select the local temperature and conditions equal to the 2.5% design dry bulb temperature (based on 8,760 hours per year) at the location of the proposed facility for the high temperature performance case. The Bidder will complete Table C-5.1 showing output at specific ambient conditions, with and without duct firing and/or power augmentation, as applicable. To the extent pricing, capacity and/or availability vary based on specific characteristics of the facility, the Bidder shall clearly identify those relationships in tabular form.

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

- Environmental permits or other environmental limitation or environmental forfeitures
- Hours of operation
- Any other factor relevant to the technology (noise, agreements with neighbors, etc.)
- Bidders shall describe in detail any such limitations in their Proposal
- Ability to provide additional capacity over the net capable rating
- Non-environmental or technology factors that could encumber the facility
- Water availability

Build Own Transfer (BOT) Option – Bidders may propose a fixed-price, lump-sum sale of new generation assets to PacifiCorp at Bidder's site. Such proposals must include the following information in addition to any technical information:

- Markup of Asset Purchase and Sale Agreement (APSA), including appendices.
- Markup of Operation & Maintenance (O&M) Term Sheet (or Bidder form of O&M Agreement)
- Amounts and dates of milestone-based payments, including descriptions, required of PacifiCorp.
- Information regarding location and transmission availability.
- Information regarding fuel and transportation availability.
- Capacity on summer design day in compliance with all regulatory requirements.
- Efficiency (Heat Rate) in compliance with all regulatory requirements.
- Proposed facilities will only contain “Original Equipment Manufactured (OEM)-certified new major equipment” and will consist of the OEMs latest product offerings or models. The equipment shall not have been previously installed or in storage more than six months prior to the expected ship date. All reliability based or design-defect related technical information letters or service bulletins that have been issued by the OEM three months prior to the expected ship date shall be implemented prior to shipment. This requirement is in addition to any other warranties and guarantees that shall be required of the OEM suppliers.

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

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

- Proposed air emissions (all criteria pollutants and air toxics), description of emission controls, description of plan to acquire any required emission offsets, and description of criteria used to determine requirement for emission offsets.
- List of required environmental, construction, and other regulatory permits and timeline for acquisition.
- Proposed water usage quantity, quality and source.
- Proposed water discharge quantity and quality, plus description of water discharge plan.
- Receiving water body identity and description.
- Description of local groundwater quality, quantity, uses, and potential impacts.
- Prevailing noise ordinance at the site and expected sound level (A-weighted) at full load at the site boundary.

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

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

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

Proposal Format – As mentioned above, Bidders are being asked to submit a “blinded” bid in such a format that the identity of the Bidder is not apparent. In doing so, 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 shall state the period under which the terms and conditions of their Proposal will remain effective.

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

- Type of generation equipment and description

- Type and technology owner of the proposed coal gasifiers to be used
- Description of major systems
- Description of coal handling and coal preparation systems for use by the gasifier
- Description of syn-gas and acid-gas cleanup and emission control technologies including manufacturers
- Description of any carbon dioxide capture, drying, and compression capability
- Manufacturers and models of the proposed gas turbines
- Expected degradation curves of the net capacity and net heat rate of the facility as a function of operating hours.
- Manufacturers of the major equipment
- Type of heat rejection and process cooling equipment (cooling towers, ponds, ACC, etc.) and expected raw water requirements of facility
- Source of process and/or cooling water
- Wastewater disposal plan
- Material balances
- Solid waste disposal plans
- Plan for site control
- Site layout description
- Net Capacity ratings and net heat rates at ambient conditions as specified in Table C-5.1 and Table C-5.2. Bidder may modify these tables to match bidder's overall proposal.
- Gasifier primary fuel supply and backup alternatives
- Electrical interconnection (location, transmission provider, and control area)
- Description of the project implementation plan
- Description of financing plan
- Project schedule, listing tasks and milestones with estimated completion dates. Bidders shall also complete Exhibits 1 and 2 to document some of the technical aspects of their Proposal
- Startup Time for Cold, Warm and Hot Starts. A Cold Start is defined as a shutdown of the generating equipment for 48 hours or longer. A Warm Start is defined as a startup within 48 hours of a shutdown. A Hot Start is defined as a start within 8 hours of a shutdown. Bidder should provide its own definitions if different. For this information Startup Times requested may be for the time to minimum sustainable load and time to full load, without duct firing or power augmentation.
- Design basis for the resource, including size and levels of redundancy for all major process equipment and material handling facilities (i.e. air separation units, gasifiers, major pumps, fans, compressors, storage tanks, mills)
- Description of operation and maintenance plan
- Projected planned outage duration and frequency for each gasifier train, air separation unit, gas turbines, and steam turbines.

Section 3 – Pricing Proposal – Describe in detail the pricing proposal, including the use of any index, escalation factors, or other costs to PacifiCorp. Proposed dates, amounts, and detailed milestone descriptions justifying payments are required.

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

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

Section 6 – Other Information –

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

Dispatchability – Describe any constraints and/or limitations on PacifiCorp’s ability to dispatch the facility and any ability of PacifiCorp to utilize the resource for operating reserves.

Technical Data – Technical data as requested in Exhibits 1 and 2 of this Appendix.

Section 7 – Contract Terms – The Bidder will provide a comprehensive listing/description of all material modifications to the APSA terms and conditions, including the appendices, and O&M terms and conditions which the Bidder would seek during contract negotiations.

These may include, but are not limited to:

- Items to be provided by the Owner, including a schedule of timing for the provision of these items and impact on Bidder of any delays.
- Land requirements for construction of the facility, including laydown areas
- Laydown plan for construction.
 - Commissioning & Startup Plan with Owner’s requirements.

EXHIBIT 1 TO APPENDIX C-5

TECHNICAL DATA (IGCC BASED RESOURCES)

Site Location _____

Site Elevation: _____ Feet

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on syn-gas) – New & Clean Condition

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on natural gas or proposed secondary fuel) – New & Clean Condition

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on syn-gas) – Expected degraded condition after 18,000 hours of operation

Net Capacity at 95°F, 20% Relative Humidity at Site Conditions is _____ MW (on natural gas or proposed secondary fuel) – Expected degraded condition after 18,000 hours of operation

Primary Fuel [Type of coal (bituminous, sub-bituminous, lignite, petcoke, and blend)]

Secondary Fuel (natural gas or fuel oil) _____

Duct Firing Capability (Yes/No) _____ on Syn-gas (Yes/No) _____ on Natural gas (Yes/No) _____ Duct-firing Capacity (MW) _____

Minimum Sustainable Load at above conditions _____ (% of full load)

Automatic Generation Control (AGC) capable: Yes _____ No _____.

If yes, AGC capability range at above conditions is _____ MW to _____ MW.

Number of combustion gas-turbine generators _____

Can the facility be operated with one gas-turbine only on syn-gas? (Yes/No) _____

Manufacturer and Model number of gas-turbine generators _____

Number of Gasifiers _____

Technology Supplier of Gasifier _____

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Type of Gasifier (Oxygen-blown or air-blown, entrained flow, slurry fed or dry feed, radiant cooled, quench, convective) _____

Expected overall annual facility equivalent availability factor on primary fuel only (%) _____

Expected overall annual facility equivalent availability factor on primary fuel and secondary fuel (%) _____

Expected duration of each planned gasifier outage (hours) _____

Expected number of hours of gasifier operation between planned gasifier outages on performance fuel (operating hours) _____

Duration of stored capacity of liquid (or compressed gas) oxygen in event of air separation system outage (hours at full load) _____

Duration of stored capacity of liquid (or compressed gas) nitrogen in event of air separation system outage (hours at full load) _____

Thermal input to each gasifier _____ (MMBtu/hour or tons per hour of design coal or performance coal (specify which))

Gross electrical output of steam turbine generator _____ (MW)

Expected electrical auxiliary load of facility _____ (MW)

Type of gas turbine inlet cooling (evaporative cooling, spray mist evaporative cooling, chillers) _____

Maximum water consumption is _____ gallons per minute.

Expected water consumption is _____ acre-feet per year.

Weighted Average makeup water consumption is _____ gallons per minute.

Maximum number of starts per day is _____, per month _____, per year _____.

If applicable, maximum continuous period that the facility can operate steam-for-power-augmentation at full load without depleting the demineralized water system is _____ hours. This assumes the demineralized water system is operating at rated capacity.

Time to bring the facility on line, in minutes (specify if this is to synchronization or sustainable minimum load) (Bidder to define "cold", "warm", and "hot starts", if not as stated above)

	Min/Sust.	Full Load
For Cold Start:	_____	_____
For Warm Start:	_____	_____
For Hot Start:	_____	_____

Minimum time on-line (hours from start initiation to stop initiation) _____

Minimum time off-line (hours from stop initiation to start initiation) _____

Normal ramp rate within operating range: (MW/minute) Increase: _____ Decrease: _____

Emergency ramp rate: (MW/minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle operation (on syngas) to duct firing _____ minutes.

If applicable, time to transfer from combined cycle operation on syngas to combined cycle operation on natural gas (or other secondary fuel) _____ minutes

If applicable, duct firing ramp rate: (MW/Minute) Increase: _____ Decrease: _____

If applicable, time to transfer from combined cycle to power augmentation _____ min.

If applicable, power augmentation ramp rate: (MW/minute) Increase: _____ Decrease: _____

If applicable, anticipated number of starts per combustion turbine to reach Commercial Operation (CO): _____

Anticipated quantity of natural gas or fuel oil consumed to reach CO: _____ (gas, MMBtus; fuel oil, gallons).

Additional Information

Bidder to provide partial load performance curves, including minimum load, showing heat rate and load at varying temperatures.

To the extent that pricing and/or availability vary based on specific characteristics of the facility and/or ambient conditions, the Bidder shall clearly identify that relationship in

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tabular form, including the relationship between temperature and capacity over the local ambient range inclusive of -10°F to 105°F. Bidder to fill out Table C-5.1 below:

Table C-5.1 (on Syn-gas)

<u>Ambient Air Temp (Deg °F)</u>	<u>% Relative Humidity</u>	<u>Evaporative Cooler or Chiller (On/Off)</u>	<u>Duct Burners (if Applicable)</u>	<u>Power Aug. If applicable)</u>	<u>Heat Rate (Net), Btus/kWh (HHV)</u>	<u>Net Output (MW)</u>	<u>Min. Load</u>
<u>-10</u>	<u>100</u>						
<u>-10</u>	<u>100</u>		<u>On</u>				<u>NA</u>
<u>0</u>	<u>100</u>						
<u>10</u>	<u>100</u>						
<u>15</u>	<u>84</u>						
<u>20*</u>	<u>86</u>						
<u>20</u>	<u>86</u>		<u>On</u>				<u>NA</u>
<u>20</u>	<u>86</u>			<u>On</u>			<u>NA</u>
<u>20*</u>	<u>86</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>30</u>	<u>75</u>						
<u>40</u>	<u>55</u>						
<u>50</u>	<u>49</u>						
<u>52</u>	<u>46</u>						
<u>52</u>	<u>46</u>	<u>On</u>					
<u>60</u>	<u>40</u>	<u>On</u>					
<u>60</u>	<u>40</u>		<u>On</u>				<u>NA</u>
<u>60</u>	<u>40</u>			<u>On</u>			<u>NA</u>
<u>60</u>	<u>40</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>70</u>	<u>33</u>	<u>On</u>					
<u>75*</u>	<u>29</u>	<u>On</u>					
<u>75</u>	<u>29</u>		<u>On</u>				<u>NA</u>
<u>75</u>	<u>29</u>			<u>On</u>			<u>NA</u>
<u>75*</u>	<u>29</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>80</u>	<u>25</u>	<u>On</u>					
<u>90</u>	<u>16</u>	<u>On</u>					
<u>95*</u>	<u>15</u>	<u>On</u>					
<u>95</u>	<u>15</u>		<u>On</u>				<u>NA</u>
<u>95</u>	<u>15</u>			<u>On</u>			<u>NA</u>
<u>95*</u>	<u>15</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>105</u>	<u>11</u>						
<u>105</u>	<u>11</u>	<u>On</u>	<u>On</u>	<u>On</u>			<u>NA</u>

• Indicates Water Balance Sheet Required

Table C-5.2 (on natural gas or secondary fuel)

<u>Ambient</u> <u>Air</u> <u>Temp</u> <u>(Deg °F)</u>	<u>%</u> <u>Relative</u> <u>Humidity</u>	<u>Evaporative</u> <u>Cooler or</u> <u>Chiller</u> <u>(On/Off)</u>	<u>Duct</u> <u>Burners (if</u> <u>Applicable)</u>	<u>Power</u> <u>Aug. If</u> <u>applicable)</u>	<u>Heat Rate</u> <u>(Net),</u> <u>Btus/kWh</u> <u>(HHV)</u>	<u>Net</u> <u>Output</u> <u>(MW)</u>	<u>Min.</u> <u>Load</u>
<u>-10</u>	<u>100</u>						
<u>-10</u>	<u>100</u>		<u>On</u>				<u>NA</u>
<u>0</u>	<u>100</u>						
<u>10</u>	<u>100</u>						
<u>15</u>	<u>84</u>						
<u>20*</u>	<u>86</u>						
<u>20</u>	<u>86</u>		<u>On</u>				<u>NA</u>
<u>20</u>	<u>86</u>			<u>On</u>			<u>NA</u>
<u>20*</u>	<u>86</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>30</u>	<u>75</u>						
<u>40</u>	<u>55</u>						
<u>50</u>	<u>49</u>						
<u>52</u>	<u>46</u>						
<u>52</u>	<u>46</u>	<u>On</u>					
<u>60</u>	<u>40</u>	<u>On</u>					
<u>60</u>	<u>40</u>		<u>On</u>				<u>NA</u>
<u>60</u>	<u>40</u>			<u>On</u>			<u>NA</u>
<u>60</u>	<u>40</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>70</u>	<u>33</u>	<u>On</u>					
<u>75*</u>	<u>29</u>	<u>On</u>					
<u>75</u>	<u>29</u>		<u>On</u>				<u>NA</u>
<u>75</u>	<u>29</u>			<u>On</u>			<u>NA</u>
<u>75*</u>	<u>29</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>80</u>	<u>25</u>	<u>On</u>					
<u>90</u>	<u>16</u>	<u>On</u>					
<u>95*</u>	<u>15</u>	<u>On</u>					
<u>95</u>	<u>15</u>		<u>On</u>				<u>NA</u>
<u>95</u>	<u>15</u>			<u>On</u>			<u>NA</u>
<u>95*</u>	<u>15</u>		<u>On</u>	<u>On</u>			<u>NA</u>
<u>105</u>	<u>11</u>						
<u>105</u>	<u>11</u>	<u>On</u>	<u>On</u>	<u>On</u>			<u>NA</u>

EXHIBIT 2 TO APPENDIX C-5

TECHNICAL DATA (IGCC- BASED RESOURCES)

The following is a preliminary set of information that will be required to evaluate coal-based IGCC resources in this category. Additional technical information will be required for short-listed bidders.

- Expected sources of coal or other solid fuels (to the extent possible, identify the specific mines that are expected to be the most likely sources of coal for this facility)
- Steam conditions (main steam throttle pressure, main steam temperature, and hot reheat steam temperature (if applicable))
- Design condenser pressure (psia)
- Expected design heat input (MMBtu/hour) to gasifiers
- Expected design heat input (MMBtu/hour) to gas turbines
- Complete Boiler and Performance Coal Quality Characteristics Table
- If applicable, capacity of startup fuel on site (gallons)
- If secondary fuel is natural gas, is on-site compression of secondary fuel required? (Yes/No) If Yes, design flowrate and outlet operating pressure (SCFM, psig)
- Materials of construction of main steam turbine condenser
- Expected air permit SO₂ gas turbine emissions level (lbs SO₂/MMBtu, based on fuel input to the gasifiers)
- Plant Design Target SO₂ Emissions level (lbs SO₂ /MMBtu, based on fuel input to the gasifiers)
- H₂S removal system technology supplier
- NO_x gas turbine and post-combustion emission controls
- If NO_x controls include use of Selective Catalytic Reduction systems, identify NO_x control reagent (anhydrous ammonia, urea, aqueous ammonia)
- Number of days of storage of NO_x control reagent at full load
- Expected air permit NO_x emissions level (lbs NO_x /MMBtu, based on fuel input to the gasifiers)
- Expected air permit gas turbine NO_x emissions levels (ppmvd @ 3% O₂)
- Expected air permit gas turbine ammonia slip levels (ppmvd @ 3% O₂)
- Plant Design Target NO_x Emissions level (lbs NO_x/MMBtu, based on fuel input to the gasifiers)
- Expected air permit PM₁₀/2.5 emissions level (lbs/MMBtu)
- Plant Design Target PM₁₀ Emissions Level (lbs/MMBtu)

- Mercury removal system type
- Expected mercury removal efficiency (%)
- Identify any other major sources of regulated emissions (Identify source, type of emissions (SO₂, H₂S, NO_x, CO, PM), and emissions rates in lbs/hour for each pollutant):
 - _____
 - _____
- Boiler Feed Pumps (number and size (%))
- Condensate Pumps (number and size (%))
- Ability to isolate part of main condenser while operating (Yes/No; if Yes, % of full load)
- Station Air Compressors (number and size (%))
- On-site coal storage capacity (days of storage at full load, or tons of fuel)
- _____
- Stack height (feet)
- Main cooling tower type (mechanical draft, counterflow, cross-flow, air cooled condenser, hybrid, etc.), design conditions (Design dry bulb and wet bulb temperatures)
- Water system design cycles of concentration for cooling towers
- Expected makeup flow rate to Main Cooling Tower (GPM)
- Auxiliary Cooling Tower makeup flow rates
 - Air Separation unit Cooling Tower makeup flow rate (GPM)
 - Auxiliary Cooling Tower makeup flow rate (GPM)
- Auxiliary boiler (pressure (psig) and capacity (lbs/hour))
- Coal delivery capability by rail (yes/no)
- On-site trackage for standard unit train (yes/no)
- Time required to unload unit train (hours)
- On-site raw water storage tank or pond capacity (gals)
- Water Treatment System:
 - Clarifier (yes/no, size)
 - Reverse osmosis system (yes/no, number of trains, size of each train)
 - Demineralized water system (type, arrangement, size of each train)
- _____
- Condensate storage tank capacity (gals)
- Condensate storage tank materials of construction
- Station Facilities (warehouses, administration building, boiler feed pump buildings, water treatment buildings, extent of main gas and main steam turbine buildings, paint and lubricant storage facilities, maintenance facilities, etc):

Proposed Gasifier Design and Performance Coal

	<u>Gasifier Design Fuel</u>	<u>Gasifier Performance Fuel</u>
<u>Heat Content, AR, Btu/lb</u>		
<u>Moisture, %</u>		
<u>Ash, %</u>		
<u>Sulfur, %</u>		
<u>Volatile Matter, %</u>		
<u>Fixed Carbon, %</u>		
<u>Chlorine, %</u>		
<u>Mercury, ppm</u>		
<u>Mineral Analysis of Ash</u>		
<u>Silicon Dioxide, %</u>		
<u>Aluminum Oxide, %</u>		
<u>Calcium Oxide, %</u>		
<u>Magnesium Oxide, %</u>		
<u>Sodium Oxide, %</u>		
<u>Potassium Oxide, %</u>		
<u>Iron Oxide, %</u>		
<u>Sulfur Trioxide, %</u>		
<u>Phosphorous Pentoxide, %</u>		
<u>Ash Fusion Temperatures</u>		
<u>Softening – Reducing</u>		
<u>Softening - Oxidizing</u>		
<u>Hardgrove Grindability Index</u>		

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~~2012~~ RFP
Appendix D: Fuel Supply Form

~~Appendix D~~
~~Fuel Supply Form~~

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Appendix D:

RFP 2012

Fuel Supply Form

Site Location _____

Primary Type of Fuel (Natural Gas, Coal, Other) _____

Primary Source of Fuel _____

Secondary Source of Fuel (if any) _____

Supplier(s) -of Primary Fuel _____

Firm Supply Contract Anticipated? In Place? (Yes) (No) Term _____
_____ years

If yes, please attach the agreements or the general terms and conditions for all fuel source(s).

If no, please provide a detailed plan on how all fuel source(s) will be acquired.

Supplier of Secondary Fuel (if any) _____

Supply Contract Anticipated? (Yes) (No) Term _____ years

Contemplated Natural Gas Transportation:

LDC (if necessary) _____ Firm Transport?
(Yes) (No)
_____Quantity _____-decatherms (mmBtu) Term

Pipeline 1 _____
Firm Transport? (Yes) (No)

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~~_____~~ Quantity ~~_____~~ ~~_____~~ decatherms (mmBtu) Term ~~_____~~
~~_____~~

Pipeline 2 ~~_____~~ ~~_____~~ Firm
Transport? (Yes) (No)

~~_____~~ Quantity ~~_____~~ ~~_____~~ ~~d~~decatherms (mmBtu) Term ~~_____~~
~~_____~~

Please provide plan to support any and all rail arrangements in quantities sufficient to operate the facility at its maximum capacity.

If transportation is not firm, please clarify the contemplated terms for transport.

~~Copy of Coal contract supply Attached (Yes) (No)~~

~~If (No) indicate what the Coal contract strategy will be in you proposal~~

~~Coal Quality _____~~

~~Lime and/or Limestone for Air Quality Control System provided. (Yes) (No)~~

~~Rail/Truck Transport Coal/Oil~~

~~_____ Firm 1 _____~~

~~_____ Firm 2 _____~~

Provide any additional -relevant information on ~~the project~~the Proposal.

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RFP-~~2012~~
Appendix E: Officer Certification
Form

~~Appendix E~~
~~Officer Certification Form~~

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Appendix E: Officer Certification Form- Appendix E

The undersigned Bidder executes and submits this form with each Proposal it submits in PacifiCorp's RFP-2012, and hereby certifies in each instance that all of the statements and representations made by it in its proposal are true to the best of the Bidder's knowledge, and agrees to be bound by the representations, terms, and conditions contained in the 2012-RFP. The Bidder accepts the contract attached to the 2012-RFP and indicated therein as applicable to its Proposal, except as specifically noted in writing by Bidder. This proposal is firm and will remain in effect until the later of ~~December February~~ December February ~~____, 2008~~10, 2007 -or that date which is 300 days after the proposal due date provided in the RFP, as such due date may be extended from time to time by PacifiCorp.

Submitted by:

(Exact legal name of the entity submitting Proposal)

Signature of an authorized officer: _____

Print or type name of officer: _____

Title: _____

Date signed: _____

RFP
Appendix F
SFAS No. 13 Form
Appendix F: SFAS No. 13 Form
[Intentionally Left Blank]

This is an example of the SFAS No. 13 Form.

Each Bidder is required to fill in only the cells that are highlighted in yellow for each Eligible Resource. When you type in the yellow cells it will prompt you for a password, the password is RFP2012. Each Bidder is required to copy the excel spreadsheet and resave it with their bid number and submit it on a CD or Diskette. Appendix F can be downloaded from either PacifiCorp website and or the IE website for Bidders to save on a CD or Diskette. (www.pacificorp.com)

*YELLOW CELLS REQUIRE USER INPUT.

**Please note, the conclusion in cell B28 assumes that the contract has been deemed a lease by EITF 01-08.

***Protected cell(s) password: RFP2009

CAPITAL LEASE IF:							
FAIL	The lease transfers ownership to the lessee by the end of the lease term. "Fail" equates to "No". "Pass" equates to "Yes".						
FAIL	The lease contains a bargain purchase option. "Fail" equates to "No". "Pass" equates to "Yes".						
FAIL	The lease term is equal to 75% or more of the estimated economic life of the leased property, and the beginning of the lease term does not fall within the last 25% of the total economic life of the leased property.						
	Original Economic Plant Life (yrs)	Years into Economic Plant Life	Remaining Economic Plant Life (yrs)	Term of Deal (yrs)	% of Life	Trigger	Test
	35	0	35	20	57%	75%	FAIL
	Beginning of Plant	Ending of Plant	Life (yrs)	Last 25% Date	Beginning of Lease		Test
	6/1/2009	5/31/2044	35	9/1/2035	6/1/2009		FAIL
FAIL	The present value of the minimum lease payments at the beginning of the lease term is 90% or more of the fair value to the lessor less any investment credit retained by the lessor. This requirement cannot be used if the lease's inception is in the last 25% of the useful economic life of the leased asset. The interest rate, used to compute the PV, is the incremental borrowing rate of the lessee unless the implicit rate is available and lower.						
	Percentage of Capacity PMT that is Executory Costs (%)	Cost to Build \$/KW	MW	FMV	\$ PV Minimum Lease Pmts (Non-Executory Costs)	Trigger (90% of FMV)	Test
	25%	\$700	420	\$294,000,000	\$209,583,165	\$264,600,000	FAIL
Designation:							
OPERATING LEASE							

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RFP-2012
Appendix G: Bidder Site Control
Form

~~**Appendix G**~~
~~**Bidder Site Control Form**~~

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2012

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Appendix G:

RFP 2012

Bidder Site Control Form

Project Name: _____

Site Location: _____

Street Address or Nearest Intersection: _____

Acres: _____

Distance to Fuel Supply: _____

Transportation _____

Railway _____

Distance to Water Supply (if not using ACC): _____

Check items that are applicable:

Property is owned by Bidder.

Property is leased by Bidder, with an Option to buy.

▪ Lease/Option Expires: _____

Property is Optioned by Bidder through (date): _____

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▪ Option is Exclusive _____ or Non-Exclusive _____

▪ Option is to Purchase _____ or Lease _____

Site is selected, but not formally secured.

Site will require zoning change as part of permitting process.

APPENDIX G

Bidder Site Control Form Submittals

Bidder shall submit to Buyer drawings, plans, specifications, and other documents necessary to document the design engineering and construction of the Plant and the content of the Work, including but not limited to those items herein listed below. Additionally, Bidder shall submit to the Buyer those drawings, plans, specifications, and other documents as required by the State of Utah or any other regulatory body or agency having authority over the Plant.

Ninety (90) days after the Notice To Proceed, the Bidder shall provide to Buyer a schedule for submittal of such documents, which schedule shall (1) be consistent with the schedule for the Project and (2) provide Buyer with the greatest practicable opportunity to review such documents and make comments thereon within fourteen (14) days from the transmittal date or as mutually agreed upon provided that the comment period does not unduly affect the progress of the Work. Submittals shall be in duplicate.

Engineering Lists

- Equipment List

Engineering Specifications and Drawings

- Plot/Site Plan
- Switchyard Single Line, Three Line and Metering and Protection Design

Construction

- Site Utilization Plan, including laydown

Commissioning and Startup

- System Descriptions
- Performance and Emissions Test Procedures
- Performance Test Results
- Reports Required for Regulatory Compliance

Plans, Manuals, & Reports

- Level 2 Schedule

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- Commissioning Schedule
- Monthly Progress Reports

All specifications and drawings for the Project and submitted by Bidder or Subcontractor to Bidder hereunder shall include the following data:

Name:	PacifiCorp
Project Name:	Buyer's Power Plant
Spec. or drawing number, if applicable: to Provide	Bidder or Subcontractor
Bidder or Subcontractor's name:	Bidder or Subcontractor
Revision Number and Date to Provide	Bidder or Subcontractor

Buyer shall have the right to reasonably request other information and Bidder shall use reasonable efforts to supply this information.

Documents submitted to Buyer are provided for information only. However, if Buyer identifies discrepancies or areas of non-conformance with the Agreement requirements, Buyer has the right to notify Bidder of the discrepancy/non-conformance and require that the document be revised and resubmitted.

Monthly Progress Report

The Monthly Progress Report shall address all aspects of the Plant through ~~the~~ Commercial Operation and shall include, but not be limited to the following:

- (a) An “Executive Summary” containing:
 - A written summary of events and progress accomplished during the previous reporting period.
 - Unresolved Changes.
 - Critical Concerns and Intended Actions.

- (b) ~~A~~ “Schedule Section”:
 - Will be updated on a monthly basis and will consider the aforementioned item b. An updated Level 2-time schedule will be provided (paper/electronic). Critical path analysis will also be provided.

- (c) A list of the status of Bidder permits

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RFP ~~2012~~
~~Appendix H~~
~~Construction Coordination Agreement~~
Appendix H: Construction
Coordination Agreement

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CONSTRUCTION COORDINATION AGREEMENT

BETWEEN

PACIFICORP

AND

BIDDER

PacifiCorp

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~~2012~~

Responses due ~~January~~February, 2007

Appendix H: CONSTRUCTION COORDINATION -AGREEMENT

This Construction Coordination Agreement (the “Agreement”) is made and entered into as of the Effective Date (as defined below), by and between PacifiCorp, an Oregon corporation (“PacifiCorp”), and _____, a _____ [limited liability company] (“[NAME]”) (PacifiCorp and [NAME] are individually referred to herein as a “Party” and collectively as the “Parties”).

RECITALS

WHEREAS, PacifiCorp is an investor owned electric utility company subject to regulation by the Public Service Commission of Utah;

WHEREAS, PacifiCorp owns, operates and maintains Unit -1 at its generation facility located in _____, Utah.

WHEREAS, [NAME] desires to construct Unit 2, to be located adjacent to Unit 1-4 at the Facility;

WHEREAS, PacifiCorp and [NAME] have entered into a [Power Purchase Agreement - (“PPA”) / Tolling Services Agreement (“TSA”)] providing for the purchase by PacifiCorp of certain of the energy and capacity generated by Unit 2 following Unit 2’s reaching Commercial Operation;

WHEREAS, there is a need to coordinate the activities of [NAME] and its contractor(s) and subcontractors during construction, testing and commissioning of Unit -2 to avoid potential interference with the operation of Unit -1;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties hereto agree as follows:

ARTICLE I Definitions; Headings

1.1 Definitions

Unless the context shall otherwise require, capitalized terms used in this Agreement shall have the meanings assigned to them in the Glossary of Defined Terms attached hereto as Exhibit -“A”, which also contains rules as to usage that shall be applicable herein.

ARTICLE II

Term and Governing Provisions

2.1 Term.

The Term of this Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to provisions hereof, shall continue in effect until PacifiCorp has accepted the [PPA/TSA] or has achieved Commercial Operation. ~~Date.~~

2.2 Governing Provisions.

As a matter of general priority, in the event of any conflict between the provisions of this Agreement or the [PPA/TSA], the provisions of this Agreement shall govern. Disputes related to the matters to be performed pursuant to this Agreement and not involving the [PPA/TSA] or work performed by or at the direction of the [PPA/TSA], shall nonetheless be governed by Section 15 (“Disagreements”) in the [PPA/TSA].

ARTICLE III

Construction Interfaces

3.1 Construction Control.

[NAME] and its contractors shall be responsible for and have sole control over the construction of Unit_-2, except for interconnections with the Common Facilities. [NAME] shall coordinate with PacifiCorp all activities to be performed in connection with the construction, testing and commissioning of Unit 2 pursuant to this Agreement, particularly if such activities may require taking Unit_-1 off-line or have a substantial possibility of causing an outage at Unit_-1.

[NAME] shall be responsible for erecting a temporary and movable construction fence (the “Construction Fence”) on the Site for the purpose of separating the Unit_-2 construction area (the “Construction Area”), which is initially depicted by the cross-hatched area on Exhibit_-“C” attached hereto, from the rest of the Facility, including Unit_-1, the switchyard and the Common Facilities. The Construction Fence may be moved and relocated as necessary with the prior written consent of PacifiCorp following the completion of certain phases of construction for the purpose of accessing other areas of the Facility, all as set out in the Project Schedule. During the Term, [NAME] will be in control of the Construction Area and will maintain a separate gate for access to the Construction Area. Prior to the Commercial Operation Date, the Construction Area will be reduced to [NAME]’s staging and laydown area and separate gate, and shall not include any Facilities necessary for operation of Unit_-1, Unit_-2 or the Common Facilities. Following the Commercial Operation Date [NAME] shall, and shall cause its contractors and subcontractors to, promptly remove all construction materials and equipment from the staging and laydown area, to remove the Construction Fence, and to

erect suitable permanent fencing and related access roads to separate PacifiCorp's facilities from [NAME]'s facilities, all as approved in writing by PacifiCorp.

[NAME] shall at all times utilize and cause its contractors, subcontractors, personnel and other persons allowed at any part of the Facility by [NAME] to utilize only [NAME]'s separate gate to the Construction Area.

3.2 [NAME]'s Access to PacifiCorp's Area.

[NAME] shall provide PacifiCorp with reasonable notice of its need to access PacifiCorp's Area for performance of work activities associated with the Common Facilities. [NAME] and PacifiCorp shall agree on a schedule for the performance of all work activities in PacifiCorp's Area consistent with the Project Schedule. PacifiCorp shall arrange for any safety instruction and workplace policy training deemed appropriate by PacifiCorp for [NAME]'s personnel prior to [NAME]'s personnel being allowed in PacifiCorp's Area. PacifiCorp shall arrange for escorts for [NAME]'s personnel accessing PacifiCorp's Area to the extent PacifiCorp reasonably deems such escorts necessary. In the event [NAME] needs to work on a system that could be used by PacifiCorp for the operation of Unit_1, [NAME] shall provide PacifiCorp with written notice and receive authorization from PacifiCorp that the system has been deactivated before commencing work on the system and [NAME] shall notify PacifiCorp once it completes work on the system so PacifiCorp can inspect and reactivate the system in accordance with PacifiCorp's Tagging and Safety Program.

3.3 PacifiCorp Access to the Construction Area.

At all times prior to the Commercial Operation Date [NAME] shall provide PacifiCorp and PacifiCorp's personnel access to the Construction Area upon PacifiCorp's request. [NAME] and PacifiCorp shall agree on a schedule for the performance of work activities by PacifiCorp's personnel in the Construction Area. PacifiCorp's personnel shall comply with [NAME]'s published safety program requirements while in the Construction Area. [NAME] may arrange for escorts for any PacifiCorp personnel accessing the Construction Area to the extent [NAME] reasonably deems such escorts necessary. The above notwithstanding, PacifiCorp may access the Construction Area without notice for the purpose of carrying out activities required for the operation of Unit 1 or responding to an Emergency.

3.4 Project Schedule_ and Coordination of PacifiCorp Support.

[NAME] shall (a) schedule all activities that will require or may result in the shutdown of or inability to dispatch Unit 1, and all work activities performed on or affecting the Common Facilities in accordance with the Project Schedule, (b) notify PacifiCorp in writing of such schedule(s) at the earliest practicable time, and (c) update such schedules in writing as necessary. [NAME] shall not undertake the foregoing Work activities until

PacifiCorp has agreed in writing with such schedule and plan for performing the identified work.

3.5 Unit-1 and PacifiCorp's Area Control.

PacifiCorp shall have sole control over the operation of Unit 1 and the remainder of PacifiCorp's Area at all times.

3.6 Restrictions During Construction.

- (a) Except as otherwise provided in this Agreement, [NAME] shall perform or cause to be performed all construction activities with respect to Unit-2 in a manner that will avoid interference with PacifiCorp's operation of Unit-1.
- (b) [NAME] shall restrict construction workers and other personnel not employed by PacifiCorp from access to PacifiCorp's Area except as authorized in advance by PacifiCorp's Representative. Upon the reasonable request of [NAME], PacifiCorp shall authorize access to PacifiCorp's Area for the purpose of undertaking activities necessary to integrate Unit-2 into the Common Facilities, and after the Substantial Completion Date to perform any work activities required under the [PPA/TSA], in accordance with the Project Schedule and the work plan required under Section 3.4 above.

3.7 Transportation Routes and Lay-Down Areas.

[NAME] shall designate adequate transportation routes and lay-down areas for the construction work and materials for Unit-2, and, prior to commencing construction obtain PacifiCorp's written approval of all such proposed routes and laydown areas. In granting its approval PacifiCorp shall not be deemed to have recommended or confirmed the adequacy or suitability of such routes and laydown areas, and shall have no liability with respect to [NAME]'s selection of, use of or inability to use such routes and laydown areas.

3.8 Employee Discipline.

[NAME] shall adopt and enforce policies for disciplining construction employees if the employees' actions affect or are likely to affect Unit-1 or the Common Facilities other than as provided in the work plan and in Section 3.4 above. Any construction employee found to have violated PacifiCorp's security requirements regarding escorting and physical access to certain PacifiCorp's Areas described in the attached Exhibit "D" shall, at the request of PacifiCorp be assigned to work outside PacifiCorp's Area and shall be disciplined to the full extent permissible under [NAME]'s project labor agreement (if any), including without limitation terminated at PacifiCorp's request.

3.9 Security and Safety Requirements.

In addition to the requirements of [PPA/TSA] [NAME] shall, consistent with good and generally accepted construction practices and Prudent Industry Practice, undertake all commercially reasonable efforts to protect any and all parallel, converging and intersecting electric lines and poles, telephone lines and poles, highways, waterways, railroads, sewer lines, natural gas pipelines, drainage ditches, culverts, Unit 1 facilities and any and all property of others related to the Facility, and shall indemnify PacifiCorp from any and all Claims with respect to [NAME]'s actions or failures to act in connection with such facilities and property in connection with the Work.

3.8 Transition from Construction to Operation.

PacifiCorp shall provide oversight and consent of activities necessary for the connection of the Unit-2 systems with the Common Facilities. PacifiCorp shall provide [NAME] and its employees and contractors with reasonable controlled access to all Common Facilities, to enable [NAME] and its contractors to interconnect Unit-2 with the Common Facilities, all in accordance with the Project Schedule provided pursuant to Section 3.4 above, and upon receipt of notice from [NAME].

ARTICLE IV Construction Damage

4.1 Construction Damage.

In the event any activities undertaken in connection with the development, construction, commissioning or testing of Unit 2 cause any physical damage ("Construction Damage") to Unit 1, to the Common Facilities or to any portion of PacifiCorp's Area:

- (a) [NAME] shall be responsible for the full cost of rebuilding, restoring and/or repairing all Construction Damage.
- (b) [NAME] shall promptly, and in any event no later than one (1) day after the date on which the Construction Damage occurred, consult with PacifiCorp regarding the extent of the Construction Damage and possible approaches to remedying the Construction Damage.
- (c) [NAME] shall promptly, and in any event no later than five (5) days after the date on which the Construction Damage occurred, submit to PacifiCorp a detailed written proposal for rebuilding, restoring or replacing, at [NAME]'s expense, such Construction Damage.
- (d) PacifiCorp shall promptly evaluate any proposal submitted by [NAME] for, rebuilding, restoring or replacing, at [NAME]'s expense, such Construction Damage.

- (e) If PacifiCorp determines that [NAME] possesses the demonstrated qualifications and capability to timely perform the remedial actions set out in the proposal, PacifiCorp will cooperate with [NAME] to promptly undertake the rebuilding, restoration or replacement of the Construction Damage set out in the proposal to PacifiCorp's satisfaction, subject to such terms, conditions and restrictions as PacifiCorp may deem appropriate to ensure that the proposed activities comply with PacifiCorp's safety programs and practices and that the remedial actions will not result in further damage or loss of generation with respect to Unit 1 operations.
- (f) If PacifiCorp concludes that [NAME] lacks the demonstrated qualifications and capability or otherwise is not in a position to timely perform the remedial actions set out in the proposal, if [NAME] does not agree with PacifiCorp's terms, conditions and restrictions described in paragraph (d) above, or if [NAME] does not promptly undertake such remedial actions, then PacifiCorp shall be entitled to promptly commence repairs to any Construction Damage to Unit_1, the Common Facilities or other portion of the PacifiCorp Area at [NAME]'s sole expense.
- (g) In the event that [NAME] does not reimburse PacifiCorp for any cost of rebuilding, restoration or replacement activities related to the Construction Damage incurred by PacifiCorp (including without limitation the reasonable cost of PacifiCorp's consultants and internal personnel and resources) within thirty (30) days of PacifiCorp's invoice for the same, then PacifiCorp may set off any amounts owing to PacifiCorp from [NAME] from any payments owed by PacifiCorp to [NAME] under the [PPA/TSA];
- (h) Nothing in this Article IV is intended to be nor shall operate as a limitation on PacifiCorp's right or ability to recover damages from [NAME] pursuant to the [PPA/TSA], this Agreement or otherwise at law or in equity.

ARTICLE V

Shutdowns

5.1 Scheduled Shutdowns of Unit_1.

The Parties recognize that Unit_1 must be temporarily shut down for interconnection of Unit_2 to the Common Facilities and for other defined construction-related activities as identified in the Project Schedule. All scheduled shutdowns shall be scheduled, to the extent possible, during weekends and holiday periods.

IN NO EVENT SHALL ANY SCHEDULED SHUTDOWNS BE SCHEDULED DURING THE MONTHS OF JUNE, JULY, AUGUST OR SEPTEMBER, except and to the extent that Unit 1 has scheduled maintenance outages scheduled during such period.

[NAME] shall schedule and provide to PacifiCorp, at least seven (7)-days prior to any necessary shutdown, written notice of the next upcoming outage and of any proposed changes to the outage periods set out in the Project Schedule.

[NAME] shall coordinate with PacifiCorp to balance the need to reduce these shutdown periods and to utilize other times of economic shutdown of Unit_1 to perform the required work under the [PPA/TSA] with the need to utilize these shutdown periods to perform work activities that have a reasonable probability of causing an unplanned shutdown of Unit 1.

If the Scheduled Shutdown of Unit 1 occurs at a time when Unit 1 is not otherwise scheduled by PacifiCorp to be shutdown and non-dispatchable, then [NAME] shall pay to PacifiCorp Replacement Power Costs calculated in the same manner as set forth in Section 5.2(c) as though the Scheduled Shutdown were an Unscheduled Shutdown.

5.2 Unscheduled Shutdowns of Unit_1.

- (a) [NAME] shall be responsible for conducting its development, construction, commissioning, testing and startup activities in a manner that minimizes the impact of Unit_-2 construction on the operation of Unit_1.
- (b) In the event activities performed by [NAME] or its contractors causes Unit_-1 to experience an unscheduled shutdown or loss of power generation capability (each an "Unscheduled Shutdown"), [NAME] shall be liable to PacifiCorp for all damages incurred by PacifiCorp in connection with such Unscheduled Shutdown. Damages associated with an Unscheduled Shutdown shall include, without limitation, (i) -\$12,000, multiplied by the Unit 1 OEM's equivalent start ratio for the affected unit(s) per Unscheduled Shutdown occurrence, (ii) the cost of all physical damage to any Unit 1 equipment that is demonstrated to have occurred due to the Unscheduled Shutdown, and (iii) the cost of replacement power ("Replacement Power Costs") for the period of the Unscheduled Shutdown.
- (c) Replacement Power Costs shall be calculated as follows, and shall be payable whether or not PacifiCorp actually purchases replacement power for the applicable period as liquidated damages for the lost generation portion of damages only:

- (i) If an Unscheduled Shutdown occurs during work scheduled pursuant to Section 5.2(e)(i) while Unit_1 is operating, replacement power costs shall be calculated as the product of **(1) the Dow Jones SP15 Daily Firm On-Peak Index for the day of delivery, expressed in \$/MWh, multiplied by (2) the provided Hourly Scalar for each hour, multiplied by (3) the loss factor of 1.112, plus (4) the basis of \$13/MWh** during each hour or portion of hour of the Unscheduled Shutdown, **minus (5) Unit_1's** incremental cost of generating power (i.e., the product of a given plant's then effective net heat rate multiplied by midpoint of the Kern River, Opal Plant Platt's Daily Gas Index at the time of the Unscheduled Shutdown expressed in units of \$/mmBtu)

_____ = Market Price – Incremental Cost

Replacement Power = (1x2x3+4)-5

- (d) After an Unscheduled Shutdown of Unit_1, any such future work that is to be performed by [NAME] or its contractors of the same or similar nature to that which caused the Unscheduled Shutdown shall proceed as follows:

- (i) PacifiCorp and [NAME] shall develop a plan designed to accomplish the necessary work in a manner that will avoid reoccurrence of the Unscheduled Shutdown.

- (ii) Such work plan shall provide that such work may, at PacifiCorp's election:

- (1) be rescheduled to begin within, and end not less than five (5) hours before the end of, a subsequent Off-Peak Hourly Periods, during which Unit_1 may continue to operate; or

- (2) PacifiCorp may elect to schedule a shutdown of Unit_1 during any subsequent Off-Peak Hourly Periods and such work may be performed during such shutdown beginning within, and ending no less than two (2) hours before the end of, such Off-Peak Hourly Periods.

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(e) PacifiCorp shall provide [NAME] with not less than eight (8) hours' advance notice (to be confirmed in writing) of any election to schedule a shutdown of Unit_1 pursuant to Section_5.2(d)(ii)(2).

(f) Nothing in this Article V is intended to be nor shall operate as a limitation on PacifiCorp's right or ability to recover damages from [NAME] pursuant to the [PPA/TSA], this Agreement or otherwise at law or in equity.

5.3 Testing and Initial Firing of Combustion Turbines.

[NAME] shall conduct testing and initial firing of the Unit 2 combustion turbine generator during Off-Peak Hourly Periods.

ARTICLE VI Notices and Miscellaneous Provisions

6.1 Notices, Consents and Approvals

Contact information for notices, requests, demands and other communications required or permitted hereunder is as follows:

if to [NAME], to:

with copies to:

or to such other person or address as [NAME] shall furnish to PacifiCorp;

if to PacifiCorp, to:

PacifiCorp
825 NE Multnomah, Suite 600
Portland, Oregon 97232-2315
Attn: _____

Tel: _____

Fax: _____

with copies, in connection with default notices, to:

or to such other person(s) or address(es) as PacifiCorp furnishes to [NAME] from time to time.

All notices, including, acceptances, consents, approvals, agreements, deliveries of information, designations, requests, demands and other communications required or permitted hereunder shall be in writing, properly addressed as provided in paragraph (a) above, and given by (i) hand delivery, (ii) a national overnight courier service, (iii) confirmed facsimile transmission, followed by a hard copy, or (iv) certified or registered mail, return receipt requested, and postage prepaid. Any such notice or other communication shall be deemed to have been duly given as of the date delivered if by hand delivery, national overnight courier service or confirmed facsimile transmission (provided a hard copy promptly follows by other means provided herein), or five (5) calendar days after mailing if by certified or registered mail.

6.2 Entire Agreement

This Agreement contains the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, of the Parties relating to the subject matter hereof. Any oral or written representation, warranty, course of dealing or trade usage not contained or referenced herein shall not be binding on either Party.

6.3 Amendment; Waiver

No amendment or other modification of any provision of this Agreement shall be valid or binding unless it is signed by each of the Parties. No waiver of any provision of this Agreement shall be valid or binding unless it signed by the Party waiving compliance with such provision. No delay on the part of either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver or any partial exercise of any such right, power or privilege preclude any further exercise thereof or the exercise of any other such right, power or privilege. No waiver of any breach, term or condition of this Agreement by any Party shall constitute a subsequent waiver of the same or any other breach, term or condition.

6.4 Successors and Assigns

Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the Parties hereto and, to the extent permitted by this Agreement, their respective successors and assigns.

6.5 Third Party Beneficiaries

The provisions of this Agreement shall only be for the benefit of, and enforceable by, the Parties hereto and shall not inure to the benefit of or be enforceable by any third party.

6.6 Severability

In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

6.7 Further Assurances

Each Party shall, at the request of the other, execute and deliver or cause to be executed and delivered such documents and instruments not otherwise specified herein, and take or cause to be taken all such other reasonable actions, as may be necessary or desirable to more fully and effectively carry out the intent and purposes of this Agreement.

6.8 Publicity

Except as required by law, [NAME] agrees that they will not issue or release for external publication any press release, article, advertising or other publicity matter in any form (including print, electronic, or interview) relating to the Project, or to this Agreement without first consulting with and obtaining the prior consent of PacifiCorp, which consent shall not be unreasonably withheld or delayed. Except as required by law, PacifiCorp agrees that it will not issue or release for external publication any press release, article, advertising or other publicity matter in any form (including print, electronic, or interview) relating to this Agreement without first consulting with and obtaining the prior consent of [NAME], which consent shall not be unreasonably withheld or delayed. To the extent reasonably possible, the releasing Party will accommodate the concerns of the other Party. This requirement does not, however, restrict [NAME] from identifying its involvement in the Project in its marketing of products and services to others.

6.9 Independent Contractor

[NAME] is an independent contractor with respect to the Work, and each part thereof, and in respect of all work to be performed hereunder. Neither [NAME], the contractor, nor any subcontractor, the employees of any of such entities, employed in connection with the work shall be deemed to be agents, representatives, joint ventures, employees or servants of PacifiCorp by

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reason of their performance hereunder or in any manner dealt with herein. Neither Party shall perform any act or make any representation to any Person to the effect that [NAME], nor any of its agents, representatives, the contractor or subcontractors, is the agent of PacifiCorp.

6.10 Survival

The provisions of Article 4 (“Construction Damage”), Article 5 (“Shutdowns”), and Sections 2.2 (“Governing Provisions”), 3.1 (“Construction Control”), 3.3 (“PacifiCorp Access to the Construction Area”), 3.9 (“Security and Safety Requirements”), 6.9 (“Independent Contractor”) and 6.11 (“Governing Law; Waiver of Jury Trial”) of this Agreement shall survive the expiration or earlier termination of this Agreement indefinitely, provided that the foregoing enumeration shall not be interpreted to bar survival of any other provision hereof which would otherwise be deemed to survive by operation of law.

6.11 Governing Law; Waiver of Jury Trial

THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH (WITHOUT GIVING EFFECT TO THE PRINCIPLES THEREOF RELATING TO CONFLICTS OF LAW).

EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR ANY MATTER ARISING HEREUNDER OR THEREUNDER. EACH PARTY HEREBY WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR ANY MATTER ARISING HEREUNDER OR THEREUNDER IN WHICH A JURY TRIAL HAS NOT OR CANNOT BE WAIVED.

6.12 Counterparts

This Agreement may be executed by the Parties in two or more separate counterparts (including by facsimile transmission), each of which shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

6.13 Captions

The captions for Articles and Sections- contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained herein.

6.14 Costs and Expenses.

All Parties have jointly drafted this Agreement. Presumptions regarding the interpretation of documents against the persons drafting same shall not apply to this Agreement. Each Party hereto will pay all costs and expenses incident to its negotiation and preparation of this Agreement and, except as set forth herein, to its performance and compliance with all agreements and conditions contained herein on its part to be performed or complied with, including the fees, expenses and disbursements of its counsel and accountants. In the event of default hereunder, the Parties agree that the defaulting Party shall pay the fees, expenses and disbursements of counsel for the non-defaulting Party in enforcing this Agreement.

6.14 No Waiver.

Except as otherwise provided herein, no provision of this Agreement may be waived except in writing. No failure by either Party to exercise, and no delay in exercising, any right, power, or remedy under this Agreement shall operate as a waiver thereof. Any waiver at any time by a Party of its right with respect to default under this Agreement, or the respect to other matter arising in connection therewith, shall not be deemed a waiver with respect to any subsequent default or matter.

6.15 Liquidated Damages.

TO THE EXTENT ANY PAYMENT REQUIRED TO BE MADE UNDER THIS AGREEMENT IS AGREED BY THE PARTIES TO CONSTITUTE LIQUIDATED DAMAGES, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE AND THAT SUCH PAYMENT CONSTITUTES A REASONABLE APPROXIMATION OF SUCH DAMAGES, AND NOT A PENALTY.

6.16 Limitation of Liability.

BUYER SHALL NOT BE LIABLE TO SELLER FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE UNDER OR IN CONNECTION WITH THIS AGREEMENT.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

By [NAME]:

Title:

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By:

Title:

- (13) “Facility” or “Facilities” shall mean Unit 1, Unit 2 and the Common Facilities, and all energy producing equipment and auxiliary equipment, fuel storage and handling facilities and equipment, electrical transformers, interconnection facilities and metering facilities, associated with Unit 1 or Unit 2 as may be required for receipt of fuel and for delivery of electricity, and all other improvements related solely to the Units and located on the Site.
- (14) ~~“~~”Governmental Authority” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county or other political subdivision.
- (15) “NERC” shall mean the North American Electric Reliability Council, and any successor entity.
- (16) “Off-Peak Hourly Period” means those periods of time measured by hours ending 0100 through 0600 and hours ending 2300 through 2400 Monday through Saturday, and all hours on Sunday and NERC Holidays.
- (17) “PacifiCorp” shall have the meaning set forth in the Recitals.
- (18) “PacifiCorp’s Area” shall have the meaning given to it in Section ~~3~~3.2 of this Agreement.
- (19) “Party” shall have the meaning given to it in the Recitals of this Agreement.
- (20) “Performance Testing” shall have the meaning given to it in the [PPA/TSA].
- (21) “Person” means any individual, partnership, limited liability company, joint venture, corporation, trust, unincorporated organization or Governmental Authority.
- (22) ~~“~~”Prudent Industry Practice” shall have the meaning given to it in the [PPA/TSA].
- (23) “Project Schedule” shall mean a detailed schedule setting forth milestones for key stages of the construction, testing and commissioning of Unit 2, including without limitation provisions regarding necessary interfaces with the Common Facilities, provided by [NAME] to PacifiCorp and updated to reflect material changes in such schedule from time to time.
- (24) “Replacement Power Costs” shall have the meaning given to it in Section 5.2(b) of this Agreement.
- (25) “Shutdown Periods” shall have the meaning given to it in Section ~~6~~6.1 of this Agreement.
- (26) “Site” means the real property on which the Facilities are located.
- (27) “Tagging and Safety Program” shall mean that tagging and safety program in effect and maintained by PacifiCorp at the Facility from time to time and provided to [NAME].

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EXHIBIT ~~B~~
TO
CONSTRUCTION COORDINATION AGREEMENT

Common Facilities

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EXHIBIT ~~C~~
~~-CONSTRUCTION COORDINATION AGREEMENT~~

Site Plan Designation of Construction Area

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EXHIBIT ~~D~~
~~-CONSTRUCTION COORDINATION AGREEMENT~~

Security Requirement

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ATTACHMENTS

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RFP-~~2012~~
~~Attachment 1~~

**~~Company Benchmark Base Load
Resource By Year Over The Term~~**

**Attachment 1: Company Benchmark
Base Load Resource By Year Over
The Term**

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2012 COMPANY BENCHMARK BASE LOAD RESOURCE

~~Hunter 4 and~~

Intermountain Power ~~Plant~~Project 3

PacifiCorp

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~~**2012 COMPANY BENCHMARK
BASE LOAD RESOURCE
Hunter 4 and
Intermountain Power Plant 3**~~

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**PacifiCorp Energy 2012 Benchmark
~~Benchmark 2012~~–340MW Intermountain Power Project Unit 3**

PacifiCorp Energy is participating as a development partner in the construction of the Intermountain Power Project (IPP) Unit 3. IPP Unit 3 has a planned commercial operation date in the summer of 2012. IPP Unit 3 will have a nominal net rating of 900 MW. PacifiCorp Energy has 340 MW (or 37.8%) share of the unit's output. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.

IPP Unit 3 will use super-critical boiler steam turbine technology with expected main steam conditions of 3700 psia and nominal steam temperatures of 1100°F (main steam) and 1100°F (reheat steam). IPP Unit 3 is currently permitted as a hybrid subcritical boiler with expected main steam conditions of 2520 psig and nominal steam temperatures of 1050°F (main steam) and 1050°F (reheat steam). The participants are currently evaluating the use of supercritical boiler design. If the studies confirm that a supercritical design is cost effective and that a change can be made administratively, then the participants will pursue construction on a supercritical design. The boiler will be either tangentially-fired or wall-fired. The boiler combustion system will use low-NOx burners combined with state-of-the-art over-fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler will be equipped with an integral selective catalytic reduction (SCR) system for additional NOx reduction using anhydrous ammonia. Unit 3 will meet a NOx emission limit of 0.07 lb/mmBtu on a 24 hour average basis. The boiler will be totally enclosed. The steam turbine will be a tandem-compound six-flow machine consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.

The unit will be equipped with a state-of-the air quality control system (AQCS) that will include a wet limestone forced-oxidation flue gas desulfurization (FGD) system that will remove a approximately 95% of the sulfur oxides (SO₂) from the boiler flue gas to comply with the air permit allowable emission level of 0.09 lb/mmBtu SO₂ on a 24 hour average basis. The AQCS will also consist of a reverse-air fabric filter (baghouse) for the removal of particulate. The Unit 3 stack will have a minimum height of 712' and will be designed for wet operation.

IPP Unit 3 will be located on the site of the existing Intermountain Power Agency's Intermountain Generating Station that consists of two 900 MW (net) units. Unit 3 will be located next to Unit 2. The Intermountain Generating Station is located in Millard County, Utah. The facility is located approximately 10 miles west of Lynddyl, Utah, off Utah State Highway 132. The site consists of approximately 4,600 acres at an elevation of 4670 feet above sea level. The plant site has both rail and road access for deliveries of

coal. Deliveries by rail are provided by Union Pacific. The design outdoor temperature range is 0°F to 100°F with a design wet bulb temperature of 65°F wet bulb temperature.

IPP Unit 3 will burn predominantly local Utah bituminous coals but will have the capability to burn sub-bituminous coals. Modifications will be made to the existing coal storage piles to facilitate coal blending. Upgrades to the existing coal conveyors and conveyor motor drives will be made to improve fuel loading the units. A new transfer tower and conveyor will be installed for Unit 3. The existing fuel oil storage tanks will be used for startup and stabilization fuel. Additional limestone storage and transfer equipment will be provided for Unit 3.

A mechanical draft cooling tower will provide cooling for Unit 3. Raw water for Unit 3 will be pumped from the existing plant raw water reservoir. The plant reservoir receives makeup water from the DMAD surface reservoir and pipeline system. Additional pumps will be installed at the DMAD reservoir to meet the water requirements of the additional unit. No modifications to the pipeline are expected since the makeup water supply system was sized for 3,000 MW of generation at the site. The existing water treatment equipment will be used to process the additional raw water to meet the needs of the service and cooling water systems. Demineralized water will be provided by the existing demineralized water system. The boiler will be equipped with an on-line condensate polisher. The potable water needs of Unit 3 will be provided by extending the existing potable water system.

The existing fire protection system will be extended and modified to meet the needs of Unit 3.

The Intermountain Power Project is a zero liquid discharge (~~ZLD~~) facility. Cooling tower blowdown will be used as makeup to the FGD system and boiler seals. Excess waste water will be treated with a brine concentrator. High quality effluent from the brine concentrator will be used as makeup to the demineralizer system. Plant sewage is treated in a tile field. Fly ash will be marketed to the extent possible. Bottom ash and unsold fly ash will be land-filled on the plant site.

Site upgrades will include plant roads, site lighting, fencing, security, controls, and communications equipment. Unit 3 will use existing warehouses and shop facilities.

Power from IPP Unit 3 will connect the 345kV IPP AC switchyard. Power from the AC switchyard is connected to IPA's existing 345 kV Northern Transmission System which connects directly to PacifiCorp's Mona substation.

PacifiCorp Energy 2012 Benchmark

2012 Company Benchmark 600MW at Hunter Unit 4

PacifiCorp Energy's planned 2012 benchmark is the addition of a 4th Unit at the Hunter Plant with a nominal net rating of 600 MW. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.

Hunter Unit 4 will employ supercritical boiler-steam turbine technology with main steam conditions of 3600 psig and a nominal steam temperatures of 1050°F (main steam) and 1100°F (reheat steam). The boiler itself will be either tangentially fired or wall fired. The boiler combustion system will use low NOx burners combined with state-of-the-art over fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler will be equipped with an integral selective catalytic reduction (SCR) system for additional removal of NOx using aqueous ammonia. The boiler construction will be outdoor with at least 75% sided. The steam turbine will consist of a multi-casing design consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.

The unit will be equipped with a state-of-the-air quality control system (AQCS) that will include a lime-based wet flue gas desulfurization (FGD) system that will remove a minimum of 95% of the sulfur oxides (SO₂) from the boiler flue gas. The AQCS will also consist of a pulse-jet fabric filter (baghouse) for the removal of ash. The Unit 4 stack will be designed and constructed to good engineering practices with a stack height of no less than the height of the existing stacks (600').

Hunter Unit 4 will be located at the Hunter Plant. The Hunter Plant is a three unit coal-fired power plant located in Emery County, Utah. The facility is located on State Highway 10 approximately 3 miles south of Castle Dale, Utah. The site consists of about 1000 acres at an elevation of 5644 feet above sea level. The nearest railroad access is the Utah Railway Company which is 20 miles from the plant by paved road. The design outdoor temperature range is -10F to 100F with a design 64F wet bulb temperature.

Hunter Unit 4 will burn predominantly local Utah bituminous coals but will have the capability to also burn Wyoming coals. Coal storage and handling facilities will be added to provide for up to 45 days of storage and coal blending. The existing fuel oil storage tanks will be used for startup and stabilization fuel.

A cross-flow or counter-flow cooling tower will provide cooling for the unit. Raw water for Unit 4 will be pumped from the existing raw basin southeast of the plant site. This basin receives makeup water from a surface reservoir and pipeline system. Water treatment equipment will be installed to process the raw water to meet the needs of the various process needs of the boiler and cooling systems. The Unit 4 demineralized water tie in

~~point will be at the existing Unit 3 demineralized water tank. The boiler will be equipped with an on-line condensate polisher to meet the high quality water standards necessary for a supercritical boiler. The Unit 4 potable water will be tied into the existing Unit 3 potable water tank. Potable water is piped from the city of Castle Dale.~~

~~The existing fire protection system will be extended and modified. Some fire protection piping will be demolished and replaced with new fire protection piping where it interferes with the construction of Unit 4.~~

~~The Hunter Plant is a zero liquid discharge (ZLD) plant. Cooling tower blowdown will be used as makeup to the FGD system and ash handling systems. The balance of the water is evaporated from a pond or used for irrigation of hay crops. Plant sewage is treated and discharged to the evaporation pond. Bottom ash and fly ash will be land-filled on the plant site.~~

~~Site upgrades will include new warehouse facilities, plant roads, site lighting, fencing, security, and communications equipment.~~

~~Power from Hunter Unit 4 will connect into existing 345 kV transmission lines that connect to the Camp Williams substation, Huntington substation, and the Sigurd substation. An evaluation is in process to determine the need to add transmission lines to avoid generator tripping in the event of multiple transmission line outages.~~

**PacifiCorp Energy 2012
Benchmark 2012 -340MW Intermountain Power Project Unit 3**

~~PacifiCorp Energy is participating as a development partner in the construction of the Intermountain Power Project (IPP) Unit 3. IPP Unit 3 has a planned commercial operation date in the summer of 2012. IPP Unit 3 will have a nominal net rating of 900 MW. PacifiCorp Energy has 340 MW (or 37.8%) share of the unit's output. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.~~

~~IPP Unit 3 is currently permitted as a hybrid subcritical boiler with expected main steam conditions of 2520 psig and nominal steam temperatures of 1050°F (main steam) and 1050°F (reheat steam). The participants are currently evaluating the use of supercritical boiler design. If the studies confirm that a supercritical design is cost effective and that a change can be made administratively, then the participants will pursue construction on a supercritical design. The boiler will be either tangentially fired or wall fired. The boiler combustion system will use low NOx burners combined with state-of-the-art over fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler~~

~~will be equipped with an integral selective catalytic reduction (SCR) system for additional NO_x reduction using anhydrous ammonia. Unit 3 will meet a NO_x emission limit of 0.07 lb/mmBtu on a 24-hour average basis. The boiler will be totally enclosed. The steam turbine will be a tandem-compound six-flow machine consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.~~

~~The unit will be equipped with a state-of-the-air quality control system (AQCS) that will include a wet limestone forced-oxidation flue gas desulfurization (FGD) system that will remove a approximately 95% of the sulfur oxides (SO₂) from the boiler flue gas to comply with the air permit allowable emission level of 0.09 lb/mmBtu SO₂ on a 24-hour average basis. The AQCS will also consist of a reverse-air fabric filter (baghouse) for the removal of particulate. The Unit 3 stack will have a minimum height of 712' and will be designed for wet operation.~~

~~IPP Unit 3 will be located on the site of the existing Intermountain Power Agency's Intermountain Generating Station that consists of two 900 MW (net) units. Unit 3 will be located next to Unit 2. The Intermountain Generating Station is located in Millard County, Utah. The facility is located approximately 10 miles west of Lynddyl, Utah, off Utah State Highway 132. The site consists of approximately 4,600 acres at an elevation of 4670 feet above sea level. The plant site has both rail and road access for deliveries of coal. Deliveries by rail are provided by Union Pacific. The design outdoor temperature range is 0°F to 100°F with a design wet bulb temperature of 65°F wet bulb temperature.~~

~~IPP Unit 3 will burn predominantly local Utah bituminous coals but will have the capability to burn sub-bituminous coals. Modifications will be made to the existing coal storage piles to facilitate coal blending. Upgrades to the existing coal conveyors and conveyor motor drives will be made to improve fuel loading the units. A new transfer tower and conveyor will be installed for Unit 3. The existing fuel oil storage tanks will be used for startup and stabilization fuel. Additional limestone storage and transfer equipment will be provided for Unit 3.~~

~~A mechanical draft cooling tower will provide cooling for Unit 3. Raw water for Unit 3 will be pumped from the existing plant raw water reservoir. The plant reservoir receives makeup water from the DMAD surface reservoir and pipeline system. Additional pumps will be installed at the DMAD reservoir to meet the water requirements of the additional unit. No modifications to the pipeline are expected since the makeup water supply system was sized for 3,000 MW of generation at the site. The existing water treatment equipment will be used to process the additional raw water to meet the needs of the service and cooling water systems. Demineralized water will be provided by the existing demineralized water system. The boiler will be equipped with an on-line condensate polisher. The potable water needs of Unit 3 will be provided by extending the existing potable water system.~~

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~~The existing fire protection system will be extended and modified to meet the needs of Unit 3.~~

~~The Intermountain Power Project is a zero liquid discharge (ZLD) facility. Cooling tower blowdown will be used as makeup to the FGD system and boiler seals. Excess waste water will be treated with a brine concentrator. High quality effluent from the brine concentrator will be used as makeup to the demineralizer system. Plant sewage is treated in a tile field. Fly ash will be marketed to the extent possible. Bottom ash and unsold fly ash will be land-filled on the plant site.~~

~~Site upgrades will include plant roads, site lighting, fencing, security, controls, and communications equipment. Unit 3 will use existing warehouses and shop facilities.~~

~~Power from IPP Unit 3 will connect the 345kV IPP AC switchyard. Power from the AC switchyard is connected to IPA's existing 345 kV Northern Transmission System which connects directly to PacifiCorp's Mona substation.~~

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**2013 COMPANY BENCHMARK
BASE LOAD RESOURCE**

~~BRIDGER 5~~ Hunter 4

or

IGCC Jim Bridger

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PacifiCorp Energy ~~2012-2013~~ Benchmark Option
~~2012 Company Benchmark 600MW-575 MW~~ at Hunter Unit 4

One of PacifiCorp Energy's ~~planned 2012-2013~~ benchmark options is the addition of a 4th Unit at the Hunter Plant with a nominal net rating of ~~600-575~~ MW. The primary fuel will be pulverized coal with light oil used for startup and boiler stabilization.

Hunter Unit 4 will employ supercritical boiler-steam turbine technology with main steam conditions of at least 3600 psig and a nominal steam temperatures of 1050°F (main steam) and 1100°F (reheat steam). The boiler itself will be either tangentially-fired or wall-fired. The boiler combustion system will use low-NOx burners combined with state-of-the-art over-fire air systems to minimize the formation of nitrogen oxides (NOx) in the furnace. The boiler will be equipped with an integral selective catalytic reduction (SCR) system for additional removal of NOx using aqueous ammonia. The boiler construction will be outdoor with at least 75% sided. The steam turbine will consist of a multi-casing design consisting of HP/IP and multiple LP casings. The steam turbine cycle will be based on eight stages of feedwater heaters in a Heater above Reheat Point (HARP) cycle. The condenser and feedwater heater tubing shall be titanium and stainless steel, respectively.

The unit will be equipped with a state-of-the air quality control system (AQCS) that will include a lime-based wet flue gas desulfurization (FGD) system that will remove a minimum of 95% of the sulfur oxides (SO₂) from the boiler flue gas. The AQCS will also consist of a pulse-jet fabric filter (baghouse) for the removal of ash. The Unit 4 stack will be designed and constructed to good engineering practices with a stack height of no less than the height of the existing stacks (600').

Hunter Unit 4 will be located at the Hunter Plant. The Hunter Plant is a three unit coal-fired power plant located in Emery County, Utah. The facility is located on State Highway 10 approximately 3 miles south of Castle Dale, Utah. The site consists of about 1000 acres at an elevation of 5644 feet above sea level. The nearest railroad access is the Utah Railway Company which is 20 miles from the plant by paved road. The design outdoor temperature range is -10F to 100F with a design 64F wet bulb temperature.

Hunter Unit 4 will burn predominantly local Utah bituminous coals but will have the capability to also burn Wyoming coals. Coal storage and handling facilities will be added to provide for up to 45 days of storage and coal blending. The existing fuel oil storage tanks will be used for startup and stabilization fuel.

A cross-flow or counter-flow cooling tower will provide cooling for the unit. Raw water for Unit 4 will be pumped from the existing raw basin southeast of the plant site. This basin receives makeup water from a surface reservoir and pipeline system. Additional water

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collection and storage facilities may be required. Water treatment equipment will be installed to process the raw water to meet the needs of the various process needs of the boiler and cooling systems. The Unit 4 demineralized water tie in point will be at the existing Unit 3 demineralized water tank. The boiler will be equipped with an on-line condensate polisher to meet the high quality water standards necessary for a supercritical boiler. The Unit 4 potable water will be tied into the existing Unit 3 potable water tank. Potable water is piped from the city of Castle Dale.

The existing fire protection system will be extended and modified. Some fire protection piping will be demolished and replaced with new fire protection piping where it interferes with the construction of Unit 4.

The Hunter Plant is a zero liquid discharge (~~ZLD~~) plant. Cooling tower blowdown will be used as makeup to the FGD system and ash handling systems. The balance of the water is evaporated from a pond or used for irrigation of hay crops. Plant sewage is treated and discharged to the evaporation pond. Bottom ash and fly ash will be land-filled on the plant site.

Site upgrades will include new warehouse facilities, plant roads, site lighting, fencing, security, and communications equipment.

Power from Hunter Unit 4 will connect into existing 345 kV transmission lines that connect to the Camp Williams substation, Huntington substation, and the Sigurd substation. An evaluation is in process to determine the need to add transmission lines to avoid generator tripping in the event of multiple transmission line outages.

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**~~2014 COMPANY BENCHMARK
BASE LOAD RESOURCE
IGCC PROJECT~~**

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PacifiCorp Energy 2014~~3~~ Benchmark Option
-IGCC B500 MW at Jim Bridger~~ene~~hmark

One of PacifiCorp Energy's ~~2014-2013~~ IGCC benchmark options is a coal gasification facility together with its associated auxiliaries necessary to provide syn-gas to fuel a "2 x1" combined cycle configuration using either General Electric's 7FB or Siemens Power SGT-5000F gas turbines. The 2013 IGCC benchmark will consist of multiple gasifiers, with potential sparing as economically indicated with the goal to provide 90% syngas availability on coal alone. The primary fuel will be pulverized coal with natural gas for startup, pilot fuel and during planned outages of the coal gasification system. The 2014 IGCC benchmark may consist of up to three gasifiers as necessary to provide 90% availability on coal alone. The primary fuel will be pulverized coal with either natural gas or light oil for startup.

Potential gasifier technologies may include Conoco-Philips, General Electric, Shell, Siemens, and Mitsubishi. Potential gasifier technologies would include Conoco-Philips, General Electric, and Shell. Potentially, Siemens' newly acquired Sustec gasifier technology may also be considered as potential gasifier technology supplier provided adequate scale-up and target availability levels are demonstrated. Since the designs of the gasifiers and the associated reference plants are unique, specific details on the selected benchmark design will depend on future project specific scoping studies and Front End Engineering Design (FEED) studies. The designs are also dependent on coal composition and location. ~~As a~~ As a general guideline, the benchmark IGCC plant will be based on the standard reference plant configuration as supplied by the selected technology suppliers consistent with fuel specific requirements. The benchmark design requirements would also be supplemented as necessary by the findings and recommendations of Electric Power Research Institute's (EPRI) Coal fleet IGCC User Design Basis Specification.

The design basis for environmental performance for the ~~2014-2013~~ IGCC benchmark is the EPRI Coal fleet IGCC User Design Basis Specification Environmental Design Level II. In order to achieve NO_x emissions levels associated with Coal Fleet's Environmental Design Level II, a Selective Catalytic Reduction (SCR) system would be required. As a consequence of using an SCR additional H₂S would need to be removed from the syngas in order to reduce the potential of fouling of the SCR catalyst. A refrigerated amine, Selexol™, or similar high-efficiency system would be used to reduce the H₂S levels to the necessary levels. The ~~2014-2013~~ benchmark would not incorporate an oxidation catalyst.

The ~~2014-2013~~ IGCC plant benchmark would be designed and constructed to allow for future CO₂ capture equipment in that sufficient space and interconnections would be provided to allow for future installation of CO₂ capture equipment. The CO₂ capture

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equipment, such as humidification towers, shift reactors, CO₂ absorbers/strippers, and dryers ~~and~~ compressors would not be installed as part of the original design. Depending on the results of further study, it is possible the IGCC benchmark would include a mitigation provision for future CO₂ capture by over-sizing certain components as part of the original design. This will minimize the performance impacts associated with any later installation of CO₂ capture equipment. Installation of CO₂ capture equipment for enhanced oil recovery would be a site specific consideration.

The air separation unit of ~~2014-2013~~ IGCC benchmark would need to have a guaranteed availability level of 98% or better. Sufficient on-site nitrogen storage would be required to meet purge gas requirements. The need for liquid or gaseous oxygen storage would be evaluated depending on the expected duration and frequency of unexpected outages of the vendor's proposed air separation system. The ~~2014-2013~~ IGCC benchmark would be designed such that the air separation unit would receive a portion of the air supply requirement from the gas turbine compressor. An auxiliary air separation unit compressor would provide the remaining compressed air requirement. The degree of integration would be a parameter to be determined during the FEED study.

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Project Characteristics

Characteristics of how the Proxy is modeled in the
2006 RFP/IRP

	Hunter 4 Supercritical	Bridger 5 Supercritical	Inter Mountain Power Project 3 Supercritical	Integrated Gasification Combined Cycle Resource Utah Wyoming	
Starts per Day	Base Load Unit not expected to cycle on & off on a daily basis				
Start Up Cost (2006\$)	\$15,907 / Start	\$19,884 / Start	\$15,907 / Start	\$13,380 / Start	\$13,380 / Start
Variable O&M (2006\$)	\$2.41 / MWh	\$2.08 / MWh	\$2.41 / MWh	\$1.10 / MWh	\$1.08 / MWh
Minimum Up Time	16 Hours	16 Hours	16 Hours	16 Hours	16 Hours
Minimum Down Time	12 Hours	12 Hours	12 Hours	30 Hours	30 Hours
Ramp Rate (warm start)	30 MW / minute	30 MW / minute	30 MW / minute	12.5 MW / minute	12.5 MW / minute
Run-Up Rate (cold start)	212 MW / Hour	212 MW / Hour	212 MW / Hour	48 MW / Hour	48 MW / Hour

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Attachment 2: QF Bidder
Information

~~Attachment 2~~

~~Qf Bidder INFORMATION~~



ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

II. B. Procedures (continued)

Generally, the interconnection process involves (1) initiating a request for interconnection, (2) completion of studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, (3) execution of an Interconnection Facilities Agreement to address facility construction, testing and acceptance and (4) execution of an Interconnection Operation and Maintenance Agreement to address ownership and operation and maintenance issues.

Consistent with PURPA, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis.

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

II. Process for Negotiating Interconnection Agreements (continued)

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's power delivery function.

A. Communications

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

Utah Power & Light Company
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's power delivery function that will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

B. Procedures

The Company will follow the procedures for generation interconnection described in Part IV of the Company's Open Access Transmission Tariff (Tariff) on file with the Federal Regulatory Commission. A copy of the Tariff is available on-line at <http://www.oasis.pacificorp.com>

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures

1. The Company's proposed generic power purchase agreement may be obtained from the Company's website at www.pacificorp.com, or if the owner is unable to obtain it from the website, the Company will send a copy within seven days of a written request."
2. To obtain an indicative pricing proposal with respect to a proposed project, the owner must provide in writing to the Company, general project information reasonably required for the development of indicative pricing, including, but not limited to:
 - a) generation technology and other related technology applicable to the site
 - b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system
 - c) quantity and timing of monthly power deliveries (including project ability to respond to dispatch orders from the Company)
 - d) proposed site location and electrical interconnection point
 - e) proposed on-line date and outstanding permitting requirements
 - f) demonstration of ability to obtain QF status

- g) fuel type (s) and source (s)
 - h) plans for fuel and transportation agreements
 - i) proposed contract term and pricing provisions (i.e., fixed, escalating, indexed)
 - j) status of interconnection arrangements
3. The Company shall not be obligated to provide an indicative pricing proposal until all information described in Paragraph 2 has been received in writing from the QF owner. Within 30 days following receipt of all information required in Paragraph 2, the Company will provide the owner with an indicative pricing proposal, which may

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures (continued)

include other indicative terms and conditions, tailored to the individual characteristics of the proposed project. Such proposal may be used by the owner to make determinations regarding project planning, financing and feasibility. However, such prices are merely indicative and are not final and binding. Prices and other terms and conditions are only final and binding to the extent contained in a power purchase agreement executed by both parties and approved by the Commission. The Company will provide with the indicative prices a description of the methodology used to develop the prices.

4. If the owner desires to proceed forward with the project after reviewing the Company's indicative proposal, it may request in writing that the Company prepare a draft power purchase agreement to serve as the basis for negotiations between the parties. In connection with such request, the owner must provide the Company with any additional project information that the Company reasonably determines to be necessary for the preparation of a draft power purchase agreement, which may include, but shall not be limited to:
- a) updated information of the categories described in Paragraph B.2,

- b) evidence of adequate control of proposed site
- c) identification of, and timelines for obtaining any necessary governmental permits, approvals or authorizations

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures (continued)

- d) assurance of fuel supply or motive force
 - e) anticipated timelines for completion of key project milestones
 - f) evidence that any necessary interconnection studies have been completed and assurance that the necessary interconnection arrangements are being made in accordance with Part II.
5. The Company shall not be obligated to provide the owner with a draft power purchase agreement until all information required pursuant to Paragraph 4 has been received by the Company in writing. Within 30 days following receipt of all information required pursuant to paragraph 4, the Company shall provide the owner with a draft power purchase agreement containing a comprehensive set of proposed terms and conditions, including a specific pricing proposal for purchases from the project. Such draft shall serve as the basis for subsequent negotiations between the parties and, unless clearly indicated, shall not be construed as a binding proposal by the Company
6. After reviewing the draft power purchase agreement, the owner may prepare an initial set of written comments and proposals regarding the draft power purchase agreement and forward such comments and proposals to the Company. The Company shall not be obligated to commence negotiations with a QF owner until the Company has received an initial set of written comments and proposals from the QF owner. Following the Company's receipt of such comments and proposals, the owner may contact the Company to schedule contract negotiations at such times and places as are mutually agreeable to the parties. In connection with such negotiations, the Company:

- a) will not unreasonably delay negotiations and will respond in good faith to any additions, deletions or modifications to the draft power purchase agreement that are proposed by the owner

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

B. Procedures (continued)

- b) may request to visit the site of the proposed project if such a visit has not previously occurred
 - c) will update its pricing proposals at appropriate intervals to accommodate any changes to the Company's avoided-cost calculations, the proposed project or proposed terms of the draft power purchase agreement may request any additional information from the owner necessary to finalize the terms of the power purchase agreement and satisfy the Company's due diligence with respect to the Project.
7. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner a final, executable version of the agreement. The Company reserves the right to condition execution of the power purchase agreement upon simultaneous execution of an interconnection agreement between the owner and the Company's power delivery function, as discussed in Part II. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties and approved by the Commission.

II. Process for Negotiating Interconnection Agreements

In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon all necessary interconnection arrangements being consummated.

It is recommended that the owner initiate its request for interconnection as early in the planning process as possible, to ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

II. Process for Negotiating Interconnection Agreements (continued)

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's power delivery function.

A. Communications

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

Utah Power & Light Company
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's power delivery function that will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

B. Procedures

The Company will follow the procedures for generation interconnection described in Part IV of the Company's Open Access Transmission Tariff (Tariff) on file with the Federal Regulatory Commission. A copy of the Tariff is available on-line at <http://www.oasis.pacificorp.com>

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RFP
Attachment 3: Power Purchase
Agreement
~~2012~~
Attachment 3
Power Purchase CONTRACT
Agreement

RFP-2012

**Attachment 4: Role And Function Of
The Independent Evaluator And
Communication Protocols ~~Between~~
~~The Benchmark Team, The~~
~~Evaluation Team, The Bidders And~~
~~The Independent Evaluator~~**

Attachment 4

**Role And Function Of The
Independent Evaluator And THE
Communication Protocols AND
COMMUNICATIONS ~~Between The~~
~~Benchmark Team, The Evaluation~~**

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~~Team, The Bidders And The Independent EVALUATOR~~

ROLE OF THE INDEPENDENT EVALUATOR

1) ~~1)~~ The role and function of the Independent Evaluator (“IE”) is outlined ~~below as follows:~~

- a. ~~1)~~ Facilitate and monitor communications between the Soliciting Utility and Bidders.
- b. ~~2)~~ Review and validate the assumptions and calculations of any Benchmark Option(s).
- c. ~~3)~~ Analyze the Benchmark Option(s) for reasonableness and consistency with the Solicitation Process.
- d. ~~4)~~ Access all important models in order to Aanalyze, operate and validate all important models, modeling techniques, assumptions and inputs utilized by the Soliciting Utility in the Solicitation Process, including the evaluation of Bids.
- e. ~~5)~~ Receive and “blind” Bid responses.
- f. ~~6)~~ Provide input to the Soliciting Utility on:
 - i. ~~7)~~ -the development of screening and evaluation criteria, ranking factors and evaluation methodologies that are reasonably designed to ensure that the Solicitation Process is fair, reasonable and in the public interest in preparing a Solicitation and in evaluating Bids;
 - ii. ~~8)~~ -the development of initial screening and evaluation criteria that take into consideration the assumptions included in the Soliciting Utility’s most recent IRP, any recently filed IRP Update, any Commission order on the IRP or IRP Update and in its Benchmark Option(s);-
 - iii. ~~9)~~ whether a Bidder has met the criteria specified in any RFQ and whether to reject or accept non-conforming RFQ responses;

- iv. ____ whether and when data and information should be distributed to Bidders because it is necessary to facilitate a fair and reasonable competitive ~~Bidding~~bidding process or has been reasonably requested by Bidders;
- v. ____ whether to reject non-conforming bids for any reason or accept conforming changes;
- vi. ____ whether to return bid fees.
- g. ____ Ensure that all Bids are treated in a fair and non-discriminatory manner.
- h. ____ Monitor, observe, validate and offer feedback to the Soliciting Utility and the regulators on all aspects of the Solicitation and Solicitation Process, including:
 - i. ____ ~~–~~content of the Solicitation;
 - ii. ____ ~~–~~evaluation and ranking of Bid responses;
 - iii. ____ ~~–~~creation of a short list(s) of Bidders for more detailed analysis and negotiation;
 - iv. ____ ~~–~~Post-Bid-bid discussions and negotiations with, and evaluations of, short-listed Bidders; and
 - v. ____ ~~–~~negotiation of proposed contracts with successful Bidders.
- i. ____ The IE will independently evaluate the Soliciting Utility's Benchmark Resource options and a sample of the bids to determine whether the selections for the initial and final short-lists are reasonable.

- j. ____ The IE will evaluate the unique risks and advantages associated with Benchmark Resources, including the regulatory treatment of costs or benefits related to actual constructions cost and plant operation differing from what was projected for the RFP.
 - k. ____ Once the competing bids and Benchmark Resources have been evaluated by the Soliciting Utility and the IE, the Soliciting Utility and the IEs will ~~the two should~~ compare results.
 - l. ____ Offer feedback to the Soliciting Utility on possible adjustments to the scope or nature of the Solicitation or requested resources in light of ~~b~~Bid responses received.
 - m. ~~Solicit~~ ____ Solicit additional information on Bids necessary for screening and evaluation purposes.
 - n. ____ Advise the Commission at all stages of the process of any unresolved disputes or other issues or concerns that could affect the integrity or outcome of the Solicitation Process.
 - o. ____ Analyze and attempt to mediate disputes that arise in the Solicitation Process with the Soliciting Utility and/or Bidders, and present recommendations for resolution of unresolved disputes to the Commission.
 - p. ____ Participate in and testify at Commission hearings on approval of the Solicitation and Solicitation Process and/or approval of a Significant Energy Resource Decision and/or acknowledgement of the final shortlist.
 - q. ____ Coordinate as appropriate and as directed by the Commission with staff or evaluators designated by regulatory authorities from other states served by the Soliciting Utility.
 - r. ____ -Perform such other evaluations and tasks as the Commission may direct.
- 2). ____ The Communications between the ~~Independent Evaluator, IE~~ the Company and the Bidders shall be conducted in the following manner:
- a. ____ Communications between a Soliciting Utility and potential or actual Bidders shall be conducted only through or in the presence of the ~~IE Evaluator~~. Bidder questions and Soliciting Utility or ~~IE Evaluator~~ responses shall be posted on an appropriate website. The ~~Evaluator-IE~~

shall protect or redact competitively sensitive information from such questions or responses to the extent necessary.

- b. The Soliciting Utility may not communicate with any Bidder regarding the Solicitation Process, the content of the Solicitation or Solicitation documents, or the substance of any potential response by a Bidder to the Solicitation, except through or in the presence of the IE.
- c. The Soliciting Utility shall provide timely and accurate responses to any request from the IE~~Evaluator~~, including requests from Bidders submitted by the EvaluatorIE, for information regarding any aspect of the Solicitation or the Solicitation Process.

3) The Independent EvaluatorE will provide the following R~~r~~ports.

The EvaluatorIE shall prepare at least the following confidential reports and provide them to the Regulators and the Soliciting Utility:

a.i. Monthly progress reports on all aspects of the Solicitation Process as it progresses;

ii.b. Final Reports as soon as possible following the completion of the Solicitation Process. Final reports shall include analyses of the Solicitation, the Solicitation Process, the Soliciting Utility's evaluation and selection of Bids and resources, the final results and whether the selected resources are in the public interest.

4) Communication between the Evaluation Team and the Benchmark Team:

- a. The Evaluation Team, including Non-blinded Personnel, may not be members of the Benchmark Team, nor communicate with members of the Benchmark Team during the Solicitation Process about any aspect of the Solicitation Process, except as authorized herein.
- b. The names and titles of each member of the Benchmark Team, the Non-blinded Personnel and Evaluation Team shall be provided in writing to the Evaluator.
- c. ~~The Evaluation Team may solicit written comments on matters of technical expertise from the members of the Benchmark Team. All such communications to or from the Benchmark Team must be in writing.~~ The

~~Evaluator IE~~ must participate in ~~all such~~any communications between members of the Benchmark Team and Evaluation Team and must retain a copy of all such correspondence to be made available in future Commission proceedings. ~~The Evaluator must also make available to the Bidder about whose bid the Benchmark Team's technical expertise was sought a written copy of the correspondence between the Evaluation and Benchmark Teams. Any response to such correspondence from the Bidder must be in writing to the Evaluator and must be conveyed to the Evaluation Team. The Evaluator must provide its own or third party verification of the reasonableness of any technical information solicited from the Benchmark Team or Bidder before it may be used in any evaluation.~~

- d. ____ There shall be no communications regarding blinded Bid information, either directly or indirectly, between the Non-blinded Personnel and other Evaluation Team members until the final short-list is determined except as authorized herein, which communications shall be done in the presence of the ~~IE~~Evaluator. The Non-blinded Personnel must not reveal to other Evaluation Team members, either directly or indirectly in any form, any blinded information regarding the identity of any of the Bidders.
- e. ____ The Evaluation Team shall have no direct or indirect contact or communication with any Bidder other than through the ~~IE~~Evaluator until such time as a final short-list is selected by the Soliciting Utility.
- f. ____ Should any Bidder or a member of the Benchmark Team, attempt to contact a member of the Evaluation Team, such Bidder or member of the Benchmark Team shall be directed to the ~~IE~~Evaluator for all information and such communication shall **promptly** be reported to the ~~IE~~Evaluator by the Evaluation Team.

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RFP ~~2012~~
Attachment 5: Tolling Service
Agreement
~~Attachment 5~~
~~Tolling Service Agreement~~
CONTRACT

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RFP ~~2012~~
~~Attachment 6~~

~~Asset Purchase And Sale Agreement~~
~~(APSA) With Appendices~~

Attachment 6: Asset Purchase And
Sale Agreement (APSA) With
Appendices

PacifiCorp

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~~2012~~

Responses due ~~January~~February, 2007

RFP ~~2012~~
Attachment 7: Lake Side APSA
Rights And Facilities

~~Attachment 7~~
~~Lake Side APSA~~
~~Rights And Facilities~~

PacifiCorp

Draft RFP

2012

Responses due ~~January~~February, 2007

ATTACHMENT 7:

LAKE SIDE RIGHTS AND FACILITIES

PPA AND TSA BIDDERS ONLY

Easements

PacifiCorp will grant a non-exclusive easement on PacifiCorp's property between Bidder's switchyard to the new 345kV substation serving Bidder's Facility. Easement will be determined based on Bidder's routing of Bidder's cable.

PacifiCorp will grant a non-exclusive easement to allow for the connection of Bidder's Facility to a natural gas supply line located on PacifiCorp property, if required. As an alternative, PacifiCorp, in its sole discretion, may convey such property as required for Bidder's natural gas pipeline and metering station to Bidder as part of the Site Purchase Agreement for Lake Side shown as **Attachment 196** to this RFP. Specific details of the interconnection are provided in **Appendix B** to the APSA.

Water Rights

PacifiCorp does not hold any Water Rights that can be acquired by the Bidder. Bidder will be responsible for acquiring such rights.

Emission Reduction Credits (ERCs)

PacifiCorp has ERCs that can be acquired by the Bidder. Pricing is shown in the Site Purchase Agreement for Lake Side. The available Utah County ERCs are (in tons):

PM-10	46.8
SO ₂	4.6
NO _x	22.4

Bidder is responsible for obtaining all ERCs necessary for the operation of the Project.

Facilities Interconnections

Bidder will be entitled to connect, at its own expense with PacifiCorp's raw water connection as specified in Appendix B to the APSA. Supply is limited to water used for construction purposes.

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Bidder will acquire under the Bidder will acquire, under the Site Purchase Agreement for Lake Side (**Attachment 16**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.

PacifiCorp

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~~Bidder will acquire, under the Site Purchase Agreement for Lake Side (**Attachment 16**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.~~

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~~Attachment 8~~

~~Currant Creek APSA~~

~~Rights And Facilities~~

Attachment 8: Currant Creek APSA

Rights And Facilities

PacifiCorp

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ATTACHMENT 8:

CURRENT CREEK RIGHTS AND FACILITIES

PPA AND TSA BIDDERS ONLY

Easements

PacifiCorp will grant a non-exclusive easement on PacifiCorp's property between Bidder's switchyard to the 345kV substation serving Bidder's Facility. Easement will be determined based on Bidder's routing of Bidder's cable.

PacifiCorp will grant a non-exclusive easement to allow for the connection of Bidder's Facility to a natural gas supply line located on PacifiCorp property, if required. As an alternative, PacifiCorp, in its sole discretion, may convey such property as required for Bidder's natural gas pipeline and metering station to Bidder as part of the Site Purchase Agreement for Currant Creek shown as **Attachment -17** to this RFP. Specific details of the interconnection are provided in **Appendix B** to the APSA.

Water Rights

PacifiCorp has Water Rights that can be acquired by the Bidder. Quantities and pricing are shown in the Site Purchase Agreement for Currant Creek shown as **Attachment 2117** to this RFP.

Emission Reduction Credits (ERCs)

PacifiCorp does not believe that ERCs will be required for this project at this time. Bidder shall be required to perform air quality analysis and permitting to determine need for ERS. If ERCs are required, Bidder shall be responsible to obtain ERCs.

Facilities Interconnections

Bidder will be entitled to connect, at its own expense with PacifiCorp's raw water connection as specified in **Appendix B** to the APSA.

Bidder will acquire, under the Site Purchase Agreement for Currant Creek (**Attachment -17**), rights to one half of the currently available capacity contracted for by PacifiCorp from Questar. Terms of this contract are to be found in the Site Purchase Agreement.

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~~Attachment 9~~

~~Owner's Costs Under~~

~~APSA And EPC~~

Attachment 9: Owner's Costs Under

~~APSA And EPC~~

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ATTACHMENT 9:

OWNER'S COST ASSUMPTIONS

UNDER AN APSA

Costs for both Lake Sidside and Currant Creek:

ESTIMATED OWNER COSTS	CURRENT CREEK	LAKE SIDE
Project Management	\$ 1,000,000	\$ 1,000,000
Plant Labor	\$ 682,500	\$ 682,500
Misc. Consultants	\$ 100,000	\$ 100,000
Owners' Legal Counsel	\$ 100,000	\$ 100,000
Regulation, PR & Communication	\$ 100,000	\$ 200,000
C&T Charges for PSC Hearings	\$ 20,000	\$ 20,000
Legal Costs for PSC Hearings	\$ 200,000	\$ 200,000
Computer Hardware	\$ 150,000	\$ 150,000
Permitting & License Fees	\$ 200,000	\$ 200,000
Startup / Fuel and Testing ¹	\$ 965,400	\$ 965,400
Site Surveys/Studies	\$ 50,000	\$ 50,000
Site Security	\$ 250,000	\$ 250,000
Operating Spare Parts	\$ 6,600,000	\$ 6,600,000
Permanent Plant Equipment, Tools, & Furnishings	\$ 300,000	\$ 300,000
Builders All Risk Insurance	TBD	TBD
Training	\$ 250,000	\$ 250,000
Escalation Owner's Costs	TBD	TBD
Sales Tax & Duties ²	Bidder to Supply	Bidder to Supply
Owner Contingency ³	TBD	TBD
Capital Surcharge	\$ 500,000	\$ 500,000
Capitalized Property Taxes ⁴	TBD	TBD
Interest During Construction (AFUDC ⁵) (Based on payment schedule)	TBD	TBD
PROJECT TOTALS	\$ 11,467,900	\$ 11,567,900

The above cost figures were developed by PacifiCorp as estimates to be used by PacifiCorp for its own purposes, including but not limited to evaluation of proposals submitted pursuant to the RFP. In no event shall PacifiCorp be responsible for errors or omissions in the above figures or any cost estimates developed by respondents to the RFP.

Notes:

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1. Actual costs will depend on then current fuel costs and startup and commissioning schedule.
2. Costs over and above those stated in **Attachment 10-7 and 8** "Owner's Development Costs"
3. Bidder shall divide proposal into taxable and non-taxable items.
4. Owner's Contingency will be the same on both sites.
5. Current Effective Rate for Currant Creek is 0.86%, for Lake Side, 1.10%. Both are subject to change.
6. The Current Effect Rate for AFUDC is 7.5%. This is subject to change.

RFP Analysis Guidelines for AFUDC and Capitalized Property Tax

For purposes of analyzing resource RFP responses which require PacifiCorp to assume a progress payment obligation during the construction phase for a resource that will be transferred to and owned by PacifiCorp, the total capitalized cost shall include:

- (1) a capitalized financing cost as applied through the application of Allowance for Funds Used During Construction (AFUDC), pursuant to Regulatory Commissions' guidelines, and
- (2) an amount for capitalized property taxes, pursuant to PacifiCorp's property tax capitalization policy.

AFUDC

Monthly AFUDC shall be calculated by multiplying the average balance of Construction Work in Progress (CWIP) by the applicable projected AFUDC rate in use by PacifiCorp. CWIP shall include all applicable construction overheads, AFUDC from prior months, and capitalized property taxes that are associated with the final capitalized cost of such resource until such resource is projected to be placed in service.

This rate is currently 7.5% annually. The actual rate in effect at the time of the bid evaluation will be the one used.

Property Tax

If the projected CWIP balance is greater than \$50 million as of the first day of each calendar year, the amount of capitalized property taxes that will be added to CWIP will be equal to each year's beginning CWIP balance multiplied by an estimated property tax rate applicable for the resource under consideration.

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The standard (non-site specific) rate for PacifiCorp is currently 1.2% of the CWIP balance. The actual rate in effect when the final RFP is issued in ~~September~~November, will be the one used.

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Attachment 10: Owner's
Development Cost Assumptions

~~Attachment 10~~
~~Owner's Development Cost~~
~~Assumptions~~

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ATTACHMENT 10:

OWNER'S DEVELOPMENT COST ASSUMPTIONS

Lake Side Development Costs:

Permitting and License Fees	\$200,000
Regulation, PR and Communications	\$200,000
Owner's Legal Counsel	\$100,000
Surveys/Studies	\$50,000
Water Rights ¹	\$12,048,000
ERCs ¹	\$1,065,169
Miscellaneous Consultants	\$125,000
Total	\$13,288,169

Currant Creek Development Costs

Permitting and License Fees	\$200,000
Regulation, PR and Communications	\$200,000
Owner's Legal Counsel	\$100,000
Surveys/Studies	\$50,000
Water Rights ^{2,3}	Obtained with Block 1
⁴	
Miscellaneous Consultants	\$125,000
Total	\$675,000

The above development cost figures were developed by PacifiCorp as estimates to be used by PacifiCorp for its own purposes, including but not limited to evaluation of proposals submitted pursuant to the RFP. Each entity responding to the RFP shall not rely on these figures, and each respondent shall be solely responsible for developing its own estimates of development costs. In no event shall PacifiCorp be responsible for errors or omissions in the above figures or any development cost estimates developed by respondents to the RFP.

Notes:

¹ See Site Purchase Agreement for Lake Side for specific acreages and quantities

² See Site Purchase Agreement for Currant Creek for specific acreages and quantities

³ Currant Creek's design utilizes an Air-Cooled Condenser (ACC)

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⁴: Currently assumed that no ERCs will be required; Air Quality modeling will be revised to determine RC requirements, if any.

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~~Attachment 11~~
~~Form Of Letter Of Credit~~
Attachment 11: Form Of Letter Of
Credit

ATTACHMENT -11: ~~to RFP 2012~~

REQUIREMENTS FOR A LETTER OF CREDIT

A Letter of Credit means an irrevocable standby letter of credit in a form reasonably acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests there under, which letter(s) of credit:

(1) is issued by a U.S. commercial bank or a foreign bank with a U.S. branch, with such bank having a net worth of at least \$1,000,000,000 and a credit rating on its senior unsecured debt of:

(a) "A2" or higher from Moody's; or

(b) "A" or higher from S&P;

(2) on the terms provided in the letter(s) of credit, permits PacifiCorp to draw up to the face amount thereof for the purpose of paying any and all amounts owing by Seller hereunder.

(3) if a letter of credit is issued by a foreign bank with a U.S. branch, permits PacifiCorp to draw upon the U.S. branch;

(4) permits PacifiCorp to draw the entire amount available there under if such letter of credit is not renewed or replaced at least thirty (30) Business Days prior to its stated expiration date;

(5) permits PacifiCorp to draw the entire amount available there under if such letter(s) of credit are not increased, replaced or replenished as and when provided where applicable;

(6) is transferable by PacifiCorp to any party to which PacifiCorp may assign;

(7) shall remain in effect for at least ninety (90) days after the end of the Term.

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~~Attachment 12~~

~~Standard And Poor's Inferred Debt~~

~~Methodology Article~~

Attachment 12: Standard And Poor's

Inferred Debt Methodology Article

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~~Attachment 13~~

~~Pacificorp Costs Associated With
Integration~~

~~Attachment 13: PacifiCorp Costs
Associated With Integration~~

Preliminary Assessment of Transmission Impacts Associated with RFP Points of Delivery

1. Overview of Points of Delivery

PacifiCorp is interested in resources that are capable of delivery into or in a portion of the Company's network transmission system in PACE. Specifically, the point(s) of delivery of primary interest to PacifiCorp are:

- Salt Lake Valley
- PacifiCorp Sites
 - Currant Creek
 - Lake Side
- Mona 345 kV
- Glen Canyon 230 kV
- Nevada/Utah Border:
 - Gonder-Pavant 230 kV line known as "Gonder 230 kV"
 - Sigurd – Harry Allen 345 line known as "NUB" or Red Butte 345 kV
 - Crystal 500 kV
- West of Naughton

The Company is generally not interested in resources delivered to the following areas:

- Wyoming, unless the resource(s) electrically reside south of the Naughton-Monument 230 kV line and the cost of the upgrade is included.
- Borah, Brady or Kinport unless such resource is interconnected to the Company's Southeast Idaho electrical system near the Goshen area.

2. Transmission Assumptions Associated with the Points of Delivery

PacifiCorp may need to increase transmission import capability and upgrade its network system capacity in order to integrate a resource delivered to the preferred points of delivery. The table below indicates what possible additions might be necessary and the indicative cost associated with the upgrade. These indicative costs are based on assessments done by the PacifiCorp Transmission group for RFP 2003B, the 2004 Integrated Resource Plan and System Impact Studies. These cost estimates will be used for the purpose of evaluating bids and may be refined if better estimates are received prior to issuance of the RFP.

Point of Delivery	Description of Possible Transmission Additions / Upgrades¹	Path(s) to Upgrade and Voltage Support	Estimated Cost of Upgrades
Salt Lake Valley 138 kV 600 MW	Upgrades to existing lines	Unknown location	\$30 M
Lake Side 345 kV 600 MW	Transmission line, substation	Lake Side to Salt Lake Valley	\$60 M
Mona/ Currant Creek 345 kV 600 MW	Transmission line, substation	Mona to PACE	\$70 M
Glen Canyon 345 kV 600 MW	Transmission line(s), substation, phase shifter	Glen Canyon to Sigurd and Mona to PACE	\$220 M
Gonder 345 kV 600 MW	Transmission line(s), substation	Gonder/Nev Border to Sigurd and Mona to PACE	\$210 M
NUB (Harry Allen 345 kV) 600 MW	Transmission line, substation, phase shifter	H.Allen to RButte + RButte-Sigurd + Mona to PACE	\$310 M
Crystal 345 kV 600 MW	Transmission line(s), substation, transformer, phase shifter	Crystal to RButte + RButte-Sigurd + Mona to PACE	\$330 M
West of Naughton 230 kV 600 MW	New line, substation	Naughton to Evanston + Evanston to Salt Lake Valley	\$180 M
Four Corners 345kV 600 MW	New line, terminations, phase shifter	F.Corners to Mona + Mona to PACE	\$360 M
Path C up to 600 MW	New line, substation	Populus to Terminal	\$160 M

Two SVCs are needed for imports from any location. Cost is not included in any POD.

¹ Two SVCs are needed for imports from any location. Cost is not included in any POD.

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Attachment 14: Confidentiality
Agreement

~~Attachment 14~~
~~Confidentiality Agreement~~

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CONFIDENTIALITY AGREEMENT

This CONFIDENTIALITY AGREEMENT (this "Agreement") is entered into as of the ____ day of _____, 2005, by and between PacifiCorp, an Oregon corporation ("PPW"), and _____ (collectively with all its subsidiaries, officers, directors, members, managers, employees, agents, accountants and attorneys, "Recipient"); with reference to the following:

WHEREAS, PPW and Recipient are discussing a potential transaction relating to PPW's Request for Proposals Base Load Resources ("RFP")-2012, and in connection therewith Recipient wishes to receive certain Confidential Information (as hereinafter defined), but requires as a condition precedent Recipient's execution of this Agreement;

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 any oral or written information which is made available to Recipient by PPW or any of its corporate affiliates or its or their officers, directors, employees, agents, accountants or attorneys (a "Disclosing Party") before or after the date hereof, regardless of the manner furnished, and includes without limitation: (i) compilations and analyses prepared by Recipient; (ii) names of current and potential manufacturers, suppliers, customers and marketing relationships of any Disclosing Party, (iii) the nature, terms, conditions or other facts respecting any discussions between PPW and Recipient (including their existence and status). Confidential Information does not include information which at the time of disclosure is generally available to the public (other than as a result of disclosure by Recipient) or was available to Recipient on a nonconfidential basis from a source other than a Disclosing Party not under a duty of confidentiality to a Disclosing Party.

2. Confidentiality; Disclosure. The Confidential Information will be kept confidential by each Recipient and will not be used for any purpose by its Recipient other than for the purpose set forth above. Recipient will be responsible for any breach of this Agreement by any of its officers, directors, employees, agents, accountants and attorneys. Recipient shall restrict the dissemination of the Confidential Information to its employees who have a need to see it, and shall cause any agent, accountant or other non-employee to whom it wishes to show the Confidential Information sign an agreement in the form hereof in advance thereof. Recipient will keep confidential any Confidential Information contained in any analyses, compilations, studies or other documents prepared by Recipient that contain or reflect any Confidential Information. Upon request from PPW, Recipient promptly will return all copies of the Confidential Information.

3. Protective Order. If Recipient becomes legally compelled to disclose any Confidential Information, it shall provide PPW with prompt prior written notice so that

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PPW may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained, Recipient shall (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.

4. No Representation or Warranty. Recipient acknowledges that no Disclosing Party is making any representation or warranty as to the accuracy or completeness of any information furnished (except specifically to the extent and only to such extent as shall be expressly set forth in an executed and delivered definitive agreement). No Disclosing Party or any of its officers, directors, employees, agents or controlling persons (including, without limitation, parent and subsidiary companies) shall have any liability to a Recipient or any other person relating to or arising from the use of the Confidential Information provided by a Disclosing Party.

5. Conduct of Process. Except for any confidentiality agreements, none of PPW or any Disclosing Party is under any obligation to Recipient, and PPW is free to elect not to consummate an agreement or to furnish or receive information. Nothing contained in this Agreement shall prevent PPW from negotiating with or entering into a definitive agreement with any other person or entity without prior notice to Recipient. Until PPW and Recipient enter into a definitive agreement, no contract or agreement or other investment or relationship shall be deemed to exist between any Disclosing Party or any Recipient 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 shall be relied upon as the basis for an implied contract or a contract by estoppel.

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

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

8. Remedies. PPW shall be entitled to equitable relief, including injunction and specific performance, in the event of any breach hereof, in addition to all other remedies available to PPW at law or in equity. No failure or delay by PPW 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.

9. 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

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hereof, or the interpretation, performance or breach hereof, shall 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.

10. Miscellaneous. 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 shall be in writing and be effective when actually delivered. This Agreement may be executed in counterparts, each of which, when taken together, shall constitute one and the same original instrument. Neither party may assign or otherwise transfer its rights or delegate its duties hereunder without prior written consent, and any attempt to do so is void.

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

PACIFICORP
an Oregon corporation

a _____

By: _____

Its: _____

By: _____

Its: _____

PacifiCorp

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~~2012~~

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~~Attachment 15~~
~~Non-Reliance Letter~~

Attachment 15: Non-Reliance Letter

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~~2012~~

Responses due ~~January~~February, 2007

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

Date

[Name]

[Address]

Re: PacifiCorp's Request For Proposals Base Load Resources~~FP-2012~~

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 Request for Proposals ("RFP")~~2012~~ (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~~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 shall not obligate PacifiCorp to accept or to proceed

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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 shall 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 ~~2012~~ 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 ~~2012~~, and to pursue any other course it deems appropriate, including without limitation the development of a cost-base self build alternative.

PacifiCorp shall 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 shall 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, gas or 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 gas or 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

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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 both originals of this letter in the space indicated below, returning one original to the undersigned within three days of the date hereof and retaining the other original for your files.

Sincerely,

PacifiCorp

By: _____

Name: _____

Title: _____

Date: _____

ACCEPTED AND AGREED:

[Insert Name of Party]

By: _____

Name: _____

Title: _____

Date: _____

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RFP ~~2012~~
~~Attachment 16~~
~~Site Purchase Agreement For Lake~~
~~Side~~

Attachment 16: Site Purchase
Agreement For Lake Side

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AGREEMENT FOR SALE AND PURCHASE OF REAL PROPERTY

This Agreement for Sale and Purchase of Real Estate (the "Agreement") is entered into as of the ___ day of _____, 20____, by and between _____ ("Buyer") and PacifiCorp, an Oregon corporation ("Seller").

RECITALS

A. Seller is the owner of approximately _____ acres of real property situated within Utah County, _____ and more particularly described on the attached Exhibit "A" (the "Property").

B. Buyer wishes to purchase the Property for;

C. Seller is willing to sell the Property on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the amounts to be paid and the mutual promises contained herein, Buyer and Seller agree as follows:

ARTICLE I AGREEMENT TO PURCHASE AND SELL; PURCHASE PRICE

1.1 Purchase and Sale. Upon the terms and conditions set forth in this Agreement, Seller agrees to convey to Buyer, and Buyer agrees to purchase and take from Seller, fee title interest in and to that certain parcel of real property, as more particularly described on Exhibit "A", attached hereto and by this reference made part of this Agreement, together with all appurtenances, rights, privileges and easements belonging thereto (collectively referred to herein as the "Property"), unless otherwise expressly stated in this Agreement.

(a) The description of the Property contained in Exhibit "A" is approximate. The exact acreage of the Property will be determined by a survey (the "Survey") to be prepared by Seller, at its sole cost, and provided to Buyer no later than ninety (90) days after the date of this Agreement. The Survey shall be attached to this Agreement as Exhibit "B" upon its completion.

(b) Any water rights associated with the Property are not included as part of this Agreement.

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(c) Emissions Reduction Credits associated with the Property are included as part of this Agreement. Details of the Credits are provided in Exhibit "C".

(d) An assignment and transfer from Seller to Buyer, and the acceptance and assumption by Buyer, of fifty percent (50%) of Seller's rights and obligations under that certain Agreement for Firm Transportation to PacifiCorp – Lakeside Generation Facilities dated February 4, 2005, as amended May 3, 2005 between Seller and Questar Gas Company is being entered into in connection with this Agreement. The terms of such assignment, transfer and assumption are included in a separate Assignment and Assumption Agreement between Seller and Buyer of even date herewith, and the effectiveness of such agreement constitutes an express condition for the effectiveness of this Agreement.

 1.2 Purchase Price. The purchase price for the Property (the "Purchase Price") shall be _____ (\$_____).

1.3 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller in cash, by cashier's check, or other immediately available funds on the Closing Date, as adjusted for prorations on the Closing Date as provided herein.

ARTICLE II TITLE INSURANCE

 2.1 Commitment of Title Insurance.

(a) Within thirty (30) days after the date of this Agreement, Seller shall deliver to Buyer a commitment for title insurance covering the Property (the "Commitment"), issued by the Title Company and dated on or after the date of this Agreement.

(b) Buyer shall have ten (10) days following receipt of the Commitment to provide any written objections to any matter set forth on Schedule B of the Commitment. If Buyer does not timely deliver written notice of objection to Seller, Buyer shall be deemed to have approved of all matters set forth in the Commitment. Matters which Seller has agreed to discharge pursuant to Section 2.1 (c) and any encumbrances or other title exceptions to which Buyer does not object shall be deemed to be "Permitted Exceptions" and shall not be considered objections to any matter contained in the Commitment.

(c) If Buyer provides a written notice of objections in accordance with Section 2.1 (b), then Seller shall have the option to: (i) cure such objections at Seller's sole cost; or (ii) terminate this Agreement.

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(d) Buyer's sole remedy for Seller's inability to convey title subject only to the Permitted Exceptions or to cure Buyer's objections in accordance with Section 2.1 (c) shall be to terminate this Agreement. In that case, Seller shall have no other obligation to Buyer in connection with this Agreement or the Property.

2.2 Delivery of Title Insurance. Except as otherwise stated in Section 2.1, Seller shall obtain and deliver to Buyer within ten (10) days after the Closing Date an ALTA Standard Owner's Policy of title insurance in the amount of the Purchase Price, effective as of the Closing Date and containing no exceptions other than the Permitted Exceptions.

ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall extend beyond the Closing Date and delivery of the Special Warranty Deed.

(a) Seller has and on the Closing Date will have good and marketable fee simple title to the Property to be conveyed, free and clear of all encumbrances, liens, claims, or reservations, except as specifically approved by Buyer under this Agreement.

(b) Seller has the right, power and authority to execute, deliver, and perform this Agreement and the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Seller, and upon execution and delivery this Agreement shall constitute valid and binding obligations of Seller enforceable against Seller in accordance with its terms and except as enforceability may be limited by bankruptcy, insolvency, and other similar laws affecting claims and rights generally or be general equitable principles.

(c) Seller has not received written notice of any judgment, suit, claim, action, arbitration. Legal, administrative, or other proceeding or governmental investigation pending or threatened with respect to any of the Property that would materially adversely affect the Property, and no activities or events have occurred on or in connection with the Property that could give rise to any such claims or proceedings.

(d) Seller has not received any written notices, demands or deficiency statements from any mortgagee of the Property or from any state, municipal or county government or agency or any insurer relating to the Property and which

have not been cured or remedied except property valuation and tax notices issued by Utah County.

(e) Except as otherwise expressly disclosed in the Commitment, the Property is not subject to any proposed special assessment or to any existing special assessment lien arising as a result of any works or improvements completed, installed or contemplated at or before the Closing Date.

(f) Seller has paid and shall pay all liens, charges, taxes and assessments for the Property arising prior to the Closing Date.

(g) No person, broker or entity, whether or not affiliated with Seller, is entitled to a commission, finder's fee or other compensation arising from this Agreement, as regarding Seller. Seller shall indemnify defend and hold Buyer harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Seller.

3.2 Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall survive the Closing and delivery of the Special Warranty Deed.

(a) Buyer has the right, power and authority to execute, deliver and perform this Agreement.

(b) No person, broker or entity, whether or not affiliated with Buyer, is entitled to a commission, finder's fee or other compensation arising from this Agreement as regarding Buyer. Buyer shall indemnify, defend and hold Seller harmless form and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Buyer.

3.3 Acknowledgment by Buyer Regarding Seller's Representations and Warranties. Except as expressly set forth in other portions of this agreement, Buyer hereby affirms that neither Seller nor its agents, employees or attorneys have made, nor has Buyer relied upon any representation, warranty, or promise (either express or implied) with respect to the Property or any other subject matter of this Agreement including, without limitation:

(a) the general plan designation, zoning, value, use, tax status or physical condition of any part of the Property or the improvements to the Property;

- (b) the flood elevations, drainage patterns and soil and subsoils composition and compaction levels and other conditions at the Property;
- (c) the existence or nonexistence of any hazardous or toxic substance, waste or material (as defined or regulated by any federal, state or local law or regulation);
- (d) the accuracy of any soils reports or any other plans or reports regarding the Property;
- (e) the suitability of the Property for Buyer's intended purpose; or
- (f) the status, suitability or sufficiency of any Emissions Reduction Credits associated with the Property.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING AND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER ACCEPTS THE PROPERTY FROM THE SELLER "AS IS", SUBJECT TO "ALL FAULTS" INCLUDING, BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS, AND THE ENVIRONMENTAL CONDITION OR DEFECTS THEREOF. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER HEREBY WAIVES ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITIONS AND THE USE OF THE SUBJECT PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE IV USE OF PROPERTY

4.1 Seller's Use of the Property Prior to Closing Date. From and after Seller's execution of this Agreement and except in the ordinary course of administering its general mortgage, Seller shall not grant or convey any easement, lease, license, permit or any other legal or beneficial interest in or to the Property or engage in any contract with any party other than Buyer regarding the purchase or sale of the Property, without the prior written consent of Buyer. Further, except as otherwise provided for herein, Seller agrees to pay, as and when the same are due, all payments on any encumbrances presently affecting the Property and any and all taxes, assessments and levies in respect of the Property through the Closing Date.

4.2 Buyer's Right to Enter Property Prior to the Closing Date. Buyer or its employees or agents may enter the Property at any time prior to the Closing Date upon twenty-four (24) hours notice to Seller to inspect the Property and perform surveys or tests as Buyer may elect; provided, however, that such entry shall not unreasonably interfere with the activities of Seller on the Property, and Buyer shall indemnify and hold Seller harmless from, all liabilities and all consequences of any interruption of

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Seller's operation of Seller's generation facilities located adjacent to the Property associated with Buyer's activities on the Property.

ARTICLE V EASEMENTS

5.1 Seller's Use of the Property After the Closing Date. Seller reserves the right to continue to use those portions of the Property identified in Attachment A for the purpose of owning, operating and maintaining electrical distribution and transmission lines and related facilities, including communications and other facilities, whether above or underground, and also for access to Seller's existing substation located adjacent to the Property. On or before the Closing Date, Buyer shall grant to Seller one or more easements, in a form acceptable to Seller, which will allow for such continued use and access or future related uses and access by Seller.

5.2 Existing Easements. Buyer purchases the Property subject to all existing easements identified as Permitted Exceptions under Section 2 above.

5.3 New Easements. On or before the Closing Date, Seller shall grant to Buyer one or more easements for access to Seller's existing, or future, electrical and/or natural gas interconnection points (to be) located near the Property, which will allow for such continued use and access or future related uses and access by Buyer.

ARTICLE VI CLOSING

6.1 Time and Place of Closing. The Purchase and sale transaction contemplated by this Agreement shall be consummated through a closing conference (the "Closing") which shall be held at the Title Company on or before _____, (the "Closing Date"), or at such earlier time and place as the parties may mutually agree in writing.

6.2 Actions at Closing. At the Closing, the following events shall occur and each being declared to have occurred simultaneously with the other:

(a) All documents to be recorded and funds to be delivered hereunder shall be delivered to the Title Company in escrow, to hold, deliver, record and disburse in accordance with supplemental escrow instructions, the form and content of which shall be agreed to by the parties prior to Closing.

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(b) At the Closing or sooner as otherwise stated in the escrow instructions, the following shall occur:

_____ (i) Seller shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) Special Warranty Deed conveying the Property to Buyer, duly executed and acknowledged by Seller and in proper form generally for recording in _____; and

(2) All other documents required to be executed by Seller pursuant to the terms of this Agreement.

_____ (ii) Buyer shall deliver or cause to be delivered in accordance with the escrow instructions:

_____ (1) The Purchase Price to be; and

(2) All other documents required to be executed by Buyer pursuant to the terms so this Agreement.

(c) ~~Buyer and Seller shall each deliver to the other, two executed copies of the Buyer's and Seller's Statement of Settlement setting forth all prorations, credits provided in this Agreement, disbursements of the purchase price, and expenses of the Closing.~~

~~(e)~~ (d) Seller shall bear any and all Closing or escrow charges of the Title Company.

6.3 Seller's Remedies. In the event this transaction fails to close due to Buyer's fault or inability to close, Seller may elect either to seek specific performance of this Agreement by suit in equity, to seek damages from Buyer.

6.4 Buyer's Remedies. In the event this transaction fails to close due to Seller's fault, this Agreement shall be declared void and of no effect.

ARTICLE VII PRORATIONS

_____ 7.1 Prorations Between Seller and Buyer. The following prorations shall be made between Seller and Buyer as of the Closing Date:

(a) Real property taxes and assessments on the Property for the year of Closing shall be prorated between Seller and Buyer based on the number of days each owned the Property. In the event the Property constitutes some portion of a larger tract of land, such proration shall be based upon the average of the Property as a percentage of the acreage of the entire tract. If, as of the Closing Date, the actual tax bills for the year or years in question are not available and the amount of taxes to be prorated cannot be ascertained, then the most recent known rates, millages and assessed valuations (which amounts shall relate to the same tax year) shall be used, and such proration shall be repeated when the final tax bill is available and either Buyer and Seller, as the case may be, shall promptly pay to the other the net amount owing as a result of such redetermination.

(b) Other Closing costs shall be apportioned between the parties in accordance with the normal and customary practice of commercial real estate transactions in Utah County, Utah.

ARTICLE VIII RELEASE, ASSUMPTION AND INDEMNITY

 8.1 Seller shall indemnify, hold harmless and defend Buyer against all claims, suits, losses and damages made against or incurred by Buyer relating to the condition of the Property prior to the Closing Date or any activity in connection with the Property which occurred prior to the Closing Date. Buyer shall indemnify, hold harmless and defend Seller against all claims, suits, losses and damages incurred by Seller relating to the condition of the Property after the Closing Date or any activity in connection with the Property which occurs after the Closing Date.

ARTICLE IX MISCELLANEOUS

 9.1 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, which written or oral, between the parties respecting such matters. Any amendments or modifications hereto in order to be effective shall be in writing and executed by the parties hereto. Notwithstanding the foregoing, Buyer's use and occupancy of this Agreement shall be subject at all times to the terms and conditions of that certain Construction Coordination Agreement dated [DATE] between Seller and Buyer.

 9.2 Amendments. This Agreement may be amended or modified only by mutual written agreement.

 9.3 Survival. All warranties, representations, covenants and agreements contained in this Agreement shall survive the execution and delivery of this Agreement

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and all documents delivered in connection with this Agreement and shall survive the Closing of the transactions contemplated by this Agreement and all performances in accordance with this Agreement.

9.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators, and assigns; provided, however, that notwithstanding the foregoing, neither party's interest under this Agreement may be assigned, encumbered, or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise.

9.5 Notices. Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall be in writing, and may be personally delivered or given or made by recognized overnight courier service or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Seller:

To Buyer:

Any party may designate a different address for itself by notice similarly given. Unless provided herein, any such notice, demand or document so given shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

9.6 Time of Essence. Time is of the essence in the performance of each and every term, condition, and covenant of this Agreement.

9.7 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the contract of the parties.

9.8 Paragraph Headings. The paragraph headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.

9.9 Attorneys' Fees. The prevailing party in any legal proceeding brought to enforce rights hereunder shall recover from the other party its reasonable attorneys' fees and costs. As used herein in the term "prevailing party" means the party entitled to recover the costs in any suit, whether or not brought to judgment, and whether or not incurred before or after the filing of suit.

9.10 Waiver. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or any warranty or representation under this Agreement by another party shall be deemed to be a waiver of any other breach of any kind or nature (whether preceding or succeeding and whether or not of the same or similar nature) and no acceptance of payment or performance by a party after any such breach by another

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party shall be deemed to be a waiver of any further breach of this Agreement or of any representation or warranty by such other party whether or not the first party knows of such a breach at the time it accepts such payment or performance. No failure on the part of a party to exercise any right it may have by the terms of this Agreement or by law upon the default of another party, and no delay in the exercise of any such right by the first party at any time when such other party may be in default, shall operate as a waiver of any default, or as a modification in any respect of the provision of this Agreement.

____ 9.11 Exhibits. Any and all exhibits attached or to be attached hereto are hereby incorporated and made a party of this Agreement by reference.

____ 9.12 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Utah.

____ 9.13 No Recording. This Agreement shall not be recorded in the real property records.

____ 9.14 Further Instruments. Each party hereto shall from time to time execute and deliver such further documents or instruments as the other party, its counsel or the Title Company may reasonably request to effectuate the intent of this Agreement, including without limitation documents necessary for compliance with the laws, ordinances, rules and regulations of any applicable governmental authorities.

____ 9.15 Confidentiality. The purchase price and terms of this Agreement are intended by both parties to be confidential. Therefore, except as directed by a court, administrative authority or required by subpoena, neither party shall disclose the purchase price or terms of this Agreement or any other non-public information related thereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

PACIFICORP

By: _____

Its: _____

Date Signed:

[BUYER]

By: _____

Its: _____

Date Signed:

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EXHIBIT A

PROPERTY DESCRIPTION TO BE COMPLETED PRIOR TO CLOSING

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EXHIBIT B

SURVEY TO BE ATTACHED

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EXHIBIT C

EMISSIONS REDUCTION CREDITS

Buyer shall receive the following credits (in tons) as part of the transaction:

- PM-10 46.8
- SO₂ 4.6
- NO_x 22.4

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**Attachment 17: Site Purchase
Agreement For Currant Creek**

~~Attachment 17~~

**~~Site Purchase Agreement For Currant
Creek~~**

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AGREEMENT FOR SALE AND PURCHASE OF REAL PROPERTY

This Agreement for Sale and Purchase of Real Estate (the "Agreement") is entered into as of the ___ day of _____, 20____, by and between _____ ("Buyer") and PacifiCorp, an Oregon corporation ("Seller").

RECITALS

A. Seller is the owner of approximately _____ acres of real property situated within Juab County, _____ and more particularly described on the attached Exhibit "A" (the "Property").

B. Buyer wishes to purchase the Property for;

C. Seller is willing to sell the Property on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the amounts to be paid and the mutual promises contained herein, Buyer and Seller agree as follows:

ARTICLE I AGREEMENT TO PURCHASE AND SELL; PURCHASE PRICE

1.1 Purchase and Sale. Upon the terms and conditions set forth in this Agreement, Seller agrees to convey to Buyer, and Buyer agrees to purchase and take from Seller, fee title interest in and to that certain parcel of real property, as more particularly described on Exhibit "A", attached hereto and by this reference made part of this Agreement, together with all appurtenances, rights, privileges and easements belonging thereto (collectively referred to herein as the "Property"), unless otherwise expressly stated in this Agreement.

(a) The description of the Property contained in Exhibit "A" is approximate. The exact acreage of the Property will be determined by a survey (the "Survey") to be prepared by Seller, at its sole cost, and provided to Buyer no later than ninety (90) days after the date of this Agreement. The Survey shall be attached to this Agreement as Exhibit "B" upon its completion.

(b) Water rights associated with the Property are included as part of this Agreement. These rights are defined in Exhibit "C" to this agreement.

(c) An assignment and transfer from Seller to Buyer, and the acceptance and assumption by Buyer, of fifty percent (50%) of Seller's rights and obligations under that certain Firm Transportation Contract—Rate Schedule T-1 dated March 31, 2005, between Seller and Questar Pipeline Company is being entered into in connection with this Agreement. The terms of such assignment, transfer and assumption are included in a separate Assignment and Assumption Agreement between Seller and Buyer of even date herewith, and the effectiveness of such agreement constitutes an express condition for the effectiveness of this Agreement.

1.2 Purchase Price. The purchase price for the Property (the "Purchase Price") shall be _____ (\$_____).

1.3 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller in cash, by cashier's check, or other immediately available funds on the Closing Date, as adjusted for prorations on the Closing Date as provided herein.

ARTICLE II TITLE INSURANCE

2.1 Commitment of Title Insurance.

(a) Within thirty (30) days after the date of this Agreement, Seller shall deliver to Buyer a commitment for title insurance covering the Property (the "Commitment"), issued by the Title Company and dated on or after the date of this Agreement.

(b) Buyer shall have ten (10) days following receipt of the Commitment to provide any written objections to any matter set forth on Schedule B of the Commitment. If Buyer does not timely deliver written notice of objection to Seller, Buyer shall be deemed to have approved of all matters set forth in the Commitment. Matters which Seller has agreed to discharge pursuant to Section 2.1 (c) and any encumbrances or other title exceptions to which Buyer does not object shall be deemed to be "Permitted Exceptions" and shall not be considered objections to any matter contained in the Commitment.

(c) If Buyer provides a written notice of objections in accordance with Section 2.1 (b), then Seller shall have the option to: (i) cure such objections at Seller's sole cost; or (ii) terminate this Agreement.

(d) Buyer's sole remedy for Seller's inability to convey title subject only to the Permitted Exceptions or to cure Buyer's objections in accordance with Section 2.1 (c) shall be to terminate this Agreement. In that case, Seller

shall have no other obligation to Buyer in connection with this Agreement or the Property.

2.2 Delivery of Title Insurance. Except as otherwise stated in Section 2.1, Seller shall obtain and deliver to Buyer within ten (10) days after the Closing Date an ALTA Standard Owner's Policy of title insurance in the amount of the Purchase Price, effective as of the Closing Date and containing no exceptions other than the Permitted Exceptions.

ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall extend beyond the Closing Date and delivery of the Special Warranty Deed.

(a) Seller has and on the Closing Date will have good and marketable fee simple title to the Property to be conveyed, free and clear of all encumbrances, liens, claims, or reservations, except as specifically approved by Buyer under this Agreement.

(b) Seller has the right, power and authority to execute, deliver, and perform this Agreement and the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Seller, and upon execution and delivery this Agreement shall constitute valid and binding obligations of Seller enforceable against Seller in accordance with its terms and except as enforceability may be limited by bankruptcy, insolvency, and other similar laws affecting claims and rights generally or be general equitable principles.

(c) Seller has not received written notice of any judgment, suit, claim, action, arbitration. Legal, administrative, or other proceeding or governmental investigation pending or threatened with respect to any of the Property that would materially adversely affect the Property, and no activities or events have occurred on or in connection with the Property that could give rise to any such claims or proceedings.

(d) Seller has not received any written notices, demands or deficiency statements from any mortgagee of the Property or from any state, municipal or county government or agency or any insurer relating to the Property and which have not been cured or remedied except property valuation and tax notices issued by Utah County.

(e) Except as otherwise expressly disclosed in the Commitment, the Property is not subject to any proposed special assessment or to any existing special assessment lien arising as a result of any works or improvements completed, installed or contemplated at or before the Closing Date.

(f) Seller has paid and shall pay all liens, charges, taxes and assessments for the Property arising prior to the Closing Date.

(g) No person, broker or entity, whether or not affiliated with Seller, is entitled to a commission, finder's fee or other compensation arising from this Agreement, as regarding Seller. Seller shall indemnify defend and hold Buyer harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Seller.

3.2 Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall survive the Closing and delivery of the Special Warranty Deed.

(a) Buyer has the right, power and authority to execute, deliver and perform this Agreement.

(b) No person, broker or entity, whether or not affiliated with Buyer, is entitled to a commission, finder's fee or other compensation arising from this Agreement as regarding Buyer. Buyer shall indemnify, defend and hold Seller harmless form and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Buyer.

3.3 Acknowledgment by Buyer Regarding Seller's Representations and Warranties. Except as expressly set forth in other portions of this agreement, Buyer hereby affirms that neither Seller nor its agents, employees or attorneys have made, nor has Buyer relied upon any representation, warranty, or promise (either express or implied) with respect to the Property or any other subject matter of this Agreement including, without limitation:

(a) the general plan designation, zoning, value, use, tax status or physical condition of any part of the Property or the improvements to the Property;

(b) the flood elevations, drainage patterns and soil and subsoils composition and compaction levels and other conditions at the Property;

(c) the existence or nonexistence of any hazardous or toxic substance, waste or material (as defined or regulated by any federal, state or local law or regulation);

(d) the accuracy of any soils reports or any other plans or reports regarding the Property;

(e) the suitability of the Property for Buyer's intended purpose; or

(f) the status, suitability or sufficiency of any water rights associated with the Property.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING AND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER ACCEPTS THE PROPERTY FROM THE SELLER "AS IS", SUBJECT TO "ALL FAULTS" INCLUDING, BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS, AND THE ENVIRONMENTAL CONDITION OR DEFECTS THEREOF. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER HEREBY WAIVES ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITIONS AND THE USE OF THE SUBJECT PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE IV USE OF PROPERTY

4.1 Seller's Use of the Property Prior to Closing Date. From and after Seller's execution of this Agreement and except in the ordinary course of administering its general mortgage, Seller shall not grant or convey any easement, lease, license, permit or any other legal or beneficial interest in or to the Property or engage in any contract with any party other than Buyer regarding the purchase or sale of the Property, without the prior written consent of Buyer. Further, except as otherwise provided for herein, Seller agrees to pay, as and when the same are due, all payments on any encumbrances presently affecting the Property and any and all taxes, assessments and levies in respect of the Property through the Closing Date.

4.2 Buyer's Right to Enter Property Prior to the Closing Date. Buyer or its employees or agents may enter the Property at any time prior to the Closing Date upon twenty-four (24) hours notice to Seller to inspect the Property and perform surveys or tests as Buyer may elect; provided, however, that such entry shall not unreasonably interfere with the activities of Seller on the Property, and Buyer shall indemnify and hold Seller harmless from, all liabilities and all consequences of any interruption of Seller's operation of Seller's generation facilities located adjacent to the Property associated with Buyer's activities on the Property.

ARTICLE V

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EASEMENTS

5.1 Seller's Use of the Property After the Closing Date. Seller reserves the right to continue to use those portions of the Property identified in Attachment A for the purpose of owning, operating and maintaining electrical distribution and transmission lines and related facilities, including communications and other facilities, whether above or underground, and also for access to Seller's existing substation located adjacent to the Property. On or before the Closing Date, Buyer shall grant to Seller one or more easements, in a form acceptable to Seller, which will allow for such continued use and access or future related uses and access by Seller.

5.2 Existing Easements. Buyer purchases the Property subject to all existing easements identified as Permitted Exceptions under Section 2 above.

5.3 New Easements. On or before the Closing Date, Seller shall grant to Buyer one or more easements for access to Seller's existing, or future, electrical and/or natural gas interconnection points (to be) located near the Property, which will allow for such continued use and access or future related uses and access by Buyer.

ARTICLE VI CLOSING

6.1 Time and Place of Closing. The Purchase and sale transaction contemplated by this Agreement shall be consummated through a closing conference (the "Closing") which shall be held at the Title Company on or before _____, (the "Closing Date"), or at such earlier time and place as the parties may mutually agree in writing.

6.2 Actions at Closing. At the Closing, the following events shall occur and each being declared to have occurred simultaneously with the other:

(a) All documents to be recorded and funds to be delivered hereunder shall be delivered to the Title Company in escrow, to hold, deliver, record and disburse in accordance with supplemental escrow instructions, the form and content of which shall be agreed to by the parties prior to Closing.

(b) At the Closing or sooner as otherwise stated in the escrow instructions, the following shall occur:

_____(i) Seller shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) Special Warranty Deed conveying the Property to Buyer, duly executed and acknowledged by Seller and in proper form generally for recording in _____; and

(2) All other documents required to be executed by Seller pursuant to the terms of this Agreement.

_____(ii) Buyer shall deliver or cause to be delivered in accordance with the escrow instructions:

_____(1) The Purchase Price to be; and

(2) All other documents required to be executed by Buyer pursuant to the terms so this Agreement.

(c) Buyer and Seller shall each deliver to the other, two executed copies of the Buyer's and Seller's Statement of Settlement setting forth all prorations, credits provided in this Agreement, disbursements of the purchase price, and expenses of the Closing.

Seller shall bear any and all Closing or escrow charges of the Title Company.

6.3 Seller's Remedies. In the event this transaction fails to close due to Buyer's fault or inability to close, Seller may elect either to seek specific performance of this Agreement by suit in equity, to seek damages from Buyer.

6.4 Buyer's Remedies. In the event this transaction fails to close due to Seller's fault, this Agreement shall be declared void and of no effect.

ARTICLE VII PRORATIONS

7.1 Prorations Between Seller and Buyer. The following prorations shall be made between Seller and Buyer as of the Closing Date:

(a) Real property taxes and assessments on the Property for the year of Closing shall be prorated between Seller and Buyer based on the number of days each owned the Property. In the event the Property constitutes some portion of a larger tract of land, such proration shall be based upon the average of the Property as a percentage of the acreage of the entire tract. If, as of the Closing Date, the actual tax bills for the year or years in question are not available and the amount of taxes to be prorated cannot be ascertained, then the most recent known rates, millages and assessed valuations (which amounts shall relate to the same tax year) shall be used, and such proration shall be repeated when the final tax bill is available and either Buyer and Seller, as the case may be, shall promptly pay to the other the net amount owing as a result of such redetermination.

(b) Other Closing costs shall be apportioned between the parties in accordance with the normal and customary practice of commercial real estate transactions in Utah County, Utah.

ARTICLE VIII RELEASE, ASSUMPTION AND INDEMNITY

8.1 Seller shall indemnify, hold harmless and defend Buyer against all claims, suits, losses and damages made against or incurred by Buyer relating to the condition of the Property prior to the Closing Date or any activity in connection with the Property which occurred prior to the Closing Date. Buyer shall indemnify, hold harmless and defend Seller against all claims, suits, losses and damages incurred by Seller relating to the condition of the Property after the Closing Date or any activity in connection with the Property which occurs after the Closing Date.

ARTICLE IX

MISCELLANEOUS

9.1 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, which written or oral, between the parties respecting such matters. Any amendments or modifications hereto in order to be effective shall be in writing and executed by the parties hereto. Notwithstanding the foregoing, Buyer's use and occupancy of this Agreement shall be subject at all times to the terms and conditions of that certain Construction Coordination Agreement dated [DATE] between Seller and Buyer.

9.2 Amendments. This Agreement may be amended or modified only by mutual written agreement.

9.3 Survival. All warranties, representations, covenants and agreements contained in this Agreement shall survive the execution and delivery of this Agreement and all documents delivered in connection with this Agreement and shall survive the Closing of the transactions contemplated by this Agreement and all performances in accordance with this Agreement.

9.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators, and assigns; provided, however, that notwithstanding the foregoing, neither party's interest under this Agreement may be assigned, encumbered, or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise.

9.5 Notices. Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall be in writing, and may be personally delivered or given or made by recognized overnight courier service or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Seller:

To Buyer:

Any party may designate a different address for itself by notice similarly given. Unless provided herein, any such notice, demand or document so given shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

9.6 Time of Essence. Time is of the essence in the performance of each and every term, condition, and covenant of this Agreement.

9.7 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the contract of the parties.

9.8 Paragraph Headings. The paragraph headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.

9.9 Attorneys' Fees. The prevailing party in any legal proceeding brought to enforce rights hereunder shall recover from the other party its reasonable attorneys' fees and costs. As used herein in the term "prevailing party" means the party entitled to recover the costs in any suit, whether or not brought to judgment, and whether or not incurred before or after the filing of suit.

9.10 Waiver. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or any warranty or representation under this Agreement by another party shall be deemed to be a waiver of any other breach of any kind or nature (whether preceding or succeeding and whether or not of the same or similar nature) and no acceptance of payment or performance by a party after any such breach by another party shall be deemed to be a waiver of any further breach of this Agreement or of any representation or warranty by such other party whether or not the first party knows of such a breach at the time it accepts such payment or performance. No failure on the part of a party to exercise any right it may have by the terms of this Agreement or by law upon the default of another party, and no delay in the exercise of any such right by the first party at any time when such other party may be in default, shall operate as a waiver of any default, or as a modification in any respect of the provision of this Agreement.

9.11 Exhibits. Any and all exhibits attached or to be attached hereto are hereby incorporated and made a party of this Agreement by reference.

9.12 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Utah.

9.13 No Recording. This Agreement shall not be recorded in the real property records.

9.14 Further Instruments. Each party hereto shall from time to time execute and deliver such further documents or instruments as the other party, its counsel or the Title Company may reasonably request to effectuate the intent of this Agreement, including without limitation documents necessary for compliance with the laws, ordinances, rules and regulations of any applicable governmental authorities.

9.15 Confidentiality. The purchase price and terms of this Agreement are intended by both parties to be confidential. Therefore, except as directed by a court, administrative authority or required by subpoena, neither party shall disclose the purchase price or terms of this Agreement or any other non-public information related thereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

PACIFICORP

By: _____

Its: _____

Date Signed:

[BUYER]

By: _____

Its: _____

Date Signed:

|

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EXHIBIT A

PROPERTY DESCRIPTION TO BE COMPLETED PRIOR TO CLOSING

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EXHIBIT B

SURVEY TO BE ATTACHED

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EXHIBIT C

WATER RIGHTS

Buyer shall receive water rights to two hundred (200) acre-feet of ground water as part of this transaction.

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~~Attachment 18~~

**~~Currant Creek Engineering,
Construction And Procurement
Contract (EPC)~~**

**Attachment 18: Currant Creek
Engineering, Construction And
Procurement Contract (EPC)**

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**Attachment 19: Due Diligence Items
For The Acquisition Of An Existing
Facility**

~~Attachment 19~~

**~~Due Diligence Items For The
Acquisition Of An Existing Facility~~**

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DUE DILIGENCE ITEMS

The following ing is not to be considered a complete listing of due diligence items. The final listing shall be determined, in PacifiCorp's sole discretion, based on the Facility offered by the Bidder.

~~Due Diligence Items:~~

~~Technical Assessment~~

1.0 Plant General

- 1.1 ~~Request Pp~~lant organization charts.
- 1.2 ~~Request the~~ Annual Plant Budget (total) Actual for 5 years. Projected for 5 years.
- 1.3 ~~Request a s~~Summary of the budget. ~~L for l~~ast 5 years and next 5 years.
 - 1.3.1 Labor expenses.
 - 1.3.2 Maintenance expense.
 - 1.3.3 Equipment expense.
 - 1.3.4 Insurance expense.
 - 1.3.5 Operations expense.
 - 1.3.6 Administrative expense.
 - 1.3.7 Capital escrow.
 - 1.3.8 Major Maintenance Escrow.
 - 1.3.9 Inventory Purchase. Total Value of Inventory. ~~Inventory Value for each division.~~
 - 1.3.10 Fuel by component.
- 1.4 ~~Request a S~~summary of the maintenance expenses.
 - 1.4.1 Major Maintenance (annual).
 - 1.4.2 Consumables.

- 1.4.3 Inventory draws.
- 1.4.4 Maintenance contracts.
- 1.4.5 Building and grounds.
- 1.4.6 Other.

1.5 ~~Request a s~~Summary of equipment expenses.

- 1.5.1 Shop equipment maintenance.

- ~~1.5.2~~ Equipment rental.

- ~~1.5.3~~ Power tools (Leased).

- ~~1.5.4~~

- 1.5.~~4~~3 Rolling stock fuel.

- 1.5.~~4~~5 Rolling stock maintenance.

- 1.5.~~6~~5 Other.

1.6 ~~Request a s~~Summary of insurance expenses.

- 1.6.1 Business Interruption.

- 1.6.2 Property.

- 1.6.3 General liability.

- 1.6.4 Vehicle liability.

1.7 ~~Request a s~~Summary of operating expenses.

- 1.7.1 Regeneration Cost.

- 1.7.2 Clarifier Cost.

- ~~1.7.3~~ Boiler water chemicals.

- 1.7.4 Lubricants.

- 1.7.5 Consumables.

- 1.7.6 Electricity purchased.

- 1.7.7 Hazardous material disposal.

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1.7.8 Discharge treatment chemicals

1.7.9 Laboratory supplies.

1.7.10 Emission testing.

1.7.11 Hydrogen and CO2 for generator.

1.7.12 Ammonia, lime, limestone, other.

1.8 ~~Request a~~Summary of administrative expenses.

1.8.1 Telephone expenses.

1.8.2 Postage.

1.8.3 Computer hardware.

1.8.4 Computer software.

1.8.5 Office supplies.

1.8.6 Permits and licenses.

1.8.7 Professional Services.

1.9 ~~Request a s~~Summary of capital escrow accounts.

1.9.1 Equipment purchases.

1.9.2 Balance of Plant capital.

1.9.3 Dispersion schedule of escrow accounts.

2.0 Plant Personnel.

2.1 ~~Request a p~~Personnel roster [and organization chart](#).

2.1.1 Complete list of Classifications.

2.1.2 Number in each classification. Remaining years before retirement.

2.1.3 Annual base salary.

2.1.4 Hourly wage rate.

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2.1.5 Straight time additions (%).

2.1.6 Straight time ~~H~~hourly cost (Hourly rates + additions).

2.1.7 Overtime hourly costs.

2.1.8 Total overtime (% of annual base salary).

2.1.9 Employee age demographics ~~chart~~.

2.2 ~~S~~Request a summary of payroll additions.

2.2.1 Payroll taxes.

2.2.2 Workman's compensation.

2.2.3 Retirement Account.

2.2.4 Insurance.

2.2.5 Employee Savings.

2.2.6 Vacation and Sick Leave.

2.2.7 Indirect Additions.

2.2.8 Other (Pensions, benefits and welfare Plans).

~~2.3 Labor.~~

~~2.3.1 Labor contracts.~~

~~2.3.2 Organizing initiatives.~~

3.0 Major maintenance.

3.1 ~~S~~Request a summary of maintenance costs and schedules.

3.1.1 Annual, major and frequency of major outages for:

3.1.1.1 Turbine valves.

3.1.1.2 Coal feeders and scales.

3.1.1.3 Pulverizers.

3.1.1.4 Boiler pressure parts.

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- 3.1.1.5 Boiler auxiliaries.
- 3.1.1.6 Boiler draft system.
- 3.1.1.7 Casing and ductwork.
- 3.1.1.8 Boiler insulation and lagging.
- 3.1.1.9 Main steam Tturbine.
- 3.1.1.10 Main Condenser.
- 3.1.1.11 Generator.
- 3.1.1.12 Pumps.
- 3.1.1.13 Switchgear.
- 3.1.1.14 Water treatment system/Demineralizer.
- 3.1.1.15 Precipitators.
- 3.1.1.16 Flue Gas Desulphurization system.
- ~~3.1.1.17~~ 3.1.1.17 ~~—~~Selective Catalytic Reduction System~~CR~~.
- 3.1.1.18 Gas Turbines.
- 3.1.1.19 Cooling Tower or Air Cooled Condenser
- 3.1.1.20 Auxiliary Cooling Towers.

3.2 Provide the latest overhaul inspection reports and summaries showing the condition of major equipment. These reports are required to show the “~~as-found~~” equipment condition, work performed during the overhaul, equipment settings, and test results ~~upon~~after returning the equipment to service. Overhaul reports shall be provided for the following equipment:

~~—~~ a.3.2.1 steam generation and fuel firing equipment

3.2.2 ~~—b-~~steam turbine and/or combustion turbines

3.3.3 ~~—c-~~generator and excitation equipment

3.3.4 ~~d.~~ all emissions control equipment

~~3.3.5~~ e. all ~~plant~~ large transformers

~~3.3.6~~ f. all ~~plant~~ large electric motors

3.3.7 critical piping

3.3 Provide list of all OEM service bulletins for the following equipment.
~~Also when~~Identify correction action was taken in response to the service bulletin and who performed the corrective action:

3.3.1a ~~a.~~ steam turbine and/or combustion turbines

3.3.2 ~~b.~~ generator and excitation equipment

3.3.3 ~~e.~~ large transformers

4.0 Plant Performance:

4.1 Provide the following for the design of the plant:

4.4.1 Summary of plant design and operating conditions

4.4.2 ~~P&ID's~~iping & Instrument Diagrams for the plant

4.4.3 Heat balance ~~calculations or~~ diagrams
~~with heat balance data~~

4.4.4 Fuel specifications

4.4.5 Design parameters for emissions control equipment

4.2 Provide the following actual performance data for the last five (5) years:

4.2.1 ~~Actual fuel~~Fuel consumed ~~quality~~ reports and analysis data

4.2.2 Plant heat rate data

4.2.3 Availability data per NERC GADS formulas and codes for calculations and identification of the types of equipment component failure mechanisms.

4.2.3.1 Availability data for the unit

~~_____~~ 4.2.3.2 Availability data for each piece of major equipment

~~_____~~ 4.2.4 Generation summaries, net and gross

~~_____~~ 4.2.5 Emission rates and tests reports

~~_____~~ 4.2.6 Major equipment performance testing reports

~~Plant chemical treatment technologies and systems reports showing chemical treatment activities~~

~~Plant cathodic protection plan and testing reports~~

~~3.2~~ ~~Major maintenance escrow.~~

~~3.2.1~~ ~~Request a major maintenance analysis (summary of planned majors and dispersions for the last 5 years and projected for the next 5 years).~~

~~4.0~~ ~~Capital expense items.~~

~~4.1~~ ~~Capital expense escrow.~~

~~4.1.1~~ ~~Request a capital escrow analysis (summary of planned capital expenditures and dispersion for the last 5 years and projected for the next 5 years).~~

5.0 Operations.

5.1 ~~How~~ Description of how do you track efficiency is tracked?

5.2 ~~How~~ Description of how availability is determined do you calculate availability?

~~5.3~~ ~~In your opinion what are the major strengths of you department?~~

~~5.4~~ ~~What are the major weaknesses?~~

~~5.5~~ 3 ~~What~~ Identify the equipment that presents the most problems?

~~5.6~~ ~~Are you satisfied with the maintenance efforts?~~

~~5.7~~ ~~Are the existing controls satisfactory?~~

~~_____~~ ~~5.8~~ ~~How would you rate the knowledge level of your personnel?~~

~~_____~~ ~~5.8.1~~ ~~Would you be receptive to additional training for your people?~~

~~5.8.2~~ ~~Do you think the training would be cost effective?~~

~~5.8.3~~ ~~What are the existing training methods?~~

~~5.8.4—Give a rough estimate of the average experience level of your department (years of experience).~~

~~5.8.5—How are operations people utilized during outages?~~

~~5.8.6—How would you rate relations with the various unions?~~

~~5.9—What is your occurrence of “Operator error”?~~

~~5.10If you owned this plant what would you do to improve it?~~

~~5.11Do you help prioritize and plan work required for efficient plant operation?~~

6.0 Maintenance

6.1 ~~How heavy is the workload for your department?~~

~~6.1.1Do you have all the resources needed to complete the defined tasks?~~

~~6.1.2How is your maintenance work prioritized?~~

~~6.1.3How much maintenance backlog work do you have?~~

~~6.2—How successful have you been in maintaining the plant within budget forecasts?~~

~~6.3—How much input do you have in budgeting for maintenance?~~

~~6.4—How often do you Description on how schedule mmmajor maintenance outages is scheduled?.~~

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~~6.2~~ ~~6.4.1~~—Are you allowed sufficient time to complete planned tasks during outages?

~~6.4.2~~—Do you have adequate inventories of spare parts?Evaluation on whether the inventory of spare parts is adequate.

6.3

~~6.4.3~~—Do you have enough tools?

~~6.5~~—What are the major strengths of your department?

~~6.6~~—What are the major weaknesses of your department?~~6.7~~—How would you rate the skills level of your technicians?

~~6.7.1~~—Would you be receptive to additional *training* for your people?
What areas?

~~6.8~~—What are the boundaries of your responsibilities?

~~6.9~~—Do you feel that you have sufficient latitude to perform your job efficiently?

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~~6.10—Do you have an extended plan for Capital improvements?~~

~~6.10.1—How long is the time span for forecasted equipment replacement?~~

~~6.116.10.2—Do~~Are there you have contingency plans for equipment failure?

6.4

~~6.103—Are there any problems with excessive lead time for equipment purchase?~~

~~Do~~Reports on you perform any non-destructive testings performed on ~~you mm~~major boiler parts and steam lines in the last 10 years?

6.5

Have you conducted a comprehensive review of your H~~Reports on any comprehensive reviews of the HT/HP~~ piping systems?

6.6 Evaluation of the electrical switchgear.

~~6.13—When were the last overhauls of you turbines?~~

~~6.13.1—What were the major problems found?~~

~~6.13.2—How were these problems corrected?~~

~~6.13.3—Do you perform bore inspections?~~

~~6.13.4—How often are overspeed trip tests conducted?~~

~~6.13.5—Are there any generator problems that you are aware of??~~

~~6.14—What is the condition of your electrical switchgear?~~

~~6.146.1—Do~~Schedule of regularly performed you perform

~~scheduled~~ switchgear inspections?

~~6.14.2 Are parts available for the switchgear?~~

~~6.715 What is the condition of~~Condition assessment of ~~your~~the water treatment plant?

~~6.15.1 Are any major maintenance activities planned for the water treatment plant in the foreseeable future?~~

~~6.16 Are there any major problems with any existing environmental protection equipment?~~

~~6.16.1 Does existing environmental equipment require an inordinate amount of your people's time?~~

~~6.17 Do you have adequate on-site transportation to prevent loss of efficiency by your people?~~

7.0 Controls.

~~7.1 Description of the type, age and condition of the control systems.~~
What type of control systems do you have?

~~7.2 How old are these systems?~~Description of any plans to change out any of the control systems.

~~7.3 Do you consider them obsolete?~~

~~7.4 Are parts readily available?~~

~~7.5 Who sets your work priorities?~~

~~7.6 How heavy is your workload and how much "backlog" do you have?~~

~~7.7 How would you rate the knowledge of your workforce?~~

~~7.7.1 Would you be receptive to additional training for your technicians?~~

~~7.7.2 Do you think additional training could be cost justified?~~

~~7.8 Do you have sufficient test equipment and tools?~~

~~7.9 Are there any plans to make major controls system change outs in the foreseeable future?~~

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~~7.130~~ Identify if plant is equipped~~Is your plant equipped~~ for fire protection?

~~7.10.1~~ Who is responsible for testing of fire fighting equipment?

~~7.10.2~~ Is there a need for more fire equipment or do you think the existing equipment is sufficient?

~~7.411~~ How do you handle injuries~~Description of how injuries are handled.~~?

~~7.152~~ Do you have dangerous chemicals on the plant site? If so, please identify~~Identify any dangerous or hazardous chemicals or materials located on the plant site.~~

~~7.12.1~~ Do you have contingency plans for emergencies?

8.0 Safety

~~8.1~~ Describe the ~~o you have an~~ on-going safety program?

~~8.2~~ Please describe your approach to safety?

~~8.3~~ In you opinion, does the program work?

~~8.4~~ How could the program be improved?

~~8.5~~ Provide a d~~Description of the health and safety compliance program with respect to the Facility. Include a description of any safety management systems that have been put in place and any safety policies that have been implemented at the Facility.~~

~~8.63~~ Provide copies of A~~all OSHA citations or orders issued to the Facility, or settlements entered into by the Facility, in the last ten (10) years in each case with respect to the Facility.~~

~~8.74~~ A~~Provide a~~ll worker-related or third-party lawsuits or claims, including worker's compensation claims, filed within the last ten (10) years or now threatened, pending, or reasonably anticipated by the Facility regarding human exposure to toxic or carcinogenic substances or materials at the Facility.

~~8.85~~ Provide all~~All~~ documents describing the Facility's current and past annual employee medical screening and monitoring programs at the Facility, including but not limited to, documents pertaining to current and former employees that have been diagnosed with: (a) asbestosis or any other lung related illness; (b) elevated blood lead levels; or (c) elevated blood PCB levels.

~~8.96~~ Provide information on safety performance experienced at the Facility within the last five years. Include OSHA recordable, Lost Time Accident and Restricted Work Day statistics in this information.

9.0 Environmental

~~9.1~~ ~~What is the prevailing attitude toward environmental matters?~~

~~9.2~~ ~~Do you think environmental concerns should receive more attention?~~

~~9.3~~ Provide ~~any~~ copies of any environmental audits that have been performed.

~~9.2~~ ~~Is there any~~Description of any known or suspected environmental contamination of the plant site??

~~9.3~~

~~9.5~~Provide a record on any~~What is your~~ environmental exceedancesrecord for the last five (5) years.?

~~9.64~~ ~~Provide c~~opies of all Phase I, Phase II and other environmental site assessments, risk assessments, site investigations, site remediation plans, closure reports, compliance audits, etc.

~~9.75~~ ~~Provide c~~opies of any environmental management systems (“EMS”) policies and procedures (including any documents pertaining to the implementation of the EMS at the facility), EHS compliance policy statement and implementation documents and voluntary disclosure policy statement and implementation documents.

~~9.86~~ ~~Provide c~~opies of all current Environmental Health and Safety permits, licenses, consents, registrations or approvals (collectively, “EHS Permits”) that are required by any governmental authorities and necessary ownership/operation of the Facility, including, but not limited to those associated with any types of air emissions, wastewater discharges, storm water runoff, water use, solid waste management, recycling, and/or hazardous materials generation, storage, treatment and/or disposal. In the event that there are applications (including notices/applications for permit renewals) pending for any EHS Permits, provide copies of such applications and any relevant correspondence.

~~9.97~~ ~~Provide D~~ocuments (including EHS Permits) pertaining to the use, development, conservation or disturbance of land, wetlands, natural resources, biota and/or ecologically sensitive receptors.

~~9.108~~ ~~Provide Aa~~ list and description of all landfills, disposal areas, surface impoundments, ponds, diversions, dams and other similar structures located at or related in any way to the Facility, together with copies of all associated EHS Permits.

~~9.149~~ ~~Provide D~~ocuments pertaining to compliance with applicable federal, state and local EHS laws and its EHS permits (including but not limited to emission statements, compliance monitoring data, compliance inspection reports, plans and correspondence with governmental

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authorities) and/or reports and submissions made pursuant to applicable federal, state and local EHS laws.

9.120 ~~Provide~~ Provide documents identifying or describing anticipated capital expenditures required to control pollution, investigate/remediate any environmental conditions, manage waste or achieve/ensure compliance with applicable EHS permit conditions or EHS laws at the Facility.

9.131 ~~Provide~~ Provide documentation of (1) hazardous waste generator status for the Facility; (2) the types(s) and amounts of waste generated; (3) a list and description of all solid waste and hazardous waste transporters used; (4) a list of all off-site treatment, storage or disposal facilities (“TSDFs”) that have received or are receiving solid and/or hazardous waste from the Facility; and (5) copies of all manifests for off-site hazardous waste disposal.

9.142 ~~Provide~~ Provide (1) A list and description of current and former surface impoundments, underground storage tanks (“USTs”) and above-ground storage tanks (“ASTs”) located on any properties used, owned or leased in connection with the Facility as well as any information concerning the size, content, age and compliance of such impoundments/tanks; (2) any reports prepared in connection with any leaks or releases from such impoundments or tanks; and (3) closure reports prepared in connection with any closure, removal or abandonment of such impoundments, USTs or ASTs.

9.153 ~~Provide~~ Provide documents relating to: (1) the maintenance, handling, storage or disposal of mercury or mercury-containing equipment; or (2) the testing, disposal and/or abandonment of any pipes, transformers, structures or other PCB-containing equipment or materials, particularly as those relate to compliance with the PCB Mega Rule in connection with the Facility.

9.164 ~~Provide~~ Provide incident reports, notifications and/or other documents relating to any spill or release of hazardous materials, wastes or chemicals at the Facility or as a result of operations at the Facility.

9.175 ~~Provide~~ Provide documents pertaining to: (1) the indoor air quality of the Facility; or (2) the presence, management, removal or abatement of asbestos-containing materials or lead-based paint.

9.16 Provide a listing of hazardous and non-hazardous wastes which are stored on-site or off-site, or have been disposed of.

10.0 ~~What~~ Description of any natural perils that could affect this site.?

~~10.1 Give a cost analysis of the last 2 such occurrences.~~

11.0 ~~What~~ Copies of any licenses, permits or certificates are required at this site? ~~(Air? Noise? Water usage? Storm water discharge? Waste water discharge? Air discharge? Business? Power production?~~

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~~Others?~~

12.0 ~~Give~~Provide nameplate data for all units.

12.1 ~~Give~~Provide start up times, ramp rates for synchronization and total event costs to full load for hot, warm and cold start conditions.

12.2 ~~Give heat rate, reduced load heat rates, availability, forced outage rates, capacity factors, environmental performances, catastrophic failures, obsolescence, etc for each unit~~Capacity Factor, Equivalent Availability Factor, and Equivalent Forced Outage Rate for each of the last five (5) years. Define terms and method of calculation

12.3 Results of test of Net Maximum Capacity tests.

~~13.0 Request a copy of all collective bargaining units' agreements.~~

~~14.0 What other contracts, sub-contracts or leases exist for maintenance services, labor, professional services, materials, parts or other?~~

~~15.0 Supply details of all fuel purchase, transportation and storage contracts.~~

~~16.0 Supply details of any waste disposal procedures or contracts.~~

~~16.1 What opportunities do you see for "revenues" from your various waste streams?~~

~~173.0~~ Title.

~~173.1~~ Real property.

~~173.2~~ UCC Filings.

~~184.0~~ Claims history (both by and against ~~Seller~~Owner in connection with the Facility).—

~~184.1~~ Litigation (including arbitration and other forms of alternative dispute resolution.

~~184.2~~ Labor issues.

~~184.3~~ Warranty claims.

~~184.4~~ Copies of all auditor's letters prepared by law firms with respect to the Facility or with respect to ~~Seller's~~Owner's liability in connection with the Facility.

~~195.0~~ Provide copies of any ~~€~~contracts.

~~195.1~~ O&M contract~~Copies of all contracts.~~

15.2 Power Purchase Agreement

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15.3 Interconnection agreements and terms.

15.4 Fuel purchase, transportation and storage contracts.

15.5 Ash storage, transportation and disposal contracts.

15.6 Production by product sales contracts.

15.7 Steam sales contracts.

15.8 Water supply/sewer agreements.

15.9 All other contracts, subcontracts and leases for maintenance services, labor, professional services, materials, parts or other at each plant.

15.10 Collective bargaining agreements, if any.

15.11 Pension, benefit and welfare plans.

~~20.0 Permits/Licenses.~~

~~20.1 Copies of all permits, licenses, easements, etc.~~

~~21.0 Organizational Documents.~~

~~22~~16.0 Insurance.

2216.1 ~~€~~Provide copies of all insurance policies that have been in effect at any time with respect to the Facility or under which coverage may have at any time been provided with respect to the Facility.

Technical Evaluation of Potential Acquisition Questions, Documents & Data to be Reviewed

- ~~• O&M contract.~~
- ~~• Power Purchase contract.~~
- ~~• Interconnect agreements and terms.~~
- ~~• Fuel purchase, transportation and storage contracts.~~
- ~~• Ash storage, transportation and disposal contracts.~~
- ~~• Production by product sales contracts.~~

- ~~• Steam sales contracts.~~
- ~~• Water supply/sewer agreements.~~
- ~~• All other contracts, subcontracts and leases for maintenance services, labor, professional services, materials, parts or other at each plant.~~
- ~~• Collective bargaining agreements, if any.~~
- ~~• Pension, benefit and welfare plans.~~
- ~~• O&M and capital budgets vs. actuals for last five years. Budgets or budget forecasts for next five years. Status of maintenance escrow accounts.~~
- ~~• Operating & Maintenance plan, and capital improvement plan, for last five years and next five years.~~
- ~~• Staffing plan including organizational chart and salary levels.~~

- ~~• Environmental permits including air, noise, water usage, stormwater discharge and wastewater discharge. Provide documentation to show compliance with permits and/or any violations or citations. Provide reports of any Environmental Audits or Assessments of the projects/sites. Is there any known or suspected environmental contamination of the site of facilities? We may wish to conduct a site assessment.~~

- ~~• A listing of hazardous and non-hazardous wastes which are stored on-site or off-site, or have been disposed of.~~

- ~~• Any federal, state or local licenses, permits and certifications~~
- ~~• Major maintenance requirements at each plant: historical as well as recommended and/or planned major maintenance activities. Maintenance schedules from last five years and projections for next five years.~~
- ~~• Maintenance records—preventative maintenance, corrective maintenance, major maintenance and scheduled maintenance.~~
- ~~• Spare parts inventory—item description, quantity and value.~~
- ~~• Written procedures, programs, policies, records and logs relative to operations, maintenance, safety, environmental, training and others.~~
- Capacity Factor, EAF and EFOR for each of the last five years. Define terms and method of calculation. History of all scheduled maintenance outages and all significant forced outages.
- ~~• Heat rate at each plant: design heat balance; curves of heat rate vs. load; actual average monthly heat rate based on fuel purchases and net energy produced; and results of any heat rate tests.~~
- ~~• Results of tests of Net Maximum Capacity tests.~~
- ~~• Startup times and ramp rates from synchronization to full load for hot, warm, and cold start conditions.~~
- ~~• Data to show compliance with QF requirements (if applicable) for last five years.~~
- ~~• Interviews with Plant Manager and supervisors at each plant.~~
- ~~• Are there any remaining warranties? Are there any warranty claims or issues outstanding?~~
- ~~• Is there potential for efficiency improvement? expansion? repowering?~~
- ~~• Assess the technology employed. Is it proven?~~
- ~~• What are the risks associated with this technology? i.e. startup times, heat rate, heat rate at reduced load, availability, force outage rate, capacity factor, environmental performance, catastrophic failure, obsolescence, etc.~~
- ~~• What Natural perils could affect this site?~~

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RFP ~~2012~~
~~Attachment 20~~
~~Code Of Conduct~~
Attachment 20: Code Of Conduct

**Code of Conduct Governing PacifiCorp's Intra-Company
Relationships for RFP ~~2012~~ Process**

As part of the RFP ~~2012~~ process, PacifiCorp will commit to abide by a self-imposed code of conduct which will govern PacifiCorp's intra-company business relationships in order to ensure a fair and unbiased RFP evaluation and selection process. As part of the RFP process, PacifiCorp has identified various teams and work groups who will be responsible for the evaluation of the proposals and the development of the benchmark resources. The Evaluation Team and the Benchmark Team will have separate responsibilities and be required to adhere to the self-imposed code of conduct.

Bidders will provide a Request for Qualification ("RFQ") that will not be blinded; however, in order to ensure the proper treatment of "blinded" and "~~non-un~~blinded" Bidder information once the proposals are submitted and throughout this process, each Bidder is expected to adequately blind its proposal such that the bid number is the only identifying aspect of the bid. Following review and a determination by the Independent Evaluators ("IEs") that the bids are adequately blinded, the bids will be provided to the Evaluation Team for analysis. PacifiCorp will take the steps outlined below to maintain the appropriate "blinded" or "~~non-un~~blinded" nature of the Bidder and benchmark information until the final short-list is selected. Once the final short-list is selected, the proposals will be unblinded and the Evaluation Team will negotiate with the counterparties. The Evaluation Team and the Benchmark Team will comply with this code of conduct during the RFP evaluation process beginning on the date the Public Service Commission of Utah approves the RFP for issuance.

EVALUATION TEAM

The Evaluation Team will be made up of ~~eight~~seven separate work groups. Prior to the selection of the final short-list, certain work groups on the Evaluation Team will be considered "Blinded Individuals" and shall not be given access to ~~non-un~~blinded Bidder information. Other work groups will be considered "NonUnbblinded Individuals" and shall be given access to ~~non-un~~blinded Bidder information; however, these NonUnblinded Individuals will not share such information with Blinded Individuals prior to the selection of the final short list. Consistent with PacifiCorp's identification of shared employees under FERC's Standards of Conduct, the IRP work group will be treated as a shared resource to perform work for the Evaluation Team and the Benchmark Team. The IRP work group will not share any information it obtains from either Team with the other Team until after the final short list and the IRP work group will not share any non-public transmission system information with either Team at any point in this process.

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As set forth below in the Information Status, no members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs~~ Independent Evaluator. If any Bidder or member of the Benchmark Team attempts to contact a member of the Evaluation Team, such Bidder or member of the Benchmark Team shall be directed to the ~~IEs~~ Independent Evaluator for all information and such communication shall promptly be reported to the ~~Independent Evaluators~~ by the Evaluation Team.

The roles and responsibilities of the members of the Evaluation Team work groups are set forth below, along with the individual member's name and title and information status restrictions for each work group.

Blinded Individuals on Evaluation Team: Origination, Structuring and Pricing, ~~IRP~~, Transmission Manager and Environmental

1. Origination

Roles: Members of the Origination work group will be responsible for overall coordination of the RFP process, including bid process management for all proposals. The Origination work group will also have responsibility to coordinate with the ~~Independent Evaluator~~ IEs and all of the Evaluation Team work groups. The Origination work group will also perform the evaluation of the non-price components of the bid analysis.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Origination group will remain blinded prior to the selection of the final short-list. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs~~ Independent Evaluator.

2. Structuring and Pricing

Roles: Members of the Structuring and Pricing work group will be responsible for the economic analysis and modeling for the initial short-list including the validation on the inputs to the risk assessment of the bid.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Structuring and Pricing group will remain blinded prior to the selection of the final short-list. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs~~ Independent Evaluator.

3. Integrated Resource Planning (IRP)

~~*Roles:* Members of the IRP work group will be responsible for running the capacity expansion model and the planning at risk model to determine the portfolios. The IRP work group will receive inputs from the Benchmark Team which will be required to model the benchmark portfolios subject to the information sharing restrictions set forth below. The IRP work group will not be responsible for making an economic determination about the bids.~~

~~*Individual Members and Titles:* [tbd]~~

~~*Information Status:* All Bidder information shared with the IRP group will remain blinded prior to the selection of the final short list. Any information the IRP group obtains from the Benchmark Team on benchmark portfolios will not be shared with the Origination or Structuring and Pricing work groups until after the final short list is determined. No members of the Evaluation Team will have contact or communication with any Bidder other than through the Independent Evaluator.~~

43. Commercial & Trading Regulated Transmission Manager (Transmission Manager)

Roles: The Transmission Manager will assist Structuring and Pricing and Origination with PacifiCorp's transmission requests and evaluations in determining the appropriate costs and/or agreements required for any bid options.

Individual Member and Title: [tbd]

Information Status: All Bidder information shared with the Transmission Manager will remain blinded prior to the selection of the final short-list. No members of the Evaluation Team will have contact or communication with any Bidder other than through the Independent Evaluator.

54. Environmental

Roles: The Environmental work group will be responsible for evaluation and acquisition of necessary air, water supply and discharge, emission credits, and siting and facilities permits.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Environmental group will remain blinded prior to the selection of the final short-list. No members of the Evaluation

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Team will have contact or communication with any Bidder other than through the ~~IE~~Independent Evaluator.

~~**Unblinded-Non-blinded**~~ *Individuals on Evaluation Team: Credit, Legal and Risk Management*

65. Credit

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

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Credit group will be unblinded throughout the entire RFP process. The Credit group must not reveal to other Evaluation Team members any blinded information regarding the identity of any of the Bidders and may not discuss specific bids with the ~~Unblinded-Non-blinded~~ Individuals on the Evaluation Team. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IE~~Independent Evaluator. The Credit group will also participate on the RFQ Team.

76. Legal

Roles: The Legal work group will be responsible for confirming compliance of bids to the RFP requirements, including the forms, attachments and appendices. The Legal work group will conduct the legal process and due diligence inquiries, and will have responsibility for legal review of any documentation entered into as part of the RFP process.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Legal group will be unblinded throughout the entire RFP process. The Legal group must not reveal to other Evaluation Team members any blinded information regarding the identity of any of the Bidders and may not discuss specific bids with the ~~NonUn~~-blinded Individuals on the Evaluation Team. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs~~Independent Evaluator. The Legal group will also participate on the RFQ Team.

87. Risk Management

Roles: The Risk Management work group will be responsible for validating the internal modeling of the proposals and the Company benchmark proposals.

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Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the Risk Management group will be ~~non-un~~blinded throughout the entire RFP process. The Risk Management group must not reveal to other Evaluation Team members any blinded information regarding the identity of any of the Bidders and may not discuss specific bids with the ~~Non-Un~~blinded Individuals on the Evaluation Team. No members of the Evaluation Team will have contact or communication with any Bidder other than through the ~~IEs. n~~dependent Evaluator

INTEGRATED RESOURCE PLANNING TEAM (IRP)

The IRP Team will be responsible for running the capacity expansion model and the planning at risk model to determine the portfolios. The IRP Team will receive inputs from the Benchmark Team which will be required to model the benchmark portfolios subject to the information sharing restrictions set forth below. The IRP Team will not be responsible for making an economic determination about the bids. The IRP Team will also participate on the RFQ Team.

Individual Members and Titles: [tbd]

Information Status: All Bidder information shared with the IRP group will remain blinded prior to the selection of the final shortlist. Any information the IRP group obtains from the Benchmark Team on benchmark portfolios will not be shared with the Origination or Structuring and Pricing work groups until after the final shortlist is determined. No members of the Evaluation Team will have contact or communication with any Bidder other than through the IEs.

BENCHMARK TEAM

The Benchmark Team will consist of members from PacifiCorp Energy's Generation unit. A third-party engineering consultant may be retained by Generation as needed and if retained, will be considered a member of the Benchmark Team. No member of the Evaluation Team will be a member of the Benchmark Team; however, the Benchmark Team ~~may utilize~~will provide inputs to the IRP work group to allow the IRP work group to model benchmark portfolios. This is not intended to be an iterative process. The IRP work group may not share any information received from the Benchmark Team with the Evaluation Team.

Benchmark Team

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Roles: The Benchmark Team will be responsible for development of PacifiCorp's benchmark resources.

Individual Members and Titles: Generation and/or Third Party Engineering Consultant [tbd]

RFQ TEAM

The RFQ is not blinded; however, PacifiCorp will identify a separate RFQ Team comprised of members from PacifiCorp legal, credit and IRP who will work with the IEs to assess the Bidders' qualifications. Following this assessment, the IEs will provide each Bidder who has met the qualifications under the RFQ (which will include creditworthiness, demonstrated capability, experience, performance references and qualifications to deliver the indicated Eligible Resource Alternative selected on the form) with a bid number.

Individual Members and Titles: [tbd]

FERC'S STANDARDS OF CONDUCT

In addition to this self-imposed code 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 Affiliate. Under the Standards of Conduct, PacifiCorp's Transmission Function employees must function independently of PacifiCorp's Marketing Affiliate employees. Marketing Affiliate 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 Affiliate 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 Affiliate. 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 Affiliate employees through any non-public or off-OASIS communications.

Marketing Affiliate Employees

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

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PacifiCorp Energy, Commercial & Trading:

Energy Trading (includes Regulated Transmission Manager)

Marketing & Trading Contracts

Origination

Structuring and Pricing Valuation

Structuring and Pricing Model Integration

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, Environmental, Credit, Legal, and Risk Management as shared employee functions under FERC's Standards of Conduct.

Information Status

PacifiCorp's Marketing Affiliate (as defined above) will not be involved in a Bidder's transmission interconnection and integration with the control 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, Lara Skidmore, should be contacted immediately.

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Attachment 21: Credit Methodology
~~Attachment 21~~
~~Credit Methodology~~

~~RFP 2012~~ Credit Security Requirements Methodology

Methodology Overview

The RFP ~~2012~~ (includes eligible resources alternatives for 2012 and 2013-2014) 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 eligible resource (see Eligible Resource Alternatives Key at the end of this paper)
2. Size of eligible resource
3. Expected energy delivery start date
4. Term of underlying contract (would need to be adjusted based on resources less than 10 years in duration)
5. Creditworthiness of Bidder or Bidder's credit support provider

Acquisition of an Asset

For all resources that involve a physical asset with appropriate step-in rights (resources B3-B7, and 9 (APSA only)), PacifiCorp views potential credit exposure as the cost it would incur in the event the resource failed to come on-line when expected. PacifiCorp believes it could take up to 12 months to either step in and complete the project or cause the project to be completed on its behalf. If the failure occurred near the expected on-line date, PacifiCorp would have to procure energy in the open market at then-prevailing market prices.

Although it may take up to one additional year to get the resource on-line in the event of a Bidder default, PacifiCorp is most concerned about replacing expected energy during the summer months (June-September), specifically the on-peak hours.

In determining where prices for replacement power might be between contract execution and the replacement period (i.e. the future summer months), PacifiCorp employs standard stochastic-statistical analysis to estimate future price levels within a certain confidence interval. Once the "stressed" forward price is determined, the expected cost to procure energy, had the project not been delayed, based on contract terms and conditions is subtracted. The difference between these prices is then multiplied by the number of megawatt hours for the replacement period to estimate the expected replacement cost, or damages, PacifiCorp might sustain due to Bidder nonperformance.

To illustrate, for the 2012 resource the forward price for on-peak power delivered at Mona over the four summer months during 2012 as indicated by the market on June 26, 2006 was \$66.26/MWh. Market-implied volatility of prices for those same delivery

months was 37.5%² on the same observation date. Using this data, PacifiCorp estimated – with 84% confidence – that prices for that delivery point and replacement period are expected to be no higher than \$155.49/MWh. Subtracting the cost of on-peak power PacifiCorp expects to pay had the resource been operational (e.g. \$66.26/MWh) yields a potential replacement cost to PacifiCorp of \$89.23/MWh, or \$174,185³ for a 1 MW resource.

With regard to a calculation for the estimate of the price of power for the replacement period of \$155.49/MWh, PacifiCorp estimated, with 84% confidence, how high Utah power prices could be in the event PacifiCorp had to procure replacement energy during the summer of 2012 (four months, June-September) in the event of a bidder default. PacifiCorp used the forward price curve and the five year price volatility level observed on June 26, 2006 as inputs to its statistical analysis. Using a 7x16 delivery pattern, PacifiCorp nominally leveled power prices for each of the individual summer months to arrive at a single strip price of \$66.26/MWh. The price was then multiplied by a stress factor to generate a potential forward price based on the desired confidence level:

Stress factor = $\exp^{(1 \text{ standard deviation} * 37.5\% \text{ annual five year volatility} * \sqrt{[(\text{mid point date of summer strip} - \text{contract signing date})/365.25]}} = 2.3469.$

Stressed price = 2.3469 stress factor * \$66.26/MWh leveled price = \$155.49/MWh

Using a similar assessment for the 2013 ~~and 2014~~-resources, the potential credit exposure was estimated to be \$190,574 ~~and \$220,427, respectively,~~ for a 1 MW resource.

Asset-Backed Agreements

For other eligible resources that are backed by an asset with appropriate step-in rights (resources ~~B11~~, ~~B22~~, ~~B8~~, ~~9~~ and ~~10~~: asset-backed only), PacifiCorp views its potential credit exposure as the cost it would incur in the event the Bidder failed at any time during the life of the contract. However because the resource is backed by an attachable asset, PacifiCorp believes it can have the project operational, or cause to have the project operational on its behalf, within 12-18 months from the date of nonperformance. PacifiCorp acknowledges that the potential for prices to change is greater for this resource group due to the term of the underlying contract but will treat the potential replacement costs the same as asset backed resources B3-B7. PacifiCorp will hold the security for a longer period, however, due to the length of contract related to this resource group.

² Execution of contracts related to the RFP is expected to occur on June 1, 2007. Therefore, volatility for the 2011 period was used as the best estimate of where volatility levels would be in 2012 as viewed on June 1, 2007.

³ Assumes 1,952 on-peak hours during June-September 2012.

This discussion of the credit requirements for Power Purchase Agreements (and Tolling Services Agreements) and the Asset Purchase and Sales Agreements assumes, for these credit requirements to be comparably analyzed, that each of these types of agreement is backed by its respective physical asset. In order for this to be the case, the agreements by their terms must put that physical resource behind the agreement, which would include, but not be limited to, the following: allowing PacifiCorp meaningful and actual exercise of step-in rights and a second lien (behind only the project lenders) on the assets and the special purpose entity equity, —limiting the amount of leverage on the project by way of a cap on the debt to equity ratio, and other financial covenants for the life of the Power Purchase Agreement (resources [B1](#), ~~[B2](#)~~ and ~~[B](#)~~, [8](#), [9](#) and [10](#)).

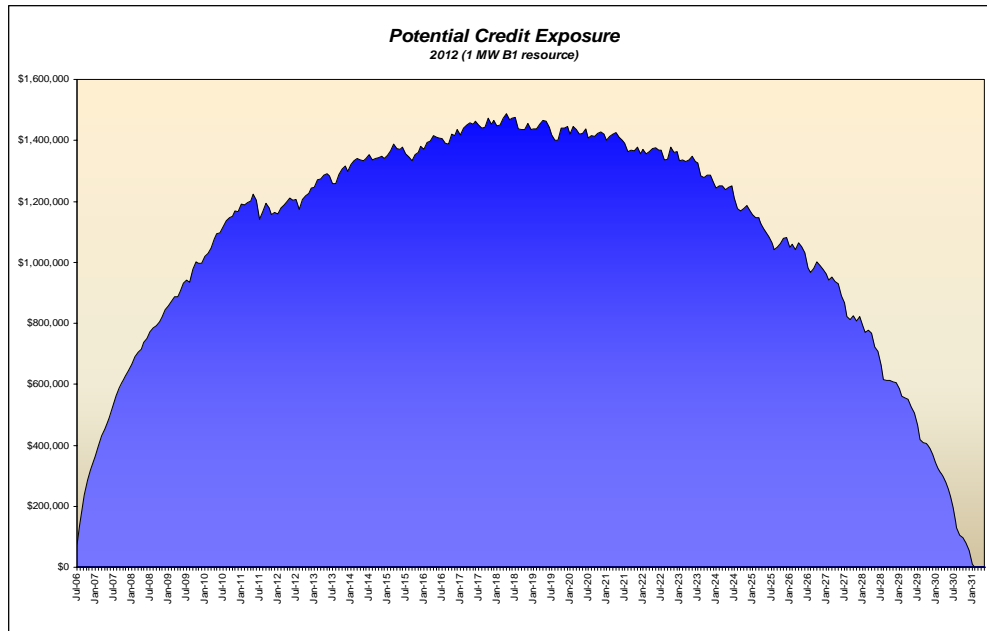
Non-Asset Backed Agreements

For eligible resources that are not backed by an asset (resources [B1](#), ~~[B2](#)~~, ~~[B8](#)~~, [9](#), [10](#) and ~~[B9](#)~~[11\(a\)](#)), PacifiCorp estimates potential credit exposure on not just four summers' worth of replacement volume but on the entire remaining volume at any point a Bidder might default during the term of a contract. PacifiCorp also takes into account the full-time horizon of the contract from contract execution. To estimate potential credit exposure at any possible point of default, PacifiCorp performs a Monte Carlo simulation⁴ using a program purchased from a third-party vendor⁵ that factors in forward prices, forward price volatility, temporal correlations, and asset correlations. The simulation steps through time, removing delivered volumes from the valuation while revaluing remaining, undelivered volumes. The result is a distribution of potential credit exposures from which PacifiCorp uses those at the 84th percentile.

The following chart shows the potential credit risk profile of a 1 MW, ~~[B1](#)~~-resource [#1](#) for 2012:

⁴ A Monte Carlo simulation incorporates randomness into the revaluation process while mindful of the boundaries imposed by volatility and correlation assumptions.

⁵ Risk Capital Management Partners, LLC, acquired by Towers Perrin on June 19, 2006.



For the 2012 ~~,and~~ 2013 ~~,and~~ 2014 resources that are not backed by an asset, the potential credit exposure was estimated to be \$1,488,754, ~~and~~ \$1,603,434, ~~and~~ ~~\$1,605,863~~, respectively, for a 1 MW resource.

Credit Matrix

Once the potential credit exposures were estimated for all resources, the exposures then were inserted into a series of credit matrices (each a “Credit Matrix”). Each Credit Matrix lists various sizes of resources in 50 MW increments (columns) for each possible credit rating of Bidder or Bidder’s credit support provider (rows). A Credit Matrix for each resource category is shown for each resource year.

Next, PacifiCorp applies its internal credit risk tolerance specific to this RFP to each potential credit exposure in every cell of every Credit Matrix. The results are the amounts of excess credit risk that PacifiCorp requests be secured through third-party guaranties, cash, letters of credit, or other collateral, or combinations thereof.

To interpret a Credit Matrix, a Bidder needs to select the type of resource, the size of the resource, and the year the resource is expected to be operational. Depending on the credit rating of the Bidder or the Bidder’s credit support provider, the value in the specific Credit Matrix represents the maximum value of credit security the Bidder or Bidder’s credit support provider must provide.

Using the Credit Matrix excerpt below for illustration, credit security required for a 550 MW asset purchase and sale agreement for 2012 with a ‘BBB+’ rated Bidder would be \$0 (row 8). If the Bidder was not rated or was rated less than investment grade, the

Bidder would be required to provide \$95,801,750 (row 11) in credit security to cover the potential credit exposure. Security could include a third-party guaranty from an investment grade entity but in that event additional security may be required depending on the security amounts listed in the Credit Matrix corresponding to the rating of the guarantor. For instance, if the third-party guarantor was only rated 'BBB', PacifiCorp would require a guaranty in the amount of \$75m (\$95,801,750 (row 11) minus \$20,081,750 (row 9)) from the guarantor and additional security (i.e. a letter of credit) in the amount of \$20,801,750 (row 9) from the Bidder.

Size of Nameplate bid in MW ==>	501-550	
Credit Rating		
AAA/Aaa and above	\$0	row 1
AA+/Aa1	\$0	row 2
AA/Aa2	\$0	row 3
AA-/Aa3	\$0	row 4
A+/A1	\$0	row 5
A/A2	\$0	row 6
A-/A3	\$0	row 7
BBB+/Baa1	\$0	row 8
BBB/Baa2	\$20,801,750	row 9
BBB-/Baa3	\$45,801,750	row 10
Below BBB-/Baa3	\$95,801,750	row 11

In the event the Bidder's credit rating or Bidder's credit support provider's credit rating adversely changes during the contract term, the amount of credit security must be adjusted commensurate with the amounts listed in the Credit Matrix.

Posting of Credit Security

For all eligible resources that are backed by an asset that can be attached by PacifiCorp, credit security must be posted in accordance with the following schedule: [Note that this includes a Power Purchase Agreement that is backed by an asset.](#)

Cumulative Value of Credit Security*	2012 Resource	2013 Resource
10%	Effective Date (ED)	Effective Date (ED)
20%	ED+6 months	ED+18 months
30%	ED+12 months	ED+24 months
40%	ED+18 months	ED+30 months
100%	ED+24 months	ED+36 months

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* When the Bidder receives project development financing, 100% of the required credit security is then immediately due, regardless of the deadlines contained in the schedule.

The Effective Date is the date the contract is approved by the Utah Commission or the date the contract is executed by the parties, which ever is later.

A Bidder may select to either post the initial security, which must be in the form of cash or letter of credit only, or alternatively, a Bidder may post the full amount of credit security using *any* form of security acceptable to PacifiCorp (e.g. a third-party guaranty.)

For all other resources, full credit security is due within ten (10) business days after the Effective Date.

Eligible Resource Alternatives Key:	
B1	Power Purchase Agreements
B2	Tolling Service Agreements
B3	Asset Purchase and Sale Agreements on PPW sites
B4	Asset Purchase and Sale Agreements
B5	EPC Contract for Currant Creek
B6	Purchase of an Existing Facility
B7	Purchase of a portion of a facility jointly owned by or operated by PPW
B8	Restructuring of existing Power Purchase Agreement or Exchange Agreement
9	IGCC Proposals (Power Purchase Agreements, Tolling Service Agreements or Asset Purchase and Sale Agreements)
10	Geothermal and/or Biomass Power Purchase Agreement
B911(a))	Load Curtailment

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~~**Attachment 22**~~

~~**Credit Commitment Letter**~~

~~**Attachment 22: Credit Commitment**~~
~~**Letter**~~

~~**RFP 2012**~~

~~**ATTACHMENT 22**~~

~~**Credit Commitment Letter**~~

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ATTACHMENT -22: —

GUARANTY COMMITMENT LETTER

(Bidder parent or credit support provider letterhead)

PacifiCorp

~~(insert our address)~~[Address]

Dear Sirs:

The undersigned bears the following relationship to the Bidder _____ (NOTE: Please insert Bidder name) ("Counterparty") in your RFP ~~2012~~ process: (NOTE: insert nature of relationship, e.g., Parent company, tax investor, etc.).

This will indicate our promise to you that, should you enter into a transaction with Counterparty arising out of any bid submitted by Counterparty in the RFP, ~~2012~~, that we will at that time issue an unconditional guaranty in form and substance reasonably satisfactory to you, and that we will guarantee all obligations of payment and performance of Counterparty to you as our independent obligation, (up to a maximum amount of \$_____, plus enforcement expenses).

We understand that you will not enter into a transaction with Counterparty without said guaranty. We understand that you are under no obligation to enter into any transaction with Counterparty, under the RFP ~~2012~~ or otherwise.

Yours truly,

(name of committing guarantor)

(name of authorized officer)

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Attachment 23
Operating And Maintenance Terms
And Conditions
Attachment 23: Operating ~~A~~and
Maintenance Terms ~~A~~and Conditions

Operating & Maintenance Term Sheet for Operations
Coal-Fired Generation Resources

Option 1 – To the extent PacifiCorp does not have input on the design, the following Operations & Maintenance Agreement will be negotiated by the Parties.

PacifiCorp pays all prudent O&M and capital costs and directs operator to achieve PacifiCorp's performance objectives for the plant. Plant is managed through an engineering and operating committee. Operator operates to prudent industry standards. Operator negligence covered by insurance. PacifiCorp maintains the right to step in for default, negligence or transfer of operating entity.

At Commercial Operation Date a percentage (as determined by PacifiCorp's review of the design) of the total project cost is withheld until the end of operating term of the O&M agreement. The repayment of the withheld capital cost will depend on the plant achieving specific forced outage rates compared to [a standard] and the plant operating and maintenance costs are maintained equal to or less than [a standard]. These terms are to protect against design risk.

Bidders will provide a fueling plan with cost and a fuel transportation plan to provide fuel for the duration of the O&M agreement. The fueling plan will include primary and start-up and stabilization fuels. PacifiCorp retains the option to provide fuel within the constraints of the negotiated agreements to provide fuel.

Parties will negotiate in good faith to further develop the following:

1. Plant will be owned by PacifiCorp.
2. Plant will be operated by the Plant Operator
3. Term of agreement: Ten (10) years then by PacifiCorp. PacifiCorp can assume operation of the facility prior to the end of term with 18 months notice. PacifiCorp will assume operations in the event of default, or failure to meet agreed Operating Performance Requirements..
4. O&M Services will be provided by the Plant Operator
 - a. Labor
 - b. Operating materials and services
 - c. Operations
 - i. Labor for manning plant 24 hours per day, 365 days per year basis, providing control room manning, auxiliary equipment operations and operating procedures
 - d. Maintenance

- i. Predictive and Preventive maintenance activities
 - ii. Scheduled Maintenance Activities
 - 1. Scope and schedule of work
 - iii. Unscheduled maintenance
 - e. Plant data and record keeping per NERC/GADS guidelines
- 5. Plant Operating Performance Requirements for the plant:
 - a. Health and Safety achievement
 - b. Production of power
 - c. Equivalent forced outage rate
 - d. Planned outage rate
 - e. Equivalent availability rate
 - f. Heat rate
 - g. Compliance with regulatory and environmental permits
 - h. Other plant performance criteria as specified by Plant Operator:
 - i. Start up durations
 - ii. Loading and ramping rate
 - iii. Ancillary services
- 6. Operating and maintenance costs reimbursable by PacifiCorp
 - a. Management services
 - b. Labor, directs and indirects
 - c. Contract, Parts, Materials, Chemicals and Services
 - d. Permits and fees
 - e. Budget:
 - i. 1 year and 5 year Operations Budget, updated annually
 - ii. 1 year and 5 year Capital Budget, updated annually
 - iii. Budget variances
- 7. Fuel may be supplied by PacifiCorp to an agreed-to fuel specification, including, start up, stabilization and primary fuels.
- 8. Dispatching
 - a. Agree an annual production schedule
 - b. PacifiCorp dispatches the unit as part of PacifiCorp's system based on the physical and economic needs of the system

Option 2 – PacifiCorp has material input on design

PacifiCorp accepts design and pays for plant

O&M services reimbursed similar to PacifiCorp's Cholla agreement

Option 3 – PPA with plant purchase option

APSA is a PPA with an option to purchase exercisable by PacifiCorp after [X] years.

PPA supplier provides plant purchase price schedule as part of bid.

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- PPA demonstrates design and reliability
- O&M costs will be recovered in PPA energy price
- Cost and risk similar to existing PPAs

RFP
Attachment 24: Operating and
Maintenance Terms and Conditions
for IGCC

**Operating & Maintenance Term Sheet for Operations
Integrated Gasification Combined Cycle Generation Resources**

Option 1 – To the extent PacifiCorp does not have any input on design, the following Operations & Maintenance Agreements will be proposed and negotiated by the Parties.

PacifiCorp pays all prudent O&M and capital costs and directs operator to achieve the PacifiCorp's performance objectives for the plant. Plant is managed through an engineering and operating committee. Operator operates to prudent industry standards. Operator negligence covered by insurance. PacifiCorp maintains the right to step in for default, negligence or transfer of operating entity.

At Commercial Operation Date a percentage (as determined by PacifiCorp's review of the design) of the total project cost is withheld until the end of operating term of the O&M agreement. The repayment of the withheld amount will depend on the plant achieving specific forced outage rates compared to [a standard] and the plant operating and maintenance costs are maintained equal to or less than [a standard]. These terms are to protect against design risk.

Bidders will provide a fueling plan with a cost and a fuel transportation plan to provide fuel for the duration of the O&M agreement. Fueling plan will include provision for both primary and secondary fuels. PacifiCorp retains the option to provide fuel within the constraints of the negotiated agreements to provide fuel.

Parties will negotiate in good faith to further develop the agreement along the following principles:

1. Plant will be owned by PacifiCorp.
2. Plant will be operated by the Plant Operator.
3. Term of Agreement – through the second major gas turbine overhaul. This is expected to be approximately twelve (12) years depending on the actual operating regime of the plant and the gas turbine supplier's operating and maintenance guidelines. PacifiCorp can assume operations with eighteen (18) months notice. PacifiCorp will assume operations for default or failure to meet agreed Operating Performance Requirements.
4. Separate agreements shall be proposed:
 - a. Combined operation – both gasification and power islands
 - b. Gasification island only
 - c. Power island only

5. O&M Services will be provided by the Plant Operator

a. Labor

a. Operating materials and services

b. Operations

i. Labor for operating the plant on a 24 hours per day basis, 365 days per year, providing control room manning, auxiliary equipment operations and operating procedures

d. Maintenance

i. Predictive and Preventive maintenance activities

ii. Scheduled Maintenance Activities

1. Scope and schedule of work

iii. Unscheduled maintenance

e. Plant data and record keeping per NERC/GADS guideline

6. Plant Operating Performance Requirements:

a. Health and Safety achievement

b. Production of power

c. Equivalent Forced outage rate – gasification island

d. Equivalent Forced outage rate – power block

e. Planned outage rate – gasification island

f. Planned outage rate – power block

g. Equivalent availability - gasification island

h. Equivalent availability - power block

i. Overall plant availability on syngas

j. Heat rate on syngas

k. Heat rate on secondary fuel

l. Compliance with regulatory and environmental permits

m. Other plant performance criteria as specified by Plant Operator:

i. Start-up durations

ii. Loading and ramping rate

iii. Ancillary services

7. Operating and maintenance costs reimbursable by PacifiCorp:

a. Management services

a. Labor, directs and indirects

b. Contracts, Parts, Materials, Chemicals, and Services

c. Royalties

d. Permits and Fees

e. Budget Information:

i. 1 year and 5 year Operations Budget, updated annually

ii. 1 year and 5 year Capital Budget, updated annually

iii. Budget variances to actual over or under

8. Fuel maybe supplied by PacifiCorp to an agreed-to fuel specification, including start-up, stabilization and primary fuels.

9. Dispatching

a. Agree to an annual production schedule

b. PacifiCorp dispatches the unit as part of PacifiCorp's system based on the physical and economic needs of the system

Option 2 – PPA with plant purchase option

Option to APSA is a PPA with an option to buy exercisable by PacifiCorp after [X] years. PPA supplier provides plant purchase price schedule.

- PPA for demonstration of reliability
- O&M is in PPA energy price
- Cost and risk similar to existing PPAs

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~~FORM 1~~

~~Pricing Input Sheet~~

FORM 1: Pricing Input Sheet

Form 1 Pricing Input Sheet

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Directory
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ID	Input Description	Bidder Input
1	Resource Alternative Category (THIS FIELD MUST BE ENTERED BEFORE PROCEEDING TO OTHER INPUTS)	AFSA - Bidder Site
2	Resource Type (THIS FIELD MUST BE ENTERED BEFORE PROCEEDING TO OTHER INPUTS)	Coal
3	Bid Number	9999
4	Project Name	To Be Stripped Out by IE
5	Delivery to PacifiCorp Start Date (mm/dd/yyyy)	01/2012
6	Delivery to PacifiCorp End Date (mm/dd/yyyy)	N/A
7	Point of Interconnection	Oquirrh, UT
8	Point of Power Delivery	Moira 345KV
9	New or Existing Resource?	New
10	Economic Life of Resource (Years)	40
11	Beginning of Plant Life/Commercial On-Line Date for New or Existing Resource (mm/dd/yyyy)	01/2012
12	Firm or Unit Contingent?	Unit Contingent
13	Transmission Interconnection Credit Assigned to PacifiCorp (\$)	\$0,000,000
14	Third Party PTC Transmission (\$/Mwh) Charge to PacifiCorp	\$0.00
15	Third Party Losses Transmission (%) Charge to PacifiCorp	0.00%
16	PacifiCorp or Bidder to Deliver Fuel (if applicable)?	PacifiCorp
17	Point of Fuel Delivery (or Index, if applicable)	Facility
IGCC Option Inputs		
18	IGCC Project Cost (required)	
19	IGCC Project On-line Date (required)	
20	IGCC carbon capture ready Project Cost (optional)	
21	IGCC carbon capture ready Project On-line Date (optional)	
22	IGCC with carbon capture and sequestration Project Cost (optional)	
23	IGCC with carbon capture and sequestration Project On-line Date (optional)	
Load Curtailment Option Inputs		
24	Resource Capacity & Fixed Charges Applicator (MW)	
25	Capacity Payment (\$/KW-mo)	
26	Capacity Payment Annual Calendar Escalation Index?	
27	Capacity Payment Annual Calendar Escalation (%)	
28	Bidder's Incremental Energy Retail Rate (\$/MWh)	
29	Hours Per Day Dispatch Limitation	0
30	Hours Per Month Dispatch Limitation	0
31	Hours Per Year Dispatch Limitation	0
Resource Inputs		
32	Resource Capacity (Nameplate) & Fixed Charges Applicator (MW)	
33	Capacity (Hourly, Day Or, Day Ahead, Monthly)	
34	Fixed Energy Payment (\$/MWh, if applicable)	
35	Fixed Energy Payment Annual Calendar Escalation Index?	
36	Fixed Energy Payment Annual Calendar Escalation Rate	
37	Published Index for Energy Payment (if applicable)	
38	Published Index for Energy Payment Adder	
39	Published Index for Energy Payment Multiplier (%)	
40	Heat Rate (Btu/KWh) - PPA/Tolling Structures (if applicable)	
41	Variable O&M Payment (\$/MWh)	\$2.00
42	Variable O&M Payment Annual Calendar Escalation Index?	Fixed Bidder Rate
43	Variable O&M Payment Annual Calendar Escalation Rate	1.00%
44	Start-Up Costs (\$/MWh) 8 hours per run	
45	Start-Up Costs (\$/MWh) 16 hours per run	
46	Start-Up Costs for Non-Natural Gas Resource (\$/MWh)	\$2.00
47	Start-Up Cost Annual Calendar Escalation Index?	Fixed Bidder Rate
48	Start-Up Cost Annual Calendar Escalation Rate	1.0%
49	Fixed O&M Payment (\$/KW-mo)	\$1.00
50	Fixed O&M Payment Annual Calendar Escalation Index?	Fixed Bidder Rate
51	Fixed O&M Payment Annual Calendar Escalation Rate	1.00%
52	Capacity Payment (\$/KW-mo)	\$0.00
53	Capacity Payment Annual Calendar Escalation Index?	Fixed Bidder Rate
54	Capacity Payment Annual Calendar Escalation Rate	0.00%
55	Percentage of Capacity Payment that is Executive Costs (%)	0%
56	Cost to Build (\$/KW)	\$1,000
57	Gas Capacity (D/Day)	
58	Gas Demand Charge (\$/D/Day)	
59	Gas Distribution Charges Above Commodity Rate or Index Adder (\$/MMBtu)	
60	Gas Distribution Charges Adder Calendar Escalation Index?	
61	Gas Distribution Charges Adder Calendar Escalation Rate	
62	Fuel Multiplier (%), if applicable	100.0%
63	Hours Per Day Dispatch Limitation (if applicable)	N/A
64	Hours Per Year Dispatch Limitation (if applicable)	N/A
65	Startup Rates - Warm Start (MW/min.)	10.0
66	Startup Rates - Cold Start (MW/min.)	5.0
67	Min. Up (hours)	12.0
68	Min. Down (hours)	12.0
69	Spinning Reserve Amounts (Max that can be used for Spin) (MW)	100
70	Non-Spinning Reserve Amounts (Max that can be used for Non-Spin from Cold Starts) (MW)	0
Mechanical Availability by Month: (Expected, or Guaranteed if Applicable)		
71	January	97%
72	February	97%
73	March	97%
74	April	97%
75	May	97%
76	June	97%
77	July	97%
78	August	97%
79	September	97%
80	October	97%
81	November	97%

Note:
 Each Bidder is required to copy this form and revise it with their bid number and submit it on a CD or Diskette as an electronic copy in Excel. Form 1 can be downloaded from either PacifiCorp website and/or the IE website for Bidders to save on a CD or Diskette. (www.pacifiCorp.com)
 The electronic copy of Form 1 will be interactive requiring the bidder to specify inputs to items 1 and 2 before filling out the remaining sections of the Pricing Input Sheet.

ID	Planned Outages by Month	Normal Day Resources				All Other Resources Contract/Other	ID	Fuel Costs	LMPs
		Contract Code %	Simple Code %	Test Plan %	Power Assessment				
1	YEAR 1					1	January	\$100	
2	February					2	February	\$100	
3	March					3	March	\$100	
4	April					4	April	\$100	
5	May					5	May	\$100	
6	June					6	June	\$100	
7	July					7	July	\$100	
8	August					8	August	\$100	
9	September					9	September	\$100	
10	October					10	October	\$100	
11	November					11	November	\$100	
12	December					12	December	\$100	
13	YEAR 2					13	January	\$100	
14	February					14	February	\$100	
15	March					15	March	\$100	
16	April					16	April	\$100	
17	May					17	May	\$100	
18	June					18	June	\$100	
19	July					19	July	\$100	
20	August					20	August	\$100	
21	September					21	September	\$100	
22	October					22	October	\$100	
23	November					23	November	\$100	
24	December					24	December	\$100	
25	YEAR 3					25	January	\$100	
26	February					26	February	\$100	
27	March					27	March	\$100	
28	April					28	April	\$100	
29	May					29	May	\$100	
30	June					30	June	\$100	
31	July					31	July	\$100	
32	August					32	August	\$100	
33	September					33	September	\$100	
34	October					34	October	\$100	
35	November					35	November	\$100	
36	December					36	December	\$100	
37	YEAR 4					37	January	\$100	
38	February					38	February	\$100	
39	March					39	March	\$100	
40	April					40	April	\$100	
41	May					41	May	\$100	
42	June					42	June	\$100	
43	July					43	July	\$100	
44	August					44	August	\$100	
45	September					45	September	\$100	
46	October					46	October	\$100	
47	November					47	November	\$100	
48	December					48	December	\$100	
49	YEAR 5					49	January	\$100	
50	February					50	February	\$100	
51	March					51	March	\$100	
52	April					52	April	\$100	
53	May					53	May	\$100	
54	June					54	June	\$100	
55	July					55	July	\$100	
56	August					56	August	\$100	
57	September					57	September	\$100	
58	October					58	October	\$100	
59	November					59	November	\$100	
60	December					60	December	\$100	
61	YEAR 6					61	January	\$100	
62	February					62	February	\$100	
63	March					63	March	\$100	
64	April					64	April	\$100	
65	May					65	May	\$100	
66	June					66	June	\$100	
67	July					67	July	\$100	
68	August					68	August	\$100	
69	September					69	September	\$100	
70	October					70	October	\$100	
71	November					71	November	\$100	
72	December					72	December	\$100	
73	YEAR 7					73	January	\$100	
74	February					74	February	\$100	
75	March					75	March	\$100	
76	April					76	April	\$100	
77	May					77	May	\$100	
78	June					78	June	\$100	
79	July					79	July	\$100	
80	August					80	August	\$100	
81	September					81	September	\$100	
82	October					82	October	\$100	
83	November					83	November	\$100	
84	December					84	December	\$100	
85	YEAR 8					85	January	\$100	
86	February					86	February	\$100	
87	March					87	March	\$100	
88	April					88	April	\$100	
89	May					89	May	\$100	
90	June					90	June	\$100	
91	July					91	July	\$100	
92	August					92	August	\$100	
93	September					93	September	\$100	
94	October					94	October	\$100	
95	November					95	November	\$100	
96	December					96	December	\$100	
97	YEAR 9					97	January	\$100	
98	February					98	February	\$100	
99	March					99	March	\$100	
100	April					100	April	\$100	
101	May					101	May	\$100	
102	June					102	June	\$100	
103	July					103	July	\$100	
104	August					104	August	\$100	
105	September					105	September	\$100	
106	October					106	October	\$100	
107	November					107	November	\$100	
108	December					108	December	\$100	
109	YEAR 10					109	January	\$100	
110	February					110	February	\$100	
111	March					111	March	\$100	
112	April					112	April	\$100	
113	May					113	May	\$100	
114	June					114	June	\$100	
115	July					115	July	\$100	
116	August					116	August	\$100	
117	September					117	September	\$100	
118	October					118	October	\$100	
119	November					119	November	\$100	
120	December					120	December	\$100	
121	YEAR 11					121	January	\$100	
122	February					122	February	\$100	
123	March					123	March	\$100	
124	April					124	April	\$100	
125	May					125	May	\$100	
126	June					126	June	\$100	
127	July					127	July	\$100	
128	August					128	August	\$100	
129	September					129	September	\$100	
130	October					130	October	\$100	
131	November					131	November	\$100	
132	December					132	December	\$100	
133	YEAR 12					133	January	\$100	
134	February					134	February	\$100	
135	March					135	March	\$100	
136	April					136	April	\$100	
137	May					137	May	\$100	
138	June					138	June	\$100	
139	July					139	July	\$100	
140	August					140	August	\$100	
141	September					141	September	\$100	
142	October					142	October	\$100	
143	November					143	November	\$100	
144	December					144	December	\$100	
145	YEAR 13					145	January	\$100	
146	February					146	February	\$100	
147	March					147	March	\$100	
148	April					148	April	\$100	
149	May					149	May	\$100	
150	June					150	June	\$100	
151	July					151	July	\$100	
152	August					152	August	\$100	
153	September					153	September	\$100	
154	October					154	October	\$100	
155	November					155	November	\$100	
156	December					156	December	\$100	
157	YEAR 14					157	January	\$100	
158	February					158	February	\$100	
159	March					159	March	\$100	
160	April					160	April	\$100	
161	May					161	May	\$100	
162	June					162	June	\$100	
163	July					163	July	\$100	
164	August					164	August	\$100	
165	September					165	September	\$100	
166	October					166	October	\$100	
167	November					167	November	\$100	
168	December					168	December	\$100	
169	YEAR 15					169	January	\$100	
170	February					170	February	\$100	
171	March					171	March	\$100	
172	April					172	April	\$100	
173	May					173	May	\$100	
174	June					174	June	\$100	
175	July					175	July	\$100	
176	August					176	August	\$100	
177	September					177	September	\$100	
178	October					178	October	\$100	
179	November					179	November	\$100	
180	December								

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Input Field	Definition
Delivery to PacifiCorp Start Date (mm/dd/yyyy)	The date that PacifiCorp begins receiving energy and/or capacity from the proposed resource. For new resources that will become PacifiCorp assets, enter the commercial online date.
Delivery to PacifiCorp End Date (mm/dd/yyyy)	For PPAs, Tolling Agreements, Load Curtailment, and Qualifying Facility proposals, enter the end of the contract term proposed. For resources that will become PacifiCorp assets, enter the date corresponding to the end of the asset life proposed.
Point of Interconnection	The location where the proposed resource is connected to the electrical system (i.e. Oquirrh, UT).
Point of Power Delivery	The location on the electrical system where PacifiCorp will take ownership of the energy and/or capacity from the proposed resource (i.e. Mona 345 kV).
Economic Life of Resource	For the FASB 13 Test, this is the economic or useful life of the proposed or existing resource.
Beginning of Plant Life/Commercial On-Line Date for New or Existing Resource	The date the plant was placed in-service or is expected to be place in-service.
Firm	WSPP Schedule C
Unit Contingent	WSPP Schedule B
Transmission Interconnection Credit Assigned to PacifiCorp (\$)	For bids that will become PacifiCorp assets, specify the amount of the interconnection costs that are eligible for an interconnection credit from the transmission service provider.
Third Party PTP Transmission (\$/KW-mo) Charge to PacifiCorp	Enter the monthly rate for third party point-to-point transmission service that will be PacifiCorp's responsibility.
Third Party Losses Transmission (%) Charge to PacifiCorp	Enter the third party transmission loss rate, in addition to any capacity or energy payments, that will be PacifiCorp's responsibility.
PacifiCorp or Bidder to Deliver Fuel (if applicable)?	Specify whether PacifiCorp or the Bidder will be responsible for fuel delivery to the proposed resource.
Point of Fuel Delivery (or index, if applicable)	Specify the where the fuel is to be delivered for the proposed resource or enter the index applicable to the point of delivery.
Resource Capacity (Nameplate) & Fixed Charges Applicator (MW)	The nameplate capacity of the proposed resource. This is the same value to which any fixed charges (\$/kW or \$/kW-mo) will be applied.
Bidder's Incremental Energy Retail Rate	The bidder's incremental energy retail rate that would be paid to PacifiCorp for an otherwise non-curtailed hour. Either enter the rate as \$/MWh or specify the appropriate rate schedule.
Hours Per Day Dispatch Limitation	The total # of hours per day that PacifiCorp will not be permitted to curtail load from the proposed resource.
Hours Per Month Dispatch Limitation	The total # of hours per month that PacifiCorp will not be permitted to curtail load from the proposed resource.
Hours Per Year Dispatch Limitation	The total # of hours per year that PacifiCorp will not be permitted to curtail load from the proposed resource.
Optionality (Hourly, Day Of, Day Ahead, Monthly)	For proposed resources offering dispatch optionality to PacifiCorp, specify when PacifiCorp must determine to exercise the option.
Fixed Energy Payment (\$/MWh, if applicable)	Enter the fixed energy payment amount PacifiCorp must pay to the bidder.
Fixed Energy Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the fixed energy payment amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Fixed Energy Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed fixed energy payment amount.
Published Index for Energy Payment (if applicable)	Enter the name of the published price index that PacifiCorp must pay to the bidder for the energy.
Published Index for Energy Payment Adder	Enter the price to be added to the published index for every hour of delivery. The adder should be in the same units as the index.
Published Index for Energy Payment Multiplier (%)	Enter the percentage to be multiplied by the index for every hour of delivery.
Heat Rate (Btu/KWh) - PPA/Tolling Structures (if applicable)	Enter the contract heat rate applicable to PPAs and Tolling Agreements. Detailed heat rate data for resources that will become PacifiCorp assets is entered elsewhere.
Variable O&M Payment (\$/MWh)	Variable Operating & Maintenance Cost, not including start-up costs.
Variable O&M Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the variable O&M payment amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Variable O&M Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed variable O&M payment amount.
Start-Up Costs (\$/MWh) 8 hours per run	Applicable to natural gas resources, enter the start-up cost assuming 8 hours per run.
Start-Up Costs (\$/MWh) 16 hours per run	Applicable to natural gas resources, enter the start-up cost assuming 16 hours per run.
Start-up Costs for Non-Natural Gas Resource (\$/MWh)	Applicable to non-natural gas resources, enter the start-up cost assuming extended base load dispatch.

Input Field	Definition
Start-up Cost Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the start-up cost amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Start-up Cost Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed start-up cost amount.
Fixed O&M Payment (\$/KW-mo)	Fixed Operating & Maintenance Cost
Fixed O&M Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the fixed O&M cost amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Fixed O&M Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed fixed O&M cost amount.
Capacity PMT (\$/KW-mo)	Capacity payment to be applied to the value entered in the "Resource Capacity & Fixed Charges Applicator" input field.
Capacity Payment Annual Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the capacity payment amount proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Capacity Payment Annual Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed capacity payment amount.
Percentage of Capacity Payment that is Executory Costs (%)	For FASB 13 Test, those costs such as insurance, maintenance, and taxes incurred for the leased property.
Cost to Build (\$/kW)	For FASB 13 Test, the cost required to build the plant in order to calculate the Fair Market Value. Needs to be a weighted average for complete plant.
Gas Capacity (DT/day)	For proposed gas resources, the amount of daily natural gas capacity required to dispatch the resource.
Gas Demand Charge (\$/DT-mo)	For proposed gas resources, the monthly reservation charge for which PacifiCorp is responsible in order to secure the gas capacity required to dispatch the asset.
Gas Distribution Charges Above Commodity Rate or Index Adder (\$/MMBtu)	Figure that when added to the commodity price (and fuel multiplier if applicable) to derive the all-in fuel price, in \$/MMBtu, that can be applied to the heat rate(s).
Gas Distribution Charges Adder Calendar Escalation Index?	Select the escalation index to be applied on a calendar year basis to the gas distribution charges proposed. If the bidder wishes to propose it's own fixed escalation rate, select "Fixed Bidder Rate" and specify the rate to be applied in the next line.
Gas Distribution Charges Adder Calendar Escalation Rate	Enter the annual calendar year escalation rate to be applied to the proposed gas distribution charges.
Fuel Multiplier (% ,if applicable)	Multiplier than can be applied to the gas commodity price OR index to derive the pre-gas distribution charge fuel price. A 2.5% increase in the commodity price should be entered as a 102.5% multiplier.
Hours Per Day Dispatch Limitation (if applicable)	Enter the number of hours in a day over which the proposed resource cannot be dispatched by PacifiCorp.
Hours Per Day Dispatch Limitation (if applicable)	Enter the number of hours in a year over which the proposed resource cannot be dispatched by PacifiCorp.
Ramp Rates - Warm Start (MW/min.)	Enter the MW/min permitted change in unit generation, both up and down, when the unit is operating at or above its minimum operating capacity.
Runup Rate - Cold Start (MW/min.)	Enter the MW/min permitted change in unit generation when the unit is first committed to operation until it reaches its minimum operating capacity.
Min. Up (hours)	Enter the number of hours a unit must remain online after being committed.
Min. Down (hours)	Enter the number of hours a unit must remain offline after being decommitted.
Spinning Reserve	Unloaded generation which is synchronized, ready to serve additional demand and able to reach reserve amount within 10 minutes
Non-Spinning Reserve	Non-Synchronized and able to reach amount within 10 minutes
Mechanical Availability by Month: (Expected, or Guaranteed if Applicable)	In the appropriate column, enter the percent of a month's hours that the proposed resource is expected or guaranteed to be available. This does not include reductions for planned outages. For natural gas resources, the monthly availability inputs should take into consideration the dependence of duct firing on the CCCT along with the potential dependence of power augmentation on duct firing.
Planned Outages by Month	Planned Outages for Scheduled Maintenance, etc. Does not include reduction for mechanical availability. Percent of month's hours the unit is to be offline for planned outages.
Fuel Costs	If applicable supply the fuel costs as \$/MMBtu over the term of the proposed resource.
Degradation Table:	Expected or Guaranteed degradation of Heat Rate and Capacity (provided in % increase or decrease from undegradated value).
Undegradated Heat Rate & Capacity @ Ambient Conditions	The manufacturers guaranteed performance at substantial completion when the units are new and clean. Information not needed when bidder guarantees heat rate and/or capacity.
Initial Capital Lump Sum Amount (\$)	Initial capital expenditures NOT related to maintenance or transmission interconnection or resource integration. For a lump sum capital payment, please include AFUDC, land, buildings, plant, sales tax, property tax, etc.
Initial Capital Lump Sum Payment Date (mm/dd/yyyy)	For lump sum initial capital payments, specify the anticipated payment date.
Eligible Investment Tax Credit Amount (if applicable)	For proposed resources that have secured investment tax credits, please specify the dollar amount of the tax credit for which the resource is eligible.
Percentage of Total Initial Capital from Emission Control Equipment Cost	Please specify the amount of initial capital for the proposed project that is associated with the installation of emission control equipment as a percentage of the total capital cost.
Sales Tax Amount (\$)	If the initial capital does not include sales tax, please specify the sales tax amount.
Initial Capital Expenditures: Staged Payment Schedule	For proposals that involve staged capital payments, enter the monthly payment schedule. The capital expenditures should NOT include AFUDC or property taxes, as PacifiCorp will calculate these figures based on the current rates.
Ongoing Capital Expenditures	For projects that will require PacifiCorp to make on-going capital payments, identify the annual capital expenditures for the life of the project.

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~~**RFP 2012**~~
~~**FORM 1**~~
~~**PRICING INPUT SHEET**~~

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RFP ~~2012~~

~~FORM 2~~

**~~Permitting And Construction
Milestones~~**

**FORM 2: Permitting ~~A~~and
Construction Milestones**

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RFP-2012

RFP FORM 2
PERMITTING AND CONSTRUCTION MILESTONES

Milestone	Date	Bidder to insert Break-up Fee
Notice to Proceed		
Secure Property		
Secure Water Rights		
Secure ERCs		
Secure Permits		
Natural Gas Interconnection Agreement		
Complete LGIA with PacifiCorp		
Break Ground		
P/O for CTs, Xfmr's, Cooling Tower/Condenser/ACC HRSGs and ST		
Begin Pouring of Foundations		
Delivery of HRSG1		
Delivery of HRSG2		
Set ST		
Set CT1		
Set CT2		
Complete Natural Gas Interconnect		
Set Main Transformers		
Backfeed (at Transmission Level)		
First Fire of CT1		
First Fire of CT2		
Synchronization to Grid		
Complete installation of Cooling Towers/ACC		
Completion of Steam Blows		
Roll ST		
Begin Performance Testing		
Substantial Completion		
Final Acceptance		

RFP FORM 2

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RFP-2012
PERMITTING AND CONSTRUCTION MILESTONES

Milestone	Date	Bidder to insert Break up Fee
Notice to Proceed		
Secure Property		
Secure Water Rights		
Secure ERCs		
Secure Permits		
Natural Gas Interconnection Agreement		
Complete LGIA with PacifiCorp		
Break Ground		
P/O for CTs, Xfrmr's, Cooling Tower/Condenser/ACC HRSGs and ST		
Begin Pouring of Foundations		
Delivery of HRSG1		
Delivery of HRSG2		
Set ST		
Set CT1		
Set CT2		
Complete Natural Gas Interconnect		
Set Main Transformers		
Backfeed (at Transmission Level)		
First Fire of CT1		
First Fire of CT2		
Synchronization to Grid		
Complete installation of Cooling Towers/ACC		
Completion of Steam Blows		
Roll ST		
Begin Performance Testing		
Substantial Completion		
Final Acceptance		

RFP FORM 2 2012

FORM—

PERMITTING AND CONSTRUCTION MILESTONES
INTEGRATED GASIFICATION COMBINED CYCLE

General	Bidder to insert Break up Fee
Feasibility Study Complete	
FEED Study complete	
Geotech Report complete	
Major Permit Applications Filed	
Secure Property	
Secure Water Rights	
Major Permits secured	
Natural Gas Interconnection Agreement	
Complete Large Generator Interconnection Agreement	
Full Notice to Proceed	
Site Access Available	
Power Grid (Backfeed) Available	
Natural Gas Available	
Major Equipment Procurement	
Combustion Turbine generators	
Steam Turbine generator	
Main Condenser	
Generator Step-Up & Main Auxiliary Transformers	
Heat Recovery Steam Generators/SCR System/Duct/Stacks	
Gasifiers	
Coal Preparation System	
Air Separation System	
Acid Gas Removal System	
Tail Gas Clean up System	
Digital Control System	
Engineering (Overall)	
Final Process /Equip. Data Sheets Issued	
Piping & Instrument Diagrams Issued for Design	
Major Foundation Design Completed	
Underground Utilities Design	

General	Break up Fee
Fabrication & Delivery of Major Equipment	
Gas Turbine generators	
Steam Turbine generator	
Main Condenser	
Generator Step-Up & Main Auxiliary Transformers	
Heat Recovery Steam Generators/SCR/Stacks	
Gasifiers	
Coal Preparation System	
Air Separation System	
Acid Gas Removal System	
Tail Gas Clean up System	
Digital Control System	
Overall Construction & Installation	
Mobilized	
Break ground	
Begin pouring of piling & foundations	
Major Buildings Complete	
Combustion Turbine 1 set	
Combustion Turbine 2 set	
Heat Recovery Steam Generator 1 erected	
Heat Recovery Steam Generator 2 erected	
Gasification Major Components set	
Steam turbine set	
Critical Piping Installed	
Install Digital Control System	
Main Transformers set	
Mechanically complete	
First Fire of Combustion Turbine 1	
First Fire of Combustion Turbine 2	
First Fire of each Gasifier and associated Air Separation Unit and downstream cleanup	
Cooling Tower Installation Complete	
Startup and Commissioning	
Steam Blows Complete	

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General	Break-up Fee
Performance Testing Complete – Natural Gas	
Performance Testing Complete – Syn-Gas	
Substantial Completion	
Final Acceptance	

RFP FORM 2
PERMITTING AND CONSTRUCTION MILESTONES

<u>Milestone</u>	<u>Date</u>	<u>Bidder to insert Break up Fee</u>	<u>Bidder to insert 1yr Acceleration Fee</u>	<u>Bidder to insert 1 yr Deferral Fee</u>
<u>Notice to Proceed</u>				
<u>Secure Property</u>				
<u>Secure Water Rights</u>				
<u>Secure ERCs</u>				
<u>Secure Permits</u>				
<u>Natural Gas Interconnection Agreement</u>				
<u>Complete LGIA with PacifiCorp</u>				
<u>Break Ground</u>				
<u>P/O for CTs, Xfrmr's, Cooling Tower/Condenser/ACC HRSGs and ST</u>				
<u>Begin Pouring of Foundations</u>				
<u>Delivery of HRSG1</u>				
<u>Delivery of HRSG2</u>				
<u>Set ST</u>				
<u>Set CT1</u>				
<u>Set CT2</u>				
<u>Complete Natural Gas Interconnect</u>				
<u>Set Main Transformers</u>				
<u>Backfeed (at Transmission Level)</u>				
<u>First Fire of CT1</u>				
<u>First Fire of CT2</u>				
<u>Synchronization to Grid</u>				
<u>Complete installation of Cooling Towers/ACC</u>				
<u>Completion of Steam Blows</u>				

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<u>Roll ST</u>				
<u>Begin Performance Testing</u>				
<u>Substantial Completion</u>				
<u>Final Acceptance</u>				

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RFP FORM 2
PERMITTING AND CONSTRUCTION MILESTONES
INTEGRATED GASIFICATION COMBINED CYCLE

<u>General</u>	<u>Bidder to insert Break up Fee</u>	<u>Bidder to insert 1yr Acceleration Fee</u>	<u>Bidder to insert 1 yr Deferral Fee</u>
<u>Feasibility Study Complete</u>			
<u>FEED Study complete</u>			
<u>Geotech Report complete</u>			
<u>Major Permit Applications Filed</u>			
<u>Secure Property</u>			
<u>Secure Water Rights</u>			
<u>Major Permits secured</u>			
<u>Natural Gas Interconnection Agreement</u>			
<u>Complete Large Generator Interconnection Agreement</u>			
<u>Full Notice to Proceed</u>			
<u>Site Access Available</u>			
<u>Power Grid (Backfeed) Available</u>			
<u>Natural Gas Available</u>			
<u>Major Equipment Procurement</u>			
<u>Combustion Turbine generators</u>			
<u>Steam Turbine generator</u>			
<u>Main Condenser</u>			
<u>Generator Step-Up & Main Auxiliary Transformers</u>			
<u>Heat Recovery Steam Generators/SCR System/Duct/Stacks</u>			
<u>Gasifiers</u>			
<u>Coal Preparation System</u>			
<u>Air Separation System</u>			
<u>Acid Gas Removal System</u>			
<u>Tail Gas Clean up System</u>			
<u>Digital Control System</u>			
<u>Engineering (Overall)</u>			
<u>Final Process /Equip. Data Sheets Issued</u>			
<u>Piping & Instrument Diagrams Issued for Design</u>			

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<u>General</u>	<u>Break up Fee</u>	<u>1yr Acceleration Fee</u>	<u>1 yr Deferral Fee</u>
<u>Fabrication & Delivery of Major Equipment</u>			
<u>Major Foundation Design Completed</u>			
<u>Underground Utilities Design</u>			
<u>Gas Turbine generators</u>			
<u>Steam Turbine generator</u>			
<u>Main Condenser</u>			
<u>Generator Step-Up & Main Auxiliary Transformers</u>			
<u>Heat Recovery Steam Generators/SCR/Stacks</u>			
<u>Gasifiers</u>			
<u>Coal Preparation System</u>			
<u>Air Separation System</u>			
<u>Acid Gas Removal System</u>			
<u>Tail Gas Clean up System</u>			
<u>Digital Control System</u>			
<u>Overall Construction & Installation</u>			
<u>Mobilized</u>			
<u>Break ground</u>			
<u>Begin pouring of piling & foundations</u>			
<u>Major Buildings Complete</u>			
<u>Combustion Turbine 1 set</u>			
<u>Combustion Turbine 2 set</u>			
<u>Heat Recovery Steam Generator 1 erected</u>			
<u>Heat Recovery Steam Generator 2 erected</u>			
<u>Gasification Major Components set</u>			
<u>Steam turbine set</u>			
<u>Critical Piping Installed</u>			
<u>Install Digital Control System</u>			
<u>Main Transformers set</u>			
<u>Mechanically complete</u>			
<u>First Fire of Combustion Turbine 1</u>			
<u>First Fire of Combustion Turbine 2</u>			
<u>First Fire of each Gasifier and associated Air Separation Unit and downstream cleanup</u>			
<u>Cooling Tower Installation Complete</u>			

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<u>General</u>	<u>Break up Fee</u>	<u>1yr Acceleration Fee</u>	<u>1 yr Deferral Fee</u>
<u>Startup and Commissioning</u>			
<u>Steam Blows Complete</u>			
<u>Roll Steam Turbine</u>			
<u>Performance Testing Complete - Natural Gas</u>			
<u>Performance Testing Complete - Syn-Gas</u>			
<u>Substantial Completion</u>			
<u>Final Acceptance</u>			

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~~2012~~ Request for Proposals Base Load Resources

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SECTION 1. INTRODUCTION

A. Purpose and Scope

The purpose of this document is to prescribe the process by which PacifiCorp (“the Company”) will request and evaluate proposals from third parties to fulfill a portion of the supply-side resource need identified in the Company’s 2004 Integrated Resource Plan (“IRP”) ~~and the 2004 IRP update~~. The scope of this Request for Proposals (“RFP-2012”), subject to the limitations described herein, is focused on all Base Load ~~supply-side resource~~resources capable of delivering energy and capacity in or to the Company’s Network Transmission system in the Company’s Eastern Control Area (“PACE”) (www.oasis.pacificorp.com) and that fulfills the requirements of being a Network Resource. A Base Load supply ~~side~~side resource is defined as any resource with any type of fuel source that provides unit contingent or firm capacity and associated energy that are incremental to the Company’s existing capacity and energy resources and are available for dispatch or scheduling by June 1, 2012, ~~June 1, 2013~~2012 and/or June 1, ~~2014~~2013.

An Independent Evaluator (“IE”) hired by the Utah Public Service Commission will be involved in all aspects of receiving, evaluating, and ranking bids in response to this RFP, and in ensuring fairness throughout the RFP process. A second IE will be retained for the Oregon process. PacifiCorp will request the Utah Public Service Commission to approve the resources selected. PacifiCorp will also request the Oregon Public Utility Commission to acknowledge the final shortlist of resources. Potential bidders are invited and encouraged to contact either of the IEs with questions or concerns. Contact information for the IEs is as follows:

Utah Independent Evaluator
Merrimack Energy Group, Inc.
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111
www.merrimackenergy.com

Oregon Independent Evaluator
Independent Evaluator Oregon
[REDACTED]
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301

Potential Bidders should note that the Company’s affiliates will not be eligible to respond to the RFP 2012. As described in more detail below, the Company has ~~put in~~placed ~~adopted~~adopted prudent safeguards to assure that no bias occurs. The Company seeks proposals from all potential suppliers who can meet the conditions of ~~this RFP 2012~~. Bidders should note that although from a planning basis the IRP ~~and the IRP update~~uses specific types of resources in the base case and in the preferred portfolio this should not be considered by Bidders to be the only resource type or technology that the Company is willing to consider. **Any Bidder who has a question with respect to any resource characteristic it is considering to bid is instructed to contact the Independent Evaluator (“IE”) ~~described below~~IEs after the final and approved**

issuance of the RFP-2012.

±

The Company may opt to contract for more or less power, depending among other things, on the quality of bids received in response to the RFP-2012, updates to the Company's forecasts, regional transmission availability and timing, and changes in the wholesale energy market conditions.

This introductory section describes the type, timing and amount of Base Load resources sought for 2012 ~~through 2014~~ and 2013 ("the Term"). Section 2 covers logistics such as where and when proposals must be submitted, ~~Bidder~~bid fees and important policies and procedures. Section 3 provides information related to power delivery requirements, including RFP related requirements for those proposals involving interconnection of new generation facilities directly to the transmission system. Section 4 outlines the requirements to be included within each proposal. Section 5 outlines the evaluation process. Section 6 outlines the awarding and rejecting of proposals. ~~The Appendices include all~~All of the required Appendices, Attachments and Forms for each of the Eligible ResourcesResource Alternatives are included.

The resource need assessment for the Term is outlined below. The total resource need is a combination of supply side resources and front office transactions required for PacifiCorp's system during the Term. ~~The renewable targets~~ The 2004 acknowledged IRP assumed a 15% planning margin. For purposes of this RFP the planning margin has been adjusted to 12%. The planned renewable targets and the Front Office Transactions ("FOT") set forth in the IRP are not included for purposes of calculating resource needs in the RFP-2012 following table; however, ~~the fixed amount of renewable targets and the FOT will be input~~inputs into the CEM modelCapacity Expansion Model (which is discussed in more detail in Section 5) based on IRP forecasted price. ~~The resource need in the IRP and the IRP update has changed. The supply side resources, from both the IRP and the IRP update, assume a 15% planning margin and the inclusion of front office transactions. The IRP identified a resource need of 2743MW for the Term and the IRP update identified a resource need for the Term of 1775MW. The range of the resource need identified in the IRP and the IRP update for the Term is between 1775MW and 2743MW. The resource need previously filled with market purchases, i.e. front office transactions, on a planning basis will use specific generation assets for the purposes of a benchmark in this RFP.~~

The chart below shows the total resource need identified in the IRP ~~and the IRP update~~ by year during the ~~term,~~Term and the range of benchmark resource options by year ~~and the difference between the total resource need and the Company Benchmark Resource(s) being solicited in this RFP~~evaluated in this RFP by year.

Total Resource Requirements (East-Side)	2012	2013	2014
A combination of Supply-Side <u>supply-side</u> resources and Front Office Transactions in <u>needed as per</u> the 2004 IRP and 2004 IRP Update	1800 MW (2004 IRP) <i>(includes prior years)</i> 1275 MW (2004 IRP Update)	560 MW (2004 IRP) 335 MW to 935 MW* (2004 IRP Update)	383 MW (2004 IRP) 500 MW (2004 IRP Update)
RFP 2012 Company Benchmark Resources	Hunter 4 - 600 MW IPP 3 - 340 MW	Hunter 4 - 575 MW or IGCC Bridger 5 - 750 - 500 MW	IGCC 250 MW to 600 MW
Annual Benchmark Resources <u>to be evaluated</u> in the RFP 2012	340 MW to 940 MW	750-500 MW to 575 MW	250 MW to 600 MW
Total Benchmark Resources <u>to be evaluated</u> in the RFP 2012		840 MW to 915 MW	1600 MW to 2290 MW
Total Resources in the 2004 IRP and 2004 IRP Update with a 12% planning margin	808 MW	1109 MW	1775 MW to 2,743 MW

The issues of timing and requirements of resources in light of uncertain load growth, changes in technology, environmental requirements and costs (i.e. CO₂ and mercury impacts), market prices and resources availability and other factors are exacerbated by the trend toward long lead time coal based benchmark resources. To address such uncertainty the Company has included one benchmark option for 2012 and two benchmark options for 2013 that have different risk and cost profiles ~~for the benchmark for 2012.~~ While the Company has proposed an IGCC benchmark option for only 2013, this RFP invites Bidders to submit IGCC proposals for either 2012 or 2013. The Company will submit a detailed evaluation for each Benchmark Resource, with supporting cost information, to the Oregon Commission and the IEs prior to the opening of proposals submitted by the Bidders. If during the course of the RFP process, the Company, with input from the IEs, determines that a Bidder update is appropriate, the Company will then also be entitled to update the assumptions in the Benchmark Resource(s). The IEs will review the reasonableness of the Benchmark Resource(s).

As a result of the uncertainties identified above, PacifiCorp is interested in proposals which offer PacifiCorp flexibility in terms of the commencement date of delivery in the contract and which provide PacifiCorp the ability to defer or accelerate the in-service date of the contract or buy-out the contract at its option. To the extent Bidders want to propose in-service date deferral options, use Form 1 and or contract buyout options, service date deferral or acceleration options, Bidders should provide a complete description of their proposed deferral or acceleration option as an attachment to Form 2. Bidders should provide a schedule that offers a one year in-service date deferral option and a one year acceleration option along with the strike price (in total dollars) for which PacifiCorp would compensate the Bidder for exercising the option at each milestone date identified in Form 2. The schedule should also include the milestone dates prior to the proposed in-service date at which PacifiCorp could decide to exercise the deferral or acceleration option. Bidders can also offer a price schedule associated with the option for PacifiCorp to buy-out the contract at different milestone dates prior to commercial

~~operations. For the buyout option, Bidders should use Form 2, -2 as a component of their bids, they should identify them clearly. Bidders can provide breakup fees for all the milestone dates listed in Form 2, or identify select milestones and submit breakup fees for those dates. The milestones may be modified by the Bidders to address the specific project and proposal. For each option, Bidders should identify the option proposed along with specific triggers (i.e., triggers associated with specific milestones) within the Bidder's proposal. The Company has included, in Form 1, for Bidders to provide proposals with different on line dates as options to the Company and - Concerning deferral, acceleration, and breakup options, Bidders must complete Form 2 with suggested milestones and breakup fees for the Bidders to consider strike price. For each resource and option Form alternative proposed, Forms 1 and Form 2 should be completed. Each base proposal will be evaluated under one bid fee if it is the same project with up to two alternatives. However, each proposal and any given option will have separate bid numbers. This will allow Bidders to structure different pricing associated with different on line dates and provide break up fees for specific resource proposals. 2 should be completed, if applicable.~~

Potential Bidders should note that pursuant to applicable law, this RFP process will be subject to the safeguards of review by, and involvement of, an ~~independent evaluator~~IE consistent with the Utah Energy Resource Procurement Act Section 54-17-203,203 and Oregon Order No. 06-446 Guideline 5. ~~More information concerning the role of the Independent Evaluator ("IE") is provided below.~~ An IE has been hired by the Utah Commission and a separate IE is in the process of being hired in Oregon and will be retained prior to receiving proposals. More information concerning the role of the IEs is provided in Attachment 4.

B. Eligible ResourcesResource Alternatives

The Company is seeking up to ~~four~~two Base Load resource(s) for the ~~Term~~term of 2012, ~~2013, 2012~~ and/or 2014. 2013 (See **Attachment 1** for a description of the engineering specifications, fuel type, technology, efficiency, location, projected life, transmission requirements and operation and dispatch characteristics of each Company Benchmark). Unless a resource qualifies for one of the exceptions outlined below, the minimum bid that will be accepted is for 100 MW or greater of dependable capacity ~~or greater~~ and a minimum term of five (5) years. Any Base Load resource(s) bid must provide unit contingent or firm capacity and associated energy that are incremental to the Company's existing capacity and energy resources and are available for dispatch or scheduling by June 1, 2012, ~~June 1, 2013~~2012 and/or June 1, ~~2014.~~2013.

For each proposal submitted by a Bidder, the Bidder **must** submit its individual proposal under only one of the ~~eight~~ten Eligible Resource Alternatives or one of the two exceptions listed ~~below~~contained in Section 1.C. The Company will not consider a proposal unless the Bidder has selected one of the ~~eight~~nine alternatives **or** one of the two exceptions of Eligible ResourcesResource Alternatives listed in the Request for

~~Qualifications (Appendix Appendices A and Appendix B). One Bidder may submit more than one proposal, but each proposal can be for only one Resource Alternative, which must specify the year within the Term or specify the Company's options within the Term for the Eligible Resource, designated by the Bidder. If the Bidder submits the same Eligible Resource proposal in different years or in the form of an alternative proposal however, it is the same resource, the proposal will be considered one proposal with two alternatives and the Bidder will receive three separate bid numbers for the resource and pay one bid feeB).~~

PacifiCorp is interested in creative proposal options that add value to customers. As a result, PacifiCorp encourages bidders to offer several different alternatives under the same proposal. For each proposal, Bidders are allowed to submit a base proposal and up to two alternatives for the same bid fee. Bidders will also be allowed to offer up to three additional alternatives at a fee of \$1,000 each. Alternatives will be limited to different bid sizes, contract term, pollution control technologies, water cooling technologies, carbon capture design components, in-service dates and/or pricing structure (including, with respect to bids in the IGCC proposals category, a federal loan guarantee or tax credit support). To the extent a Bidder's proposal is subject to a federal loan guarantee or tax credit support, the Company will analyze the proposal with and without the guarantee or tax credit. A Bidder may submit more than one proposal, but each proposal can be for only one Eligible Resource Alternative. A proposal for a different Eligible Resource Alternative at a different site or using a different combustion technology will be considered a separate proposal and will be subject to a separate bid fee. For example, if the Bidder submits the same Eligible Resource Alternative proposal but with three different bid sizes, the proposal will be considered one proposal with two alternatives and the Bidder will receive three separate bid numbers for the proposal and pay one bid fee. The Company's objective in offering Bidders the opportunity to propose multiple alternatives is to allow the Company to optimize the benefits from the solicitation by combining proposals of different sizes, terms and in-service dates.

The Company will not accept proposals where the Bidder retains the option to displace any resource for economic reasons and/or where the Bidder holds the unilateral option to select one or more alternate Point(s) of Delivery. In addition, the Company will not accept any proposal that provides for planned maintenance or planned derates (as defined by NERC) during the months of June through September or December through February in any year.

Qualifying Facilities ("QFs"), as defined under the regulations implementing the Public Utility Regulatory Policies Act of 1978 ("PURPA"), with 10 MW or greater of capacity are eligible to participate in this RFP-2012. Firm QFs with 10 MW or greater of capacity and a minimum term of five (5) years or longer will fall under the Eligible Resource Alternative exception as outlined in Section BC.11. Each QF Bidder must submit the required information in **Attachment 2** in order to be evaluated under this RFP-2012. Any QF Bidder that has a question regarding these provisions is instructed to contact the IEIEs.

C. Eligible Resource Alternatives

The Company will consider bids that take one of the following forms: (1) Power Purchase Agreement; (2) Tolling Service Agreement, ~~which~~ (may include gas or coal); (3) Asset Purchase and Sale Agreement (PacifiCorp site and PacifiCorp's specifications); (4) Asset Purchase and Sale Agreement (Bidder site); (5) Engineering, Procurement and Construction Contract (Currant Creek site only); (6) purchase of an existing facility; (7) purchase of a portion of a facility jointly owned or operated by the Company; (8) restructuring of an existing Power Purchase Agreement or Exchange Agreement ~~or~~ (9) IGCC resource proposals (Power Purchase Agreement, Tolling Service Agreement or Asset Purchase and Sale Agreement on Bidder's site); (10) Geothermal and/or Biomass Power Purchase Agreements; or (11) Exceptions which include (a) Load Curtailment or Qualified (b) Qualifying Facilities. Descriptions of each of these categories Eligible Resource Alternatives are set out below.

Each bid proposal must be for ~~one and only one of the categories Eligible Resource Alternatives~~, although a Bidder may submit separate bids for energy and capacity from a single resource for any of the categories Eligible Resource Alternatives. The chart outlines a summary of the eligible forms which are then discussed in more detail in Section C.1-C.11 below. The Company has attached Pro-Forma Agreements to the Request for Proposals. ~~There are eight Eligible resources, with two exceptions. There are ten Eligible Resource Alternatives, with two exceptions. Although there are more types of resource options than there are Proforma agreements. These Agreements, these Proforma Agreements will be used to initiate the negotiations between the Company and those Bidders on the final shortlist. Bidders should contact the IEs if they are uncertain about the appropriate Proforma Agreement applicable to the Eligible Resource Alternative being proposed.~~

<u>Eligible Resources Resource Alternatives</u>	<u>Term</u>	<u>Location</u>	<u>Requirements</u>
1) Power Purchase Agreements	Fixed term specified in the bid up to the life of the asset from a single resource located in or delivering to PACE under the PPA. Must be a minimum of 5 years and 100MW.	Bidders can bid on their sites or on PacifiCorp ("PPW") sites; however, PPW is not required to operate the facilities, and it can not impact PPW existing generation on the site.	If the Bidder bids on one of the PPW sites the Bidder must bid a minimum of 420 MW and 85% of the facility's dependable generation with no less than 420 MW nominal generating capacity a minimum of 20 years and a maximum of the life

Eligible Resources Resource Alternatives	Term	Location	Requirements
			of the asset. Life of asset will be evaluated consistent with IRP Tables C.27 and C.28.
2) Tolling Service Agreements (Gas or Coal)	Same as #1 under the PPA	Same as #1	Same as #1
3) Asset Purchase and Sale Agreements on PPW sites	Life of asset will be evaluated consistent with IRP Tables C.27 and C.28.	Currant Creek or Lake Side facilities <u>sites</u> .	Must be bid <u>Bid</u> to result in the development and construction of a facility that complies with the specifications in the APSA and the specification for each site set forth in the Appendices. The Company will require that the project be operated and maintained by Bidder for up to a 10 year term to ensure cost effectiveness, availability and reliability of the resources prior to the Company's acceptance of the resource.
4) Asset Purchase and Sales Agreement for on Bidder's Site (Gas or Coal)	Life of asset will be evaluated consistent with IRP Table C.27 and C.28.	Facility built on a Bidder's site which is a new facility. If it is an existing facility, it should be bid under #6.	Must be <u>Bid</u> pursuant to the APSA Contract ; PPW will own and operate the facility following commercial

<p>Eligible Resources <u>Resource Alternatives</u></p>	<p>Term</p>	<p>Location</p>	<p>Requirements</p>
			<p>operation. All Bidders must complete Appendix C-2. The Company will require that the project be operated and maintained by Bidder for up to 10 years <u>bidder enter into an Operating and Maintenance Agreement with specific performance guarantees and requirements over a 10-year term for a coal resource</u> in order to ensure cost effectiveness, availability, and reliability of the resources prior to the Company's acceptance of the resource.</p>
<p>5) EPC Contract for Currant Creek</p>	<p>Life of asset will be evaluated consistent with IRP Table C. 27<u>27</u>.</p>	<p>Currant Creek site.</p>	<p>Must be Bid pursuant to the EPC Contract with a Fixed<u>fixed</u> price bid in accordance with Attachment 19<u>18</u> and the specifications for Currant Creek. Must complete the information in Appendix C-3. The Company will require that the project be operated and maintained by Bidder</p>

<u>Eligible Resources/Resource Alternatives</u>	Term	Location	Requirements
			for up to 10 years in order to ensure cost effectiveness, availability and reliability of the resources prior to the Company's acceptance of the resource.
6) Purchase of an existing facility	Evaluation will be completed based on the remaining depreciated life of the asset. Life of the asset will be determined by the IRP Table C.27.	A single resource located in or delivering to PACE and integrated as a Network Resource.	Due Diligence <u>diligence</u> of facility that PPW deems appropriate (see Attachment 19). Must complete information in Appendix C-4. PPW would own and operate the facility.
7) Purchase of a portion of a facility jointly owned by and <u>/or</u> operated by PPW.	Same as #6	Same as #6	Same as #6
8) Restructuring of Existing Power Purchase Agreement or Exchange Agreement <u>and/or</u> <u>Buyback of an Existing Sales Agreement</u>	Fixed term specified in the bid up to the life of the PPA or Exchange Agreement must be a minimum of 5 years and 100MW.	Same as #6	The restructuring <u>Restructuring</u> of the PPA or Exchange Agreement <u>and/or</u> <u>buyback of an existing sales agreement</u> must result in incremental capacity and energy.
9) <u>IGCC Options</u> <u>Power Purchase Agreements, Tolling Agreements and/or Asset Purchase and</u>	<u>Life of asset will be evaluated consistent with IRP Table C.27 or Bidder's expected design life</u>	<u>Facility built on a Bidder's site which is a new facility</u>	<u>Bid in the form of the APSA, PPW will own the facility bid. The Company will require that the bidder</u>

Eligible Resources <u>Resource Alternatives</u>	Term	Location	Requirements
<u>Sales Agreement on Bidder's Site for an IGCC</u>			<u>enter into an Operating and Maintenance Agreement with specific performance guarantees and requirements over a 12-year term for an IGCC resource in order to ensure cost effectiveness, availability, and reliability of the resources prior to the Company's acceptance of the resource. All Bidders must complete Appendix C-5.</u>
<u>10) Geothermal and/or Biomass Power Purchase Agreements</u>	<u>Fixed term specified in the IRP up to the life of the asset from a single resource located in or delivering to PACE under the PPA. Must be a minimum of 5 years and 20 MW.</u>	<u>Bidders can bid on their own sites.</u>	<u>Life of asset will be evaluated consistent with IRP Tables C.27 and C.28.</u>
Exceptions			
9) <u>11 (a) Load curtailment</u> <u>Curtailment</u>	Same as above <u>Fixed term must be a minimum of 5 years and 25MW.</u>	Existing end use PPW customers with a load that can be physically curtailed and must be not less than 25MW. The load must respond within 30 minutes prior to the hour and remain curtailed for one continuous hour blocks.	Bidder must adhere to the same terms and conditions as other supply side resources in the RFP 2012. PPW will not accept proposals for the financial curtailment nor will it accept proposals that result

<u>Eligible Resources</u> <u>Resource Alternatives</u>	Term	Location	Requirements
			in PPW having a residual delivery obligation <u>for the curtailment of load</u> via any other contract, law or <u>regulatory rule</u> <u>regulation</u> or order.
9) <u>11 (b) Qualified Facility</u>	Same as above <u>Fixed term must be a minimum of 5 years and 10MW.</u>	Same as #6	Bidder must adhere to the same terms and conditions as other supply side resources in the RFP 2012. QFs are as defined under the regulations implementing PURPA. Each QF Bidder must submit the required information in Attachment 2 in order to be evaluated under this RFP-2012.

1. Power Purchase Bid Agreement

Power purchase bids must be for a fixed term at a stated price which may be indexed or vary in price by year from a single resource located in or into PACE, and must be in the form of the Power Purchase Agreement (“PPA”). A Proforma Agreement is attached as Attachment 3. The source of energy and capacity for the PPA should be (a) a generation facility located on a Bidder-supplied site, (b) a generation facility located on one of the PacifiCorp sites identified in this RFP, or (c) from the Bidder’s electrical system. For purposes of this RFP-2012, the PacifiCorp sites consist of real property currently owned by the Company immediately adjacent to the Company’s Currant Creek and Lake Side facilities.

In the event a Bidder proposes to locate a facility on a PacifiCorp site, the Bidder must propose a PPA for quantity equal to no less than 85% of the facility’s dependable generation capacity, with such amount being no less than 420 MW nominal generation

capacity, and a minimum term equal to or greater than 20 years or a maximum consistent with the design plant life as contained in IRP Tables C. 27 and C.28 ~~life of the asset.28.~~ Design evaluation criteria that the Company will use for bid screening and evaluation purposes can be located in Appendix C (Tables C.27 and C.28) of the IRP. These minimums ~~are put in place on~~apply to PacifiCorp sites because both of these sites are capable of second units, and PacifiCorp must ensure the value of these assets are used in the best interest of customers.

The Bidder should assume that the Company will not own or operate any facility bid into this category. All Bidders in this category must complete the information requested in **Appendices C-~~11~~, D, and DG.**

In the event a facility is proposed to be located on a PacifiCorp site, the Bidder must negotiate and enter into a lease or land purchase agreement acceptable to the Company, together with a Construction Coordination Agreement substantially in the form attached as **Appendix H**. These negotiations will occur if and when the Bidder is selected in the final shortlist. **THIS RFP 2012 IS NOT AN OFFER TO SELL A PACIFICORP SITE TO ANY BIDDER, AND IN NO EVENT WILL PACIFICORP BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND OTHER DOCUMENTS NECESSARY AND PROPER FOR THE SALE OF PROPERTY, AND TO PACIFICORP'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF PACIFICORP'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER PACIFICORP'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO THE PACIFICORP SITES.**

At the Bidder's request, the Company may agree to provide certain facility connection points at a PacifiCorp site for facilities located at a PacifiCorp site. The estimated cost and description of these points are contained in **Attachments 7 ~~and 8~~ through 10**; however, actual costs to the Bidder may vary.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single engineer, procure, construct ("EPC") contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. Any Contractor must be experienced with the type of facility being proposed and, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

2. Tolling Service Agreement

Tolling Service Agreement bids must be for a fixed term at a stated price from a single resource ~~which may be either (coal or gas)~~ which is located in or delivering to PACE, and must be in the form of the Tolling Service Agreement ("TSA"). A Proforma Agreement

is attached as **Attachment 5**. The facility from which the TSA is bid can be located on (a) a Bidder-supplied site, or (b) a PacifiCorp site. In the event the Bidder proposes to locate a facility on a PacifiCorp site(s), the Bidder must propose a TSA for an amount equal to no less than 85% of the facility's dependable generating capacity, with such amount being no less than 420 MW nominal generating capacity, and a minimum term equal to or greater than 20 years or a maximum consistent with IRP Tables C. 27 and C.28 life of the asset. Design evaluation criteria that the Company will use for bid screening and evaluation purposes can be located in Appendix C (Tables C.27 and C.28) of the IRP.

The TSA Bidder should assume that the Company will not own or operate any facility bid into this category. All Bidders in this category must complete the information requested in **Appendices C-~~1~~, D** and **DG**.

In the event a facility is proposed to be located on a PacifiCorp site, the Bidder must negotiate and enter into a land purchase agreement acceptable to the Company, together with a Construction Coordination Agreement substantially in the form attached as **Appendix H** if and when the Bidder has been advised that they are on the Final Shortlist. **THIS RFP 2012 IS NOT AN OFFER TO SELL A PACIFICORP SITE TO ANY BIDDER, AND IN NO EVENT WILL THE COMPANY BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND OTHER DOCUMENTS NECESSARY AND PROPER FOR THE SALE OF PROPERTY, AND TO THE COMPANY'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF THE COMPANY'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER THE COMPANY'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO PACIFICORP'S SITES.**

At the Bidder's request, the Company may agree to provide certain facility connection points at a PacifiCorp site for facilities located at a PacifiCorp site. The estimated cost and description of these points are contained in **Attachments 7 ~~and 8~~ through 10**; however, actual costs to the Bidder may vary.

The Bidder must specify in its bid whether the TSA will take the form of a financially settled physical TSA or physical TSA, if applicable. Provided the TSA is (1) a financially settled physical tolling arrangement, the Bidder will be responsible to purchase the fuel, transportation, fuel-related O&M, and start-up charges, if any, or (2) a physical tolling arrangement, the Company may supply the fuel. ~~In the case of physical tolling arrangements, the Bidder may be responsible to obtain or demonstrate the ability to provide fuel, fuel transportation, long term coal contract(s) and identify the coal quality in such contract(s), lime and/or limestone for Air Quality Control System, and/or rail arrangements in quantities sufficient to operate the facility at its maximum capacity, and shall make all necessary assignments of rights to the Company for the term of the TSA.~~

If a TSA Bidder proposes to locate a facility on a PacifiCorp site, and the Bidder proposes the utilization of the existing natural gas lateral to the site, then the Company will accept only a physical tolling arrangement that does not adversely impact the Company's existing fuel resource deliveries and cost at a PacifiCorp site. PacifiCorp maintains contractual rights to 190,000 Dth/day of transportation capacity on each natural gas lateral connection to the Currant Creek and Lake Side sites. Assuming a capacity to burn natural gas at each plant of 95,000 Dth/day, PacifiCorp would release for such plant up to 95,000 Dth/day of transportation capacity on the respective laterals to each site.

Bidders are not limited to a physical tolling arrangement on a PacifiCorp site as the Bidder may make its own arrangements for delivery of natural gas to a PacifiCorp site.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single engineer, procure, construct (EPC) EPC contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. Any Contractor must be experienced with the type of facility being proposed and, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

33. Asset Purchase and Sale Agreement on PacifiCorp Site

~~Asset Purchase and Sale Agreement ("APSA") bids~~Bids for construction on a PacifiCorp site must ~~be intake~~ the form of ~~the APSA~~an Asset Purchase and Sale Agreement ("APSA"). The Proforma Agreement is attached as **Attachment 6** and its Appendices which have the PacifiCorp site specifications set forth therein. Any APSA proposal for development and construction of a facility on a PacifiCorp site (Lake Side or Currant Creek); must be bid that results in the development and construction of a facility that ~~complies in compliance~~ with the specifications in the APSA. Pricing for the purchase and sale of the facility can be structured to include progress payments, or as a single lump sum payment due upon achievement of commercial operation. The Company will in no event make progress payments to a Bidder unless each such payment results in the transfer of a tangible asset or a percentage ownership of an asset at the time each payment is made. Bidders must submit bids that comply with one of these two payment structures. All Bidders in this category must complete the information requested in **Appendix C-2**.

The Bidder will be required to enter into an APSA-~~Contract~~, and a Construction Coordination Agreement (**Appendix H**), which is also attached to the APSA as **Appendix S**. The Bidder shall be responsible for all aspects of the development and construction of the facility, including, but not limited to, permitting, engineering, procurement, construction and all related costs up to achieving commercial operation, with the exception of those costs to be borne by the Company to support start-up, testing, commissioning, and acceptance that are explicitly defined in the Bidder's proposal. ~~The Operating and Maintenance (O&M) contract will be negotiated between the Parties after~~

~~the final shortlist is selected.~~ Without limiting the foregoing, the Bidder shall be responsible for obtaining all rights and resources required to construct and provide an operational generation resource consistent with the Bidder's proposal. Such rights and facilities may include, without limitation, water, emissions reduction credits, wells, and pipelines.

The Company may, but will not be required to, make available for the successful Bidder's purchase those rights and facilities outlined in **Attachment 7** for Lake Side and **Attachment 8** for Currant Creek. Bidder costs related to such rights and facilities subsequent to commercial operation of the facility shall be as negotiated under the APSA. ~~The Company will require that the project be operated and maintained by Bidder for up to 10 years in order to ensure cost effectiveness, availability and reliability of the resources prior to the Company's acceptance of the resource. The Parties agree to negotiate an O&M Agreement after the final shortlist is selected.~~

In the event a facility is proposed to be located on a PacifiCorp site, the Bidder must negotiate and enter into a lease or land purchase agreement acceptable to the Company, together with a Construction Coordination Agreement substantially in the form attached as **Appendix S** ~~to the APSA~~H after the Bidder has been notified that it is on the Final Shortlist. **THIS RFP 2012 IS NOT AN OFFER TO SELL A PACIFICORP SITE TO ANY BIDDER, AND IN NO EVENT WILL THE COMPANY BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND OTHER DOCUMENTS NECESSARY AND PROPER FOR THE SALE OF PROPERTY, AND TO THE COMPANY'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF THE COMPANY'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER THE COMPANY'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO THE PACIFICORP SITES.**

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single ~~engineer, procure, construct (EPC)~~EPC contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. ~~Any~~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, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

The aggregate of the "all-in" capital cost for the APSA resource shall include all payments to be made to the Bidder under the APSA and all ~~Company~~Owner's Development costs. A complete listing of categories of ~~Company~~Owner's Development Cost Assumptions can be found in **Attachment 10**.

4. Asset Purchase and Sales Agreement on a Bidder's Site

~~APSA bids~~Bids for construction on a Bidder-owned site must be in the form of ~~the an~~an APSA. A Proforma Agreement is attached as Attachment 6. A Bidder may propose an APSA for a facility located on a Bidder-owned site. Pursuant to the APSA-~~Contract~~, the Company will own and operate the facility following commercial operation. All Bidders in this category must complete the information requested in ~~Appendix C-2~~Appendices C-2 and G. The Company will require that the Bidder enter into an Operating and Maintenance Agreement with specific performance guarantees and requirements over a 10-year term for a coal resource in order to ensure cost effectiveness, availability, and reliability of the resources prior to the Company's acceptance of the resource. Bidders should also submit a form O&M Agreement based on the terms and conditions set forth in Attachment 23.

Pricing for the purchase and sale of the facility can be structured to include progress payments or as a single lump sum payment due upon achievement of commercial operation. The Company will in no event make progress payments to a Bidder unless each such payment results in the transfer of a tangible asset or percentage ownership of an asset at the time each payment is made according to a schedule set forth in the associated bid and acceptable to the Company.

This bid category is only for facilities that have not reached commercial operation as of the bid response date. In the event the facility being proposed is existing and commercially operable as of the bid response date, then the Bidder should submit a bid pursuant to Eligible Resource Alternative #6-6 (Purchase of an Existing Facility). The Bidder shall be responsible for all aspects of the development and construction of the facility, including, but not limited to, permitting, engineering, procurement, construction and all related costs up to commercial operation with the exception of those costs to be borne by the Company to support start-up, testing, commissioning, and acceptance that shall be explicitly defined in the Bidder's proposal. The Company will require that the project be operated and maintained by Bidder for up to 10 years in order to ensure cost effectiveness, availability and reliability of the resources prior to the Company's acceptance of the resource. ~~The Parties~~parties agree to negotiate an O&M ~~Agreement~~agreement after the final shortlist is selected.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single engineer, procure, construct (EPC)EPC contract or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. Any 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, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

The Company will own and the Bidder will operate the facility following commercial operation for up to ten years. Any existing power supply obligations (if any) associated with the facility shall not be assigned to the Company unless the Company, in its sole discretion, accepts such assignment.

The aggregate of the “all-in” capital cost for the APSA resource shall include all payments to be made to the Bidder under the APSA and all Company Owner’s costs. A complete listing of categories of Company Owner’s costs can be found in Attachment~~Attachments~~ **9** and Attachment~~Attachment~~ **10**.

5. Engineering, Procurement, and Construction Contract (“EPC Contract”) for the Currant Creek Site (~~no proposals for an EPC contract at the Lake Side site will be accepted~~)

An EPC proposal can be bid at ~~the~~PacifiCorp’s Currant Creek-~~PacifiCorp~~ site only. The EPC Contract must be in the form of a fixed price bid, and may be structured to include progress payments or a single lump sum payment due upon achievement of commercial operation. The Company will, in no event, make progress payments to the Bidder unless each such payment results in the simultaneous transfer of a tangible asset or a percentage ownership of an asset at the time each such payment is made. Bidders must bid one of these two payment structures and in accordance with the EPC Contract in Attachment 18 and shall take the form of an EPC Agreement and must comply with the specifications for Currant Creek. A Proforma Agreement is attached as Attachment 18 which includes the specifications for Currant Creek contained therein. All Bidders in this category must complete the information requested in **Appendix C-3**.

The Company will be responsible for the development and permitting of the proposed facility at the Currant Creek site. The Company’s assumptions for all aspects of development on the Currant Creek site are outlined in ~~Attachment 8.~~Attachments 8 and 10. The successful Bidder shall be responsible for all development and permitting and any other costs not identified in ~~Attachment 8.~~ Attachments 8 and 10.

The aggregate of the “all-in” capital cost for the EPC resource and Owner’s Cost in **Attachment 10** shall include all payments to be made to the Bidder and all Company Owner’s costs. A complete listing of categories of Company Owner’s costs can be found in **Attachment 10**.

Bidders should note that any proposal submitted in this category shall result in the Bidder directly performing the EPC services, as opposed to utilizing a sub-EPC contractor or an equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. A Bidder in this category 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, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody’s or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

6. Purchase of an Existing Facility

In the event sale of an existing facility is proposed by a Bidder, and if the facility is interconnected to PACE and commercially operable as of the bid response date, the Company will consider purchasing, owning, and operating the facility. Any such purchase would be contingent on disclosure to the Company by the Bidder of all information regarding the facility that may be material to the Company's decision to make the purchase, including without limitation all potential or existing claims or liabilities, on the Company's completion of and satisfaction with the results of such due diligence inquiries that the Company may deem appropriate in its sole discretion, and on the transfer of good and marketable title to the Company by the Bidder, free and clear of any and all liens and encumbrances. Such inquiries may include, but will not be limited to, site inspections, interviews, audit of all applicable books, contracts, forecasts, and records, and/or an assessment of past, future, or potential environmental liabilities. In addition, any existing network or point-to-point transmission rights associated with the facility's output must be released and reassigned to the Company, at the Company's option.

Such due diligence will be performed by qualified generation experts, who may be third-party legal and environmental experts and consultants satisfactory to the Company in its sole discretion, in addition to Company personnel. The Company reserves the right to no longer consider the resource, if in its sole discretion; it determines that there are aspects of the resource not in the best interest of the Company and its customers. The Company will require the following information outlined in **Appendix C-4** to be provided by the Bidder in order to determine if the asset will be evaluated and the priorities of the evaluation.

Existing power supply obligations associated with the facility, if any, shall not be assigned to the Company unless the Company, in its sole discretion, accepts such assignment.

The Company's aggregate "all-in" capital cost for the EPC resource shall include all payments to be made to the Bidder.

7. ~~Agreement~~ Purchase of a Portion of a Facility Jointly Owned and/or Operated by PacifiCorp

A Bidder may propose that the Company purchase all or an additional portion of a facility in which the Company already has an existing ownership interest or one that the Company currently operates. Any such purchase by the Company would be contingent upon disclosure to the Company by the Bidder of all information regarding the facility and the Bidder's interest that may be material to the Company's decision to make the purchase, including without limitation, potential or existing claims or liabilities, on the Company's completion of and satisfaction with the results of such due diligence inquiries that the Company may deem appropriate in its sole discretion, and on the transfer of good and marketable title to the Company by the Bidder of the Bidder's interest, free and clear

of any and all liens, claims and encumbrances. The Company's due diligence inquiries may include, but will not be limited to, an audit of all applicable books and records, and/or an assessment of past, future, or potential environmental liabilities. In addition, any existing network or point-to-point firm transmission rights associated with the facility's output owned or controlled by the Bidder must be released and reassigned to the Company, at the Company's option.

Such due diligence will be performed by qualified generation experts, which may be third-party legal and environmental experts and consultants, in addition to Company personnel. The Company reserves the right to no longer consider the resource, if in its sole discretion it determines that there are aspects of the resource that are not in the best interests of the Company and/or its customers. The Company will require the following information outlined in **Appendix C-4** to be provided by the Bidder, in order to determine if the asset will be evaluated and the priorities of the evaluation.

The Company would own and operate the prospective facility following closing on the sale. Existing power supply obligations associated with the facility, if any, shall not be assigned to the Company unless the Company, in its sole discretion, accepts such assignment.

8. Restructure of an Existing Power Purchase Agreement or an Exchange Agreement and/or Buyback of an Existing Sales Agreement.

The Company will accept proposals under this category of bids for one or more of (a) restructuring of an existing PPA between the Company and the Bidder; (b) an Exchange Agreement between the Company and the Bidder; and (c) the termination or buyback of an existing agreement for the sale of energy and capacity by the Company to the Bidder in the PACE.

If the bid calls for the restructuring of an existing PPA between the Company and the Bidder, such restructuring must result in making available to the Company incremental dependable energy and capacity in an amount of not less than 100 MW within PACE during the summer season (June through September) for delivery as provided in this RFP 2012-starting June 1, ~~2012, 2012~~ and/or June 1, 2013 ~~or June 1, 2014~~ for a minimum term of five (5) years. The Bidder would assign any and all existing network or point-to-point firm transmission rights associated with the incremental energy and capacity to the Company at the Company's request at no additional cost should the Company select this bid.

If the bid calls for an exchange agreement, such agreement would provide for the delivery by the Bidder to the Company of dependable energy and capacity in an amount of not less than 100 MW for delivery of a minimum of a five (5) year term as described in this RFP, in exchange for power to be supplied by the Company to the Bidder at another location; (other than PACE) and/or during another time period.

9. IGCC Proposals

Bidders may submit IGCC resource proposals as a PPA, a TSA, or an APSA for a facility located on a Bidder-owned site. The applicable Proforma Agreements are attached as Attachment 6 (APSA), Attachment 5 (TSA), and Attachment 3 (PPA). The Company will require that the Bidder enter into an Operating and Maintenance Agreement with specific performance guarantees and requirements over a 12-year term for an IGCC resource. The Company will not own and/or operate the resources to the extent the Bidder submits a proposal for either a PPA or a TSA. All Bidders in this category must complete the information requested in Appendices C-5 and G. Bidders should also submit a form O&M Agreement based on the terms and conditions set forth in Attachment 24.

Pricing for the purchase and sale of the facility can be structured to include progress payments or as a single lump sum payment due upon achievement of commercial operation. The Company will in no event make progress payments to a Bidder unless each such payment results in the transfer of a tangible asset or percentage ownership of an asset at the time each payment is made according to a schedule set forth in the associated bid and acceptable to the Company.

This bid category is only for facilities that have not reached commercial operation as of the bid response date. The Bidder shall be responsible for all aspects of the development and construction of the facility, including, but not limited to, permitting, engineering, procurement, construction and all related costs up to commercial operation with the exception of those costs to be borne by the Company to support start-up, testing, commissioning, and acceptance that shall be explicitly defined in the Bidder's proposal. The Company will require that the project be operated and maintained by Bidder for up to twelve (12) years in order to ensure cost effectiveness, availability and reliability of the resource prior to the Company's acceptance of the resource. The parties agree to negotiate an O&M agreement after the final shortlist is selected.

Bidders should note that any proposal submitted in this category that proposes new construction of a generation facility must utilize the services of a single primary Contractor under a single EPC contract or equivalent structure which will not increase the risk of default by multiple contractors to the Company and its customers. 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, in addition to any other credit provision described herein, this entity must have a Credit Rating that is BBB-/Baa3 or greater from S&P/Moody's or, if not publicly rated, an equivalent Credit Rating as determined by PacifiCorp Credit.

The Company will own and the Bidder will operate the facility following commercial operation for up to twelve (12) years.

10. Geothermal and/or Biomass Power Purchase Agreements

Bids for geothermal and/or biomass must be for a fixed term at a stated price which may be indexed or vary in price by year from a single resource located in or into PACE, and may be in the form of a PPA. A Proforma Agreement is attached as Attachment 3. The source of energy and capacity for the PPA should be (a) a generation facility located on a Bidder-supplied site or (b) from the Bidder's electrical system.

Design evaluation criteria that the Company will use for bid screening and evaluation purposes can be located in Appendix C (Tables C.27 and C.28) of the IRP.

The Bidders should assume the Company will not own or operate any facility bid into this category. All Bidders in this category must complete the information requested in Appendices C-1, D and G.

11. Eligible ResourcesResource Alternatives Exceptions

~~As noted above, all resources must be for 100 MW of dependable capacity and for a minimum period of 5 years, except to the extent that the~~The following resources qualify for one of the two exceptions set forth below:

a) Load Curtailment

The Company has found that bilateral agreements with large end-use customers for the physical curtailment of load have proven to be effective in reducing the need for incremental energy and capacity at critical times. As a result, the Company invites end-use customers to bid physical load curtailment under this RFP-2012. Any such bid must meet the following requirements: (a) the Bidder must be an existing end-use customer of the Company; (b) the load to be curtailed must be not less than 25 MW; (c) the curtailment must be a physical curtailment of the load; (d) the load to be curtailed must respond to the curtailment order 30 minutes prior to the hour within and remain curtailed for continuous one-hour blocks; (e) the Company must not have any residual delivery obligation ~~upon~~for the curtailed load after exercising its curtailment rights hereunder under any other contract, law, regulation or order, and Bidder must waive any and all rights to assert any such contrary rights; and (f) the Bidder must provide the Company with reasonable contractual surety and adequate credit assurances that such load curtailment will take place at times and in amounts required by this RFP-2012. The level of required security will be negotiated by the Bidder, the Company and the IE, based upon the nature of the resource offered, the remedies or options available in the event of default, and other relevant factors. The Company will not accept proposals for the financial curtailment of load ~~nor will it accept physical load curtailment proposals that result in the Company having a residual delivery obligation via any other contract, law, or regulatory rule or order.~~ The Bidders should start with the Power Purchase Agreement (Attachment 3) as the underlying agreements.

b) Qualifying Facility

~~Qualifying Facilities (“QFs”)~~, as defined under the regulations implementing the ~~Public Utility Regulatory Policies Act of 1978 (“PURPA”)~~PURPA with 10 MW or greater of capacity are eligible to participate in this RFP-2012.; QFs must be 10 MW or greater of firm capacity and a minimum term of five (5) years or longer. All Bidders in this category must complete the information requested in Appendices C-1, F, and G. Each QF Bidder must also submit the required information in **Attachment 2** in order to be evaluated under this RFP-2012.;

SECTION 2. LOGISTICS

A. ~~Schedule of RFP 2012~~ Actions: ~~RFP 2012 is anticipated to be issued in November, 2006~~

The anticipated schedule will be~~is~~:

Event	Anticipated Date
RFP-2012 issued	November 2006
RFP bid conference	Issued + 15 days
RFQ form	Issued + 30 days
Responses due	Issued + 75 days
Evaluation complete	Issued + 120 days
<u>Oregon Commission acknowledgement of final shortlist¹</u>	<u>Issued + 130 days</u>
Bidder negotiation	Issued + 270 days
<u>Oregon Commission acknowledgement of Final Short List¹</u>	<u>Issued + 275 days</u>
PacifiCorp decision	Issued + 280 days
Utah Public Service Commission approval proceeding -(180 days)	Issued + 460 days
<u>Avoided cost filing²</u>	<u>Issued + 500 days</u>
¹ <u>The Oregon Commission may acknowledge the final shortlist. See Oregon Order No. 06-446 Guideline 13.</u>	
<u>Avoided cost² Updated avoided costs filing ²by state will be made to the extent required by law or regulatory order.</u>	<u>Issued + 500 days</u>

Bidders should note that the above schedule is an anticipated schedule only and is subject to change. The Company accepts no liability to the extent the actual schedule is different from the anticipated schedule.

B. Prebid Conference

- •Time: tbd
- •Date: tbd
- •Location: tbd

Interested parties and Bidders may submit questions prior to the RFP bid conference, so that such questions may be addressed in a more timely fashion. All information, including the pre-bid conference materials, questions and answers will be posted by PacifiCorp on the PacifiCorp website at www.pacificorp.com prior to the issuance of the

¹ The Oregon Commission may acknowledge the Final Short list. See Oregon Order No. 06-446 Guideline 13.

² Updated avoided costs filing by state will be made to the extent required by law or regulatory order.

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final approved RFP-2012. After the final approval of the RFP 2012 the IEs and the Company will be responsible to maintain and post all material on a website established by the IEs at www.merrimackenergy.com/pacifcorp2012rfp, [redacted Oregon IE] (if any)] and on the Company's website at www.pacifcorp.com. **Any questions on the RFP or related documents should be sent to the IEs' websites.**

C. Request for Qualification (RFQ) Bid forms (~~Appendix A and B~~) Forms

Bidders who intend to be considered as part of this RFP-2012 process **must** return the "RFQ Form" (~~Appendix~~Appendices A and B) to the IEs no later than close of business on the date indicated in Section 2. The RFQ is not blinded. ~~The IE; however, PacifiCorp will identify a separate RFQ Team comprised of legal, credit and IRP who will work with the IEs to assess the Bidders' qualifications. The IEs will provide each Bidder who has met the qualifications under the RFQ (which will include creditworthiness, demonstrated capability, experience, performance references and qualifications to deliver the indicated Eligible Resource option~~Alternative selected on the form) with a bid number.

Five (5) copies of the ~~Request for Qualifications~~RFQs must be sent to each of the following addresses by the date indicated in Section ~~2.2~~2.2:

PacifiCorp RFP 2012

Independent Evaluator Utah
Merrimack Energy Group, Inc.: PacifiCorp RFP-2012
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111

and

Independent Evaluator Oregon
[redacted] PacifiCorp RFP-2012
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301

D. Submission of Bids

Each Bidder must submit its bids to the offices of the Utah Public Service Commission **and** the Oregon Public Utility Commission to the attention of the ~~Independent Evaluators~~IEs. The Bidder will be required to submit its proposal(s) utilizing only the bid number provided, and with no other identifying information. Bidders are responsible to check all of their document headers and footers and the ~~Property~~"properties" tab of the electronic copies that are submitted to ensure that no reference to their company is on the

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electronic copies. The bidders must submit the following to both the Utah Public Service Commission and the Oregon Public Utility Commission to the attention of the respective IEs:

~~Utah Independent Evaluator Merrimack Energy Group, Inc.:~~ PacifiCorp RFP 2012

1. a signed original and five (5) hard copies of each bid and any required forms, and
2. two (2) electronic copies of the bid and any required forms (on two (2) separate compact discs) that are in PDF format.

~~The IE will review all submissions, to ensure that only bid numbers are in the proposals and electronic submissions, prior to forwarding them to the RFP 2012 Evaluation Team. All bids must be submitted utilizing only the assigned bid number(s) and such must be transmitted by express, certified or registered mail or hand delivered to both addresses:~~

~~PacifiCorp RFP-2012
Independent Evaluator Utah
Merrimack Energy Group, Inc.:~~ PacifiCorp RFP 2012
c/o Utah Division of Public Utilities
160 E 300 S, 4th floor
Salt Lake City, Utah 84111

~~Oregon Independent Evaluator (TBA):~~ PacifiCorp RFP 2012

- ~~3. a signed original and five (5) hard copies of each bid and any required forms, **and**~~
- ~~4. two (2) electronic copies of the bid and any required forms (on two separate compact discs) that are in PDF format.~~

~~The IE will review all submissions, to ensure that only bid numbers are in the proposals and electronic submissions, prior to forwarding them to the RFP 2012 Evaluation Team. All bids must be submitted utilizing only the assigned bid number(s) and such must be transmitted by express, certified or registered mail or hand delivered to:~~

~~PacifiCorp RFP
Independent Evaluator Oregon
[REDACTED]:~~ PacifiCorp RFP 2012
c/o Oregon Public Utility Commission
550 Capitol Street, N.E. Suite 215
Salem, OR 97301

Bids will be accepted until 5 p.m. Pacific Prevailing Time on ~~January~~February X, 2007. Any bids received after this time, ~~at the Company's discretion,~~ will be ~~returned by the IEs,~~subject to return unopened to the Bidder following a decision based on consultation between the IEs and PacifiCorp.

All bids will be reviewed by both IEs to determine that they are adequately blinded and ~~then before they~~ will be provided to the RFP 2012-Evaluation Team for further analysis. The IEs will provide an original copy (with a cross-reference table to Bidders) to the Company's credit, risk and legal departments who will have access to the ~~unblinded~~non-blinded Bids and will not be allowed to discuss specific bids with the Blinded individuals in the Evaluation Team or with the Benchmark Team (See Code of Conduct in **Attachment 20**). To the extent the IEs ~~determines~~determine that any proposal is not adequately blinded, the IEs will determine if the IEs can effectuate effective blinding itself or, as determined by the IEs, may request that the Bidder undertake the appropriate blinding. If the Bidder is nonresponsive to the ~~IE~~IEs's requests, then the bid will be rejected by the IEs and returned to the Bidder.

E. RFP 2012-Team

A Bid Team will be established by the Company prior to the final approval of the RFP 2012. The Bid Team shall consist of an Evaluation Team and a Benchmark Team which will be made up of various work groups within the Company. The composition of the Bid Evaluation Team and the Benchmark Team and their primary roles and responsibilities of each Team are shown below.

Additional ~~Protocols~~protocols between the Teams are outlined in ~~Attachment~~Attachments 4 and in ~~Attachment 20~~ and specifically detail how access to blinded and non-blinded information will occur:

Work Group	Roles
Independent Evaluator (IE <u>Evaluators</u> (<u>IEs</u>))	The IE has been hired by the Utah Public Service Commission to IEs will ensure a fair and reasonable process is used in the RFP-2012. The IE <u>IEs</u> will provide oversight of the RFP 2012-process and will validate, audit and review all aspects of all proposals, providing an oversight to the process and validation on the models, inputs, assumption(s), risk assessment, and generation specifications for the PacifiCorp sites and the Benchmark resources. See Attachment 4 for <u>Roles, Function and Communications of IE</u> <u>Role of the IEs</u> .
Evaluation Team: Origination and generation engineer (not a part of the Benchmark Team) or Engineering Consultants as required. (Blinded prior to Short List <u>shortlist</u>)	Overall coordinator of the process. Bid process management for all proposals and coordination with the IE <u>IEs</u> and all of the work groups. Evaluation of the non price components of the analysis. Specifying, evaluating and confirming conformity with design specifications; conducting, as needed, technological and operational due diligence, generation expertise, environmental due diligence on all resources.
Evaluation Team: Structuring and Pricing (S&P), and Integrated Resource and/or Third-Party Engineering Consultant as required. Planning (Blinded prior to Short List <u>shortlist</u>)	Economic analysis and modeling including the validation on the inputs to the risk assessment of the bid.

Evaluation Team: Commercial and Trading Regulated Transmission Manager (Blinded prior to Short List <u>shortlist</u>)	Assist S&P and Origination with transmission requests and evaluations in determining the appropriate costs and/or agreements.
Evaluation Team: Environmental (Blinded prior to Short List <u>shortlist</u>)	Air, water and discharge, emission credits, site permits and facilities.
Evaluation Team: Credit (Unblinded) (Non-blinded)	Credit screening, evaluation and monitoring throughout the process.
Evaluation Team: Legal and Risk (Unblinded) (Non-blinded)	Legal will confirm compliance of bids to requirements of RFP and its Forms, Attachments and Appendices; conduct of legal process; conducting due diligence inquiries; supervising any documentation entered into as part of the RFP process. Risk will validate the internal modeling of the proposals and the Company benchmark.
Benchmark Team: Generation	Development of the Benchmark Resources.
<u>RFO Team: Legal, Credit and IRP</u> (Non-blinded)	<u>Will work with the IEs to assess Bidder qualifications pursuant to the RFO process. No blinded team members will participate in this process.</u>

F. ~~Bidder Evaluation~~Bid Fees

To help defray the cost of the Utah IE, each Bidder shall submit with each of its bid proposals a nonrefundable “Bid Fee” of \$10,000. A bid may consist of one bid fee” of \$10,000. Bidders submitting a bid in Eligible Resource Alternative category #11 (load curtailment or QFs) shall have a nonrefundable bid fee of \$1,000. A bid in each Eligible Resource Alternative may consist of one base proposal in addition to two alternatives for the Base Load resource under the same bid fee. The alternatives may consist of a different term or eligible resource option for the same Base Load resource. Bidders submitting a bid in Resource Alternative category #9 (load curtailment and QF) shall have a per bid fee of \$1,000. A Bidder submitting more than one bid will be required to submit a bid fee for each bid. bid size, contract term, pollution control technologies, water cooling technologies, carbon capture design components, in-service date and/or pricing structure for the same Eligible Resource Alternative (including, with respect to bids in the IGCC proposals category, federal loan guarantee or tax credit support). In addition, bidders will have the option of submitting up to three additional alternatives for a fee of \$1,000 per alternative. A proposal for a different Eligible Resource Alternative, at a different site or using a different technology will be considered a separate proposal and will be subject to a separate bid fee. The bid fee(s) must be submitted with the proposals to Merrimack Energy Group-, Inc. The Bidder must attach to its proposal a certified check written in the required amount payable to the order of PacifiCorp.

Bidders may submit multiple base bid proposals in response to this RFP-2012-. The ~~IE~~ and Utah IE, in consultation with the Company shall determine in their sole discretion whether a Bidder’s submission constitutes one or more proposals, for purposes of assessing the ~~foregoing fee~~bid fees. Any questions regarding bid fees should be directed to Merrimack Energy Group, Inc.

~~Bid proposals for the same site and the same generation technology and size will be considered a single bid proposal; provided, that all such proposals are submitted under only one Resource Alternative. If a bid is submitted under more than one Resource Alternative then the bid will be considered as two separate proposals, and two separate bid fees will be required. A single proposal that offers two in-service years will only be required to pay for one bid evaluation fee.~~

G. Effectiveness of Bids

Each bid proposal must remain open for acceptance by the Company from the date of submittal through February X, 2008, unless earlier released in writing by the Company. ~~To the extent the pricing is tied to or subject to market indices changes, the Bidder must identify which components of their capacity prices are subject to these movements, and what triggers will effectuate these changes and when pricing will be fixed.~~ Bidders may propose a fixed capacity price with a variable price that is indexed. Bidders are only allowed to index the variable components to publicly available indices (i.e. inflation rates). Bidders who request a specific index for indexing any components of their price structure that differ from the indices identified above should contact the IEs with a formal request for a specific index. All short listed bids may be asked to provide their "best and final" prices including the benchmark team prior to the evaluation of the final shortlist.

H. Procedural Items

1. Request for Qualification (RFQ) Bid Form

Each Bidder must complete and submit to the ~~IEs~~ the RFQ Bidders Form which consists of ~~Appendix~~Appendices A and B for each Eligible Resource Alternative it intends to submit in its proposal to participate in the RFP-2012 by the date identified in Section 2. The Company will require each Bidder to meet the specific credit requirements and capability requirements outlined below.

~~Bidders~~Bidder's Qualification, Capability and Credit in the RFQ Bid Form (Appendix~~Appendices A and B)~~

Each Bidder must be able to demonstrate its ~~Credit Capability~~credit capability and its capability, experience and qualification ~~under~~for each Eligible Resource Alternative bid. This should include, but not be limited to, its ability to perform its obligations that would arise upon execution and delivery of the documents associated with the Company's acceptance of the Bidder's ~~bid proposal~~, and references to support its capability in each of the selected Eligible Resources options which it will be submitting Resource Alternatives bid in this RFP.

~~Appendix~~Appendices A and B will be attached to the RFQ Bid Form and must be completed ~~to receive~~prior to the IE providing the Bidders a bid number by the IE for each Eligible Resource Alternative. In **Appendix A**, the Bidder must ~~demonstrate~~provide information that the Bidder's project development team has successfully completed the

development and commissioning of at least one generation project with characteristics similar to the proposed project with the exception of an IGCC project. If the project being bid is an IGCC project, the Bidder's project development team should provide information sufficient to demonstrate it has the ability to develop an IGCC project. The proposal must pose an acceptable level of development and technology experience, as determined by PacifiCorp's bid evaluation team. In **Appendix B** the Bidder must be investment grade or have demonstrate the ability to post the credit assurance assurances identified in the credit matrix to qualify as an investment grade entity. Each Bidder must provide the requested financial and credit information and indicate, if it is not investment grade, what its ability will be to post any necessary credit assurances in order to be equivalent to an investment grade entity.

All Bidders must demonstrate how they can meet Security requirements their ability to provide the security requirements, including their plan for doing so (including the type of security proposed, sources of security and a description of its credit support provider) in the appropriate Proforma Agreement for the Eligible Resource Alternative they are proposing and how they intend to qualify. Bidders should also provide a demonstration of their ability to finance their project based on past experience and a sound financial plan identifying the proposed sources for debt and equity. If appropriate, the Bidder will be notified that it will not be eligible to submit a proposal. Eligible Bidders will then be permitted to submit proposal(s) into the RFP 2012-process. In the event that the Bidder's credit status changes at any time after submission of a bid into the RFP 2012-process, PacifiCorp Credit reserves the right to request updated information pursuant to the Credit credit matrix in Appendix B, to reevaluate the Bidder and to request further credit assurances. In the event that the Bidder does not provide evidence of its ability to provide such further credit assurances, the Company reserves the right to reject the Bidder's proposal after consultation with the HEIEs and return the bid fee.

The Bidder will be required to demonstrate its ability to post credit assurance in the amounts outlined in the Credit Matrix credit matrix in Appendix B. A Credit credit methodology paper explaining the rationale behind the Credit Matrix credit matrix is provided in **Attachment 21**. A Bidder must be able to demonstrate its ability to post any necessary credit assurances in the form of a commitment letter from a proposed guarantor or from a financial institution that would be issuing a Letter letter of Credit credit. A form of credit commitment letter is provided in **Attachment 22**. The amount of any credit assurances to be provided will be determined based upon (a) the Credit Rating credit rating in the Credit Matrix credit matrix of either the Bidder or the entity providing credit assurances on behalf of the Bidder, (b) the size of the project, and c) the type of Eligible Resource Alternative bid.

The Credit Rating credit rating will be the lower of: (x) the most recently published senior, unsecured long-term debt rating (or corporate rating if a debt rating is not available) from Standard & Poor's ("S&P") or (y) the most recently published senior, unsecured debt rating (or corporate rating if a debt rating is not available) from Moody's Investor Services. If option (x) or (y) is not available, the Credit Rating credit rating will

be determined by PacifiCorp Credit through an internal process review and utilizing a proprietary credit scoring model developed in conjunction with ~~S&P~~a third party. All Bidders will receive a ~~Credit Rating~~credit rating which will determine the amount of any credit assurances to be posted.

Please note that should a Bidder be an existing counterparty with PacifiCorp, PacifiCorp Credit reserves the right to protect itself from counterparty credit concentration risk and require credit assurance in addition to that outlined in the ~~Credit Matrix~~credit matrix.

In the event that the Bidder posts a ~~Letter~~letter of ~~Credit~~credit as collateral it must be issued by a bank acceptable to the Company in the Company's reasonable discretion, and be in form and substance consistent with the form of the ~~Letter~~letter of ~~Credit~~credit set out in **Attachment 11**.

2. Submission of Proposals by Bidders

All bid proposals must be received by the ~~IEs~~IEs no later than the date specified in Section 2. All bid proposals must be in the format set forth in the RFP 2012-Proposal Form for the specific Eligible Resource Alternative as indicated in Section 3 which outlines the requirements for each Eligible Resource Alternative. The RFP 2012-Proposal Form identifies all of the required Attachments and Forms for each Eligible Resource Alternative ~~selection~~bid the Bidder ~~intends~~intends to submit. Any bid proposal that does not contain all of the required information by the due date specified in Section 2 will be subject to rejection as nonresponsive by following review and agreement by the IEs and the Company. It is each Bidder's responsibility to submit additional information related to its bid proposal if such information will materially improve the value of its bid proposal or the Company's understanding thereof.

Each bid proposal must be signed by an officer of the bidding company via an Officer Certification found in ~~found in~~ **Appendix E**. Each proposal must contain the following information:

a) Each bid must include a statement by the Bidder that the Terms and Conditions of the ~~Attachment~~applicable Proforma Agreements, selected as part of the Eligible Resource Alternatives submitted by Bidder, are acceptable to the Bidder or identify any ~~and all~~ exceptions to the Pro Forma contracts ~~when submitting the~~significant exceptions to the Proforma Agreements in the form of a redline agreement or through written comments which specifically identify the significant exceptions as part of the Bidder's proposal.

b) Proposals must clearly specify all pricing terms. Any and all index prices and /or price escalations must be fully explained. In addition, Bidders should describe any contract deferral and acceleration options proposed, as well as any contract buyout options proposed. Proposals with pricing that is subject to change prior to February X, 2008 must explain what triggers the change, what the change is tied to, and any information the Company will require to evaluate the pricing risks associated with the proposal. All pricing must be in terms of nominal dollars. Prices and dollar figures

quoted will be assumed to be in nominal terms for the year in which they occur unless clearly stated otherwise. The Form Pricing Input Sheet (**Form 1**) contains the applicable pricing inputs which will be required to be completed by the Bidder for the bid to be evaluated. This Form Pricing Input Sheet includes inputs such as start/end date, point of interconnection, resource type, variable and fixed O&M, start-up costs, capacity payment or capital expenditures, PPA or TSA escalation rates, heat rates and capacity levels adjusted for both expected temperature, degradation per the manufacturer's recommended maintenance schedule, ~~start-up charges~~, and a variety of other inputs, including specific published indices if applicable.

~~A Bidder will also complete SFAS No. 13 Form (Appendix F), which will require the Bidder to complete the inputs to support the Bidder's assertion regarding Capital Lease versus Operating Lease.~~

~~a)–c)~~ All bid proposals must be for a capacity greater than 100 MW except for: (a) Qualifying Facility which must have 10 MW or greater of installed capacity; and (b) end-use customers of the Company with physical load curtailment proposals for a minimum of 25 MW each.

~~b)–d)~~ Bid proposal prices must include all costs that the Bidder expects the Company to pay associated with any of the Eligible ~~Resources~~Resource Alternatives, including, but not limited to, station service, test energy, fuel for testing, gas lateral construction, electrical interconnection, and all costs (including fuel) incurred as necessary to accomplish synchronization.

3. Minimum Eligibility Requirements for Bidders

Bidders may be disqualified for failure to comply with the RFP-2012 if any of the requirements are not met. To the extent proposals do not comply with these requirements they will be deemed ineligible and will not be considered for further evaluation. PacifiCorp, in consultation with the IEs, will return those proposals, ~~which in its sole discretion it deems deemed~~ ineligible together with the bid evaluation fee. Reasons for rejection of a Bidder or its bid include:

- a) Receipt of Proposal and/or Request for Qualifications after the response deadline.
- b) Failure to meet the requirements and provide all the information requested in Section 3 of the RFP-2012.
- c) Failure to permit disclosure of information contained in the proposal to PacifiCorp's agents, contractors or regulators.
- d) Any attempt to influence PacifiCorp or the ~~IEs~~IEs in the evaluation of the proposals, outside the solicitation process.
- e) Any failure to disclose the real parties of interest in the proposal submitted.

- f) The Bidder is in current material litigation or has threatened material litigation against PacifiCorp. ~~Threatened~~“Material litigation” for purposes of this provision includes an amount in dispute in excess of five million dollars under circumstances in which the Bidder has issued a demand letter to PacifiCorp, the Bidder and PacifiCorp are currently involved in dispute resolution, the Bidder and PacifiCorp have an unresolved dispute pending or the Bidder has noticed a pending law suit against PacifiCorp.
- g) Proposal must include all applicable content requirements described in Section 3 for each Eligible Resource Alternative.
- h) Proposal must include a certified check for the appropriate ~~Bid Evaluation fee~~bid fee(s) payable to PacifiCorp.
- i) Proposal must clearly specify all pricing terms.
- j) Proposals must offer unit contingent or system firm capacity and energy, and include appropriate contract term lengths and commercial operation dates.
- k) Proposal must not present any unacceptable level of development and technology risk, ~~with the exception of~~. For IGCC, however, proposals Bidder still must demonstrate that its proposed IGCC is fully backed by supported, with performance and availability guarantees from the respective gasifier technology supplier and constructors consistent with industry standards, as determined by PacifiCorp, in consultation with the ~~IE~~. IEs and a third-party IGCC expert.
- l) Proposal must demonstrate that the Bidder project development team has successfully completed the developmental and commissioning of at least one generation project, ~~with the exception of IGCC, however, Bidder still must demonstrate that its proposed IGCC is fully backed by the respective gasifier technology supplier and constructors~~ with characteristics similar to the proposed project. Developers of IGCC proposals should demonstrate that a member of their team has experience with IGCC technology and that the developer can demonstrate experience with other large coal-based resources or large gas-fired combined cycle resources.
- m) Bidder must demonstrate, to PacifiCorp’s satisfaction that they can meet the security requirements for each Eligible Resource Alternative they are proposing consistent with the requirements in the appropriate Proforma ~~Contracts~~Agreements for that resource.
- n) Bidders are put on notice that failure to address satisfactorily both the price and non-price factors can serve as grounds for rejection of a bid.

4. Company’s Reservation of Rights and Disclaimer

The Company reserves the right, without qualification and in its sole discretion, to reject any or all bids, and to terminate this RFP 2012 in whole or in part at any time. Without

limiting the foregoing, the Company reserves the right to reject as nonresponsive any or all bid proposals received for failure to meet any requirement of this RFP 2012-outlined in Section 3 of the RFP 2012.³ The Company also reserves the right to request that the IEs contact any Bidder for additional information. The Company 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 ~~regulation~~regulations or regulatory requirements that impact the Company and/or any collusive bidding or other anticompetitive behavior or conduct.

Bidders who submit bid proposals do so without recourse against the Company, its parent company, its affiliates and its subsidiaries, or against any director, officer, employee, agent or representative of any of them, for any modification or withdrawal of this RFP 2012,² rejection of any bid proposal, failure to enter into an agreement, or for any other reason relating to or arising out of this RFP. The Bid Fees submitted by any Bidder, once the bid is accepted, will not be refunded (unless otherwise determined ~~in the sole discretion of~~ by the Company in consultation with the IEs) in the event of any modification or withdrawal of this RFP 2012,² rejection of any bid proposal, or failure to execute an agreement.

5. Accounting

All contracts proposed to be entered into as a result of this RFP 2012 will be assessed by the Company for appropriate accounting and/or tax treatment. Bidders shall be required to supply the Company with any and all information that the Company reasonably requires in order to make such assessments.

Specifically, given the term lengths that PPA, TSA, and/or exchange proposals may cover in response to this RFP 2012,² accounting and tax rules may require either: (i) a contract be accounted for by PacifiCorp as a Capital Lease or Operating Lease³¹ pursuant to SFAS No. 13, or (ii) the seller or assets owned by the seller, as a result of an applicable contract, be consolidated as a Variable Interest Entity⁴² (VIE) onto PacifiCorp's balance sheet. To the extent a Bidder proposal results in an applicable contract, the following shall apply with respect to VIE treatment:

- The Company is unwilling to be subject to accounting or tax treatment that results from VIE treatment. As a result, all Bidders are required to certify, with

³¹ "Capital Lease" and "Operating Lease" - shall have the meaning as set forth in the Statement of Financial Accounting Standards ("SFAS") No. 13 as issued and amended from time to time by the Financial Accounting Standards Board.

⁴² "Variable Interest Entity" or "VIE" - shall have the meaning as set forth in Financial Accounting Standards Board ("FASB") Interpretation No. 46 (Revised December 2003) as issued and amended from time to time by the FASB.

supporting information sufficient to enable the Company to independently verify such certification, that none of their proposals will subject the Company to such VIE treatment. Bids that result in VIE treatment will be rejected; after they are given an opportunity to provide an alternate structure that does not trigger a VIE, which will be subject to consultation with the IEs.

- Further, any applicable contract that the Company executes will require that: (i) the Seller covenant that the Company will not be subject to VIE treatment at any point during the term of the agreement, and (ii) in the event that the contract causes the Company to be subject to VIE treatment at any point during the term of the agreement, unless cured, such treatment will constitute a seller event of default.

~~Each Bidder must also declare, in each of its proposals, whether or not each such proposal will subject the Company to Capital Lease treatment or Operating Lease treatment pursuant to SFAS No. 13. In any case for which the Bidder declares that the proposal will subject the Company to lease treatment pursuant to SFAS No. 13, after application of Emerging Issues Task Force (“EITF”) 01-08 (“Determining Whether an Arrangement Contains a Lease”), the Bidder is required to certify such declaration (Capital Lease or Operating Lease), with supporting information sufficient to enable the Company to independently verify the Bidder’s opinion of how the Company will be required to account for the proposal. Each Bidder must also agree to make available at any point in the bid evaluation process, any and all financial data associated with the Bidder, the Facility and/or the PPA, TSA or other contract that PacifiCorp requires to independently verify the Bidder’s determine potential accounting declarations or certifications required above impacts. Such information may include, but may not be 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 provide additional information.~~

~~**A SFAS No. 13 Form (Appendix F) must be completed to the extent the Bidder submits a proposal which results in either direct or inferred debt.**~~

To the extent PacifiCorp rejects a proposal submitted in this RFP because it triggers VIE treatment, PacifiCorp shall provide documentation to the IEs justifying the basis for its decision.

Cost Associated with Direct or Inferred Debt

PacifiCorp will not take into account ~~a cost~~potential costs to the Company associated with direct or inferred debt (described below) as part of its economic analysis in the initial or final screening/shortlist evaluation. However, after completing the final shortlist and before the final resource selections are submitted for approval by the Utah Commission or acknowledgement by the Oregon Commission, the Company may take

into consideration, in seeking approval, cost recovery or acknowledgement with respect to selected resources, any projected costs of direct or inferred debt. The Company will bear the burden to demonstrate to the satisfaction of its regulators the validity, magnitude and impacts of any such projected costs. At the request of the Commission, PacifiCorp will be required to obtain a written advisory opinion from a rating agency to substantiate the utility's analysis and final decision regarding direct or inferred debt.

- **Direct debt** results when a contract is deemed to be a Capital Lease pursuant to EITF 01-08 and SFAS No. 13 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.

~~In both instances, PacifiCorp would need to inject equity to maintain the same debt/equity ratio as before the power supply contract. Since equity has a cost, this cost will be taken into account when evaluating the bids to determine the final short list.~~

~~For the purposes of RFP 2012, PacifiCorp will determine the amount of debt associated with each bid that would result in an applicable contract, derive the associated equity infusion, then include in its analysis the cost associated with the equity amount multiplied by the pre-tax difference between Return on Equity ("ROE") and PacifiCorp's Weighted Average Cost of Capital ("WACC"). Pre-tax ROE will be assumed to be equal to 16.92% and pre-tax WACC will be assumed to be 11.48%. The amount of debt will be the higher of the direct or inferred debt. This will be updated prior to the issuance of the final RFP 2012.~~

~~Direct debt will be determined for each year as of the beginning of the contract as the amount PacifiCorp must place on its balance sheet as a result of a Capital Lease. If the bid does not result in a Capital Lease then the amount of direct debt will be zero.~~

~~Inferred debt will be determined by utilizing the methodology used by Standard & Poor's in the article attached as Attachment 12. At the beginning of the contract, the net present value of the remaining fixed payments will be calculated using a 10% discount rate and then multiplied by a "risk factor." The risk factor will be 50%.~~

~~The Company will be required to justify and defend its use of imputed and/or direct debt costs in the final shortlist.~~

6. Confidentiality

The Company will attempt to maintain the confidentiality of all bids submitted, to the extent allowed by 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 their 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 the Company or generated internally by the Company shall remain the property of the Company. Bidder shall maintain the confidentiality of such information and shall not be available to any entity before, during or after this RFP ~~2012~~ process unless required by law or regulatory order. The Bidder expressly acknowledges that the Company may retain information submitted by the Bidder in connection with this RFP ~~2012~~.

Only those Company employees who are directly involved in this RFP ~~2012~~ 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 docketed regulatory proceedings, subject to appropriate confidentiality provisions applicable to that particular proceeding. This means that parties to docketed proceedings may request to view confidential information. If such a request were to occur, the Company will attempt to prevent such confidential Bidder information from being supplied to intervening parties who are Bidders or who may be providing services to a Bidder, but the Company shall not be held liable for any information that it is ordered to be released or that is inadvertently released.

Lastly, the Company intends to utilize its internal, proprietary, forward price projections in its evaluation process. The resulting projections and evaluations will not be shared with entities external to the Company, including with Bidders, unless required by law or regulatory order.

7. Regulatory Process

Utah Code § 54-17-101, *et seq.* requires PacifiCorp to use a solicitation process to construct or acquire a significant energy resource, defined as 100 MW or more with a dependable life of ten (10) years or more. This law requires the participation of an independent evaluator, appointed by the Utah Public Service Commission, to actively monitor the solicitation process for fairness and compliance with state law. Prior to execution of contracts for any of the eight alternatives ten Eligible Resource Alternatives, or the two exceptions listed above, the Company will go through a preapproval process,

consistent with the Utah Energy Resource Procurement Act⁵³ and acknowledgement of resources pursuant to Oregon Order No. 06-446.⁶⁴

8. Subsequent Regulatory Action

The Company does not intend to include a contractual clause whereby the Company is allowed to adjust contract prices in the event a regulatory agency exercises jurisdiction over the Company, and does not fully recognize the contract prices in determining the Company's revenue requirement. As of the issuance date of this solicitation, PacifiCorp is unaware of any such actual or proposed law or regulatory order.

SECTION 3. RFP 2012-PROPOSAL CONTENT

The following outlines the content and format requirements for all proposals by Eligible Resource Alternative when responding to this RFP-2012-. Proposals that do not include the information requested in this form will be deemed ineligible for further evaluation unless the information is not relevant.

The Bidder is required to provide information in the following format to meet the criteria of this RFP. All sections must be completed and in compliance with the RFP in order for the bid to be accepted. Bidders must provide the appropriate bid fee(s) for the number of Eligible Resources Resource Alternatives that are being provided.

Each Bidder must provide the following information: 1) All RFP Appendices, Form(s) and Attachments ~~in Section 3.A~~identified below for each Eligible Resource Alternative, as applicable; and 2) the Appendices, Form(s) and Attachment identified under each of the Eligible Resources Resource Alternatives identified in ~~Section 3.B through 3.K~~below.

Proposal Type	Required Information
All Bidders are required to submit the following	<ul style="list-style-type: none"> ▪ RFQ Bid Form: Appendix A and Appendix B ▪ Appendix D – Fuel Supply Form (may vary if Bidders offer fixed price) ▪ Appendix E – Officer Certificate Form ▪ Attachment 13 - PacifiCorp Costs

⁵³ The Utah Energy Resource Procurement Act may be viewed at: <http://www.le.state.ut.us/~2005/htmldoc/sbillhtm/SB0026S01.htm>.

⁶⁴ Oregon Order No. 06-446 is located at: <http://edocs.puc.state.or.us>.

	Associated with Integration that will be used in the analysis <ul style="list-style-type: none"> ▪ Form 1 - Pricing and Input Sheet ▪ Form 2 - Permitting and Construction Milestones depending on the resource.
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Proposal Type	Additional Required Information
<u>1) Power Purchase Bid (1) Agreement:</u>	<ul style="list-style-type: none"> ▪ Attachment 3 - Power Purchase Contract<u>Agreement</u> ▪ Attachment 16 - Site Purchase Agreement for Lake Side (if applicable) ▪ Attachment 17 - Site Purchase Agreement for Currant Creek (if applicable) ▪ Appendix C-1 - PPA and TSA Information Request ▪ Appendix F - SFAS No. 13 Form ▪ Appendix G - Bidder Site Control Form ▪ Appendix H - Construction Coordination Agreement (if applicable)
<u>2) Tolling Service Agreement Bid (2):</u>	<ul style="list-style-type: none"> ▪ Attachment 5 – Tolling Service Agreement Contract ▪ Attachment 16 - Site Purchase Agreement for Lake Side (if applicable) ▪ Attachment 17 - Site Purchase Agreement for Currant Creek (if applicable) ▪ Appendix C-1 - PPA and TSA Information Request ▪ Appendix F - SFAS No. 13 Form ▪ Appendix G - Bidder Site Control Form ▪ Appendix H - Construction Coordination Agreement (if applicable)
<u>3) APSA Bids at PacifiCorp Sites (3):</u>	<ul style="list-style-type: none"> ▪ Attachment 6 - Asset Purchase and Sale Agreement (APSA) with Appendices – Lake Side <u>(if applicable)</u> ▪ Attachment 6- Asset Purchase and Sales Agreement (APSA) with Attachment 18 Currant Creek, Engineering, Procurement and Constructing Contract (EPC) <u>(if applicable)</u> ▪ Site Purchase Agreement—Attachment 16 or Attachment 17-17 – <u>Site Purchase Agreement (if applicable)</u> ▪ Appendix C-2 - APSA Information Request ▪ Bidders form of O&M Agreement
<u>4) APSA Bids at Bidder Sites (4):</u>	<ul style="list-style-type: none"> ▪ Attachment 6 - Asset Purchase and Sale Agreement (APSA) with Appendices ▪ <u>Attachment 23 – O&M Term Sheet</u> ▪ Appendix C-2 - APSA Information Request ▪ Appendix G - Bidder Site Control Form

<p><u>5) EPC Bids at Currant Creek Site only (5):</u></p>	<ul style="list-style-type: none"> ▪ Bidders/Bidder's form of O&M Agreement ▪ Attachment 18 - Currant Creek Engineering, Procurement and Construction Contract (EPC) ▪ Appendix C-3 - EPC Information Request ▪ Bidders form of O&M Agreement
<p><u>6) Sale of Existing Facilities Bids (6):</u></p>	<ul style="list-style-type: none"> ▪ Attachment 19 – Due Diligence items for the Acquisition of an Existing Facility ▪ Appendix C-4 – Existing Asset Purchase Information Request
<p><u>7) Sale of Portion of Jointly Owned or Operated Bids:</u></p>	<ul style="list-style-type: none"> ▪ <u>Attachment 19 - Due Diligence Items for the Acquisition of an Existing Facility</u> ▪ <u>Appendix C-4 - Existing Asset Purchase Information Request</u>
<p><u>8) Restructuring Bids of an Existing Power Purchase Agreement or an Exchange Agreement and/or Buyback of an Existing Sales Agreement:</u></p>	<ul style="list-style-type: none"> ▪ <u>Any other form deemed to be required based on the restructuring</u>
<p><u>9) IGCC Proposals:</u></p>	<ul style="list-style-type: none"> ▪ <u>Attachment 3 – Power Purchase Agreement</u> ▪ <u>Attachment 5 – Tolling Service Agreement</u> ▪ <u>Attachment 6 – Asset Purchase and Sales Agreement</u> ▪ <u>Attachment 24 – O&M Terms and Conditions</u> ▪ <u>Appendix C-5 – APSA Information Request</u> ▪ <u>Appendix G – Bidders Site Control Form</u> ▪ <u>Bidder's form of O&M Agreement</u>
<p><u>10) Geothermal and/or Biomass PPAs:</u></p>	<ul style="list-style-type: none"> ▪ <u>Attachment 3 – Power Purchase Agreement</u> ▪ <u>Appendix C-1 – PPA and TSA Information Request</u> ▪ <u>Appendix G – Bidder Site Control Form</u>
<p><u>11) Exceptions:</u> <u>a) Load Curtailment:</u> <u>b) Qualifying Facilities:</u></p>	<ul style="list-style-type: none"> ▪ <u>Attachment 3 - Power Purchase Agreement</u> ▪ <u>Appendix G - Bidder Site Control Form</u> ▪ <u>Attachment 2- QFs Bidder Information</u>

<p>Proposal Type</p>	<p>Additional Required Information</p>
<p>Sale of Portion of Jointly Owned or Operated Bids (7):</p>	<ul style="list-style-type: none"> ▪ Attachment 19 – Due Diligence Items for the Acquisition of an Existing Facility ▪ Appendix C-4 – Existing Asset Purchase Information Request ▪ Appendix F – SFAS No. 13 Form
<p>Restructuring Bids of an Existing Power Purchase Agreement or an Exchange Agreement and/or Buyback of an Existing Sales Agreement (8):</p>	<ul style="list-style-type: none"> ▪ Any other form deemed to be required based on the restructuring. ▪ Appendix F – SFAS No. 13 Form

<p>Exceptions (9)</p> <p>Qualifying Facilities:</p> <p>Load Curtailment:</p>	<ul style="list-style-type: none">▪ Attachment 3 – Power Purchase Contract▪ Attachment 16 – Site Purchase Agreement for Lake Side (if applicable)▪ Attachment 17 – Site Purchase Agreement for Currant Creek (if applicable)▪ Appendix C-1 – PPA and TSA Information Request▪ Appendix F – SFAS No. 13 Form▪ Appendix G – Bidder Site Control Form▪ Appendix H – Construction Coordination Agreement (if applicable)▪ Attachment 2 – QFs Bidder Information
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SECTION 4. RESOURCE INFORMATION

A. ~~Price and Nonprice~~Non-price Information

The Company's IRP incorporated numerous price and ~~nonprice~~non-price resource cost(s) and assumptions which resulted in the IRP Action Plan. Bidders should refer directly to the IRP for the Company's estimated cost and availability of new resource alternatives. Bidders are reminded that the IRP is a planning document and certain resource assumptions were used as a proxy for planning purposes. As such, the Company shall rely on the outcome from this RFP to ascertain the most prudent resource decision. Bidders should note that the IRP is a useful document for information purposes and **Bidders should not infer in any way that the IRP should prescriptively guide their specific proposal.** The Company intends to use then-current assumptions in its evaluation of bids.

With respect to air quality standards, it is PacifiCorp's intent to incorporate cost assumptions into all bids that are consistent with the "then current assumptions." The base case assumptions can be located in the 2004 IRP in Appendix C. This represents the best information currently available at this point in time to the Company via the IRP public input process and other information sources. The base case will be updated through the RFP process only if any new assumptions become available to the Company.

This RFP will incorporate assumptions regarding the future cost, if any, associated with future tax assessment(s) or other impositions based on the quantity of carbon dioxide (CO₂) emissions produced from the combustion of fuel by a facility selected and contracted through this RFP. If a Bidder proposes an arrangement wherein a specific facility is not identified (such as may be the case with a PPA), the resulting contract shall explicitly state that the buyer (PacifiCorp) shall not be liable for any CO₂-related expenses, and the Bidder will be required to enter into a CO₂ Indemnity Agreement. For bids with a specified facility, which would include an asset backed PPA, the potential CO₂-related expenses will be included in the Company's evaluation. The CO₂-related expenses will be consistent with the reference case assumptions utilized in the 2004 IRP or the then current assumptions if applicable. The bid evaluation process will incorporate the assumption that the Bidder does not contractually absorb the liability associated with potential future CO₂ expenses.

As such, even if the bid does not provide for the passing through of such costs, Bidders are directed to submit bids that specify the results of the bid evaluation process will incorporate the assumption that Bidders will pass through to PacifiCorp any costs associated with meeting future air quality requirements relating to specified facilities.

B. Price Information

Fixed & Variable cost for Capacity and Energy

1. Fixed Costs

The fixed resource costs will include, but are not limited to, the following components:

- ~~The Bidder-specified capacity cost payment (\$/kw-mo) or equivalent capital cost purchase price (including Owner's cost) plus ongoing capital estimates for the term of the resource. The Bidder-specified fixed O&M payment (\$/kw-mo).~~
- The Bidder-specified fixed O&M payment (\$/kw-mo).
- The Bidder-specified property tax, sales tax, and insurance payment, if not included in capacity cost or fixed O&M payment (\$/kw-mo).
- ~~The Bidder-specified property tax, sales tax, and insurance payment, if not included in capacity cost or fixed O&M payment (\$/kw-mo).—Transport costs which may include: 1) Fuel pipeline costs for the estimated costs of adequate firm natural gas capacity or 2) railway and or other transportation, if applicable. Interconnection, integration and any other costs (e.g., applicable transmission wheeling expense) necessary to deliver the energy to load. Proposed fixed cost adjustment factor for availability.~~
- Interconnection, integration and any other costs (e.g., applicable transmission wheeling expense) necessary to deliver the energy to load.
- Proposed fixed cost adjustment factor for availability.

2. Variable Costs

The variable generation costs will include, but are not limited to, the following components:

- ~~The variable energy commodity price, which, depending on pricing structure, will likely be variable, tied to a natural gas price (including variable gas transportation costs) and a contractual or manufacturer recommended heat rate and capacity at the time of delivery (adjusted for temperature) or a coal index, and any variable cost associated with coal. Incould take one of several forms. Energy commodity costs could (1) be based or indexed to a specified gas or coal index, (2) could be established as the product of a fuel index value times the contractual heat rate, or (3) in certain structures, the variable energy commodity price will be fixed, or potentially fixed with an annual escalation. Escalators must be a fixed annual percentage, CPI, or GDP.~~
- Variable O&M (\$/MWh).
- Potential CO2 costs (\$/ton) (\$/MWh based on a \$/ton CO2 basis).
- Transmission losses in those cases where the Company will incur third-party transmission losses (if applicable).
- Start costs (if applicable) per plant and per machine (if applicable). Bidders must define if this start cost is from initiation of start to minimum sustainable load or to full load. Start costs and variable O&M must be clearly separated. Cost presentation format provided by the Bidder

should be in \$/MWh terms, assuming both eight- and sixteen- hour run periods, for up to 365 starts per year at 100% availability.⁷⁵

C. ~~Nonprice~~Non-price Information

1. Point(s) of Delivery

This RFP 2012 is requesting resources that are capable for delivery into or in the Company's network transmission system⁸⁶ in PACE. All proposals will be contingent on the Company ~~Merchant~~commercial and trading function's ability to designate the proposed resource (new, existing, imported, etc.) as a Network Resource under the network service contract between PacifiCorp Transmission (www.oasis.pacificorp.com) and PacifiCorp ~~Merchant~~Commercial and Trading.

PacifiCorp is interested in resources that are capable of delivery into or in a portion of the Company's network transmission system in PACE. Specifically, the point(s) of delivery of primary interest to PacifiCorp are:

- ~~•~~ Salt Lake Valley
- ~~•~~ PacifiCorp Sites
 - Currant Creek
 - Lake Side
- ~~•~~ Mona⁹⁷ 345 kV
- ~~•~~ Glen Canyon 230 kV
- ~~•~~ Nevada/Utah Border:
 - Gonder-Pavant 230 kV line known as "Gonder 230 kV"
 - Sigurd – Harry Allen 345 line known as "NUB" or Red Butte 345 kV
 - Crystal 500 kV¹⁰⁸ Located in Nevada—PacifiCorp is willing to purchase capacity and associated energy that is sourced from Nevada; provided, the selling entity is able to purchase firm transmission from the resource to either Gonder or NUB.

⁷⁵ The number of starts assumed per year should be adjusted down for expected mechanical availability. For example, if a resource has an expected mechanical availability of 90%, the number of assumed starts per year should equal $365 \times 90\% = 328$.

⁸⁶ Any costs required to upgrade PacifiCorp's electrical infrastructure (integration costs) will be considered in the overall economics of the resource. See **Attachment 13** for cost assumptions for Integration costs. If the Bidder is proposing another site that is not stated in **Attachment 13**, PacifiCorp will use the best available information at the time of evaluation to determine the integration costs for the analysis.

⁹⁷ PacifiCorp's transmission function has broken Mona into three distinct delivery points. These three points are "MDWP" (IPP-Mona from LADWP control area), "MDGT" (Bonanza-Mona within the PACE control area), and "MPAC" (all other lines into Mona with the PACE control areas). In order for PacifiCorp to properly incorporate deliveries at Mona as a network generation resource, the respondent should indicate which point at Mona the deliveries will be made from. PacifiCorp Commercial and Trading requested a system impact study (SIS) from PacifiCorp Transmission, which will be available in September and will update the timing and costs to integrate resources at Mona, Nevada Utah Border, Gonder, Glen Canyon 230kV and Currant Creek.

¹⁰⁸ Crystal substation is currently not a valid network point of delivery on PacifiCorp's system. PacifiCorp is studying the expansion of facilities to Crystal 500 kV. Bidders are ~~warned~~advised that the ability to accept proposals delivered to Crystal is highly contingent on the expansion of such facilities.

- ●-West of Naughton

The Company is generally not interested in resources delivered to the following areas:

- ●-Wyoming, unless the resource(s) electrically reside south of the Naughton-Monument 230 kV line and the cost of the upgrade is included.
- ●-Borah, Brady or Kinport unless such resource is interconnected to the Company's Southwest Idaho electrical system near the Goshen area.

2. **Proposals Requiring Third-Party Point-to-Point Transmission Service**

For proposals that will require third-party transmission service to provide delivery of capacity and associated energy to the bid-specified Point of Delivery on PacifiCorp's system, Bidders are responsible for any interconnection, electric losses, transmission and ancillary service arrangements required to deliver the proposed capacity and associated energy to the bid specified Point(s) of Delivery. Such proposals must identify all third-party interconnection, electric losses, transmission and ancillary service products, provide a complete description of those service agreements, and provide documentation that such service(s) will be available to Bidder during the full term of offer(s) proposed. Bidders who propose unit contingent arrangements or system portfolio bids and rely on third-party transmission should be aware that the use of nonfirm transmission in any segments of the schedule from the source to the Point(s) of Delivery will result in the Company's evaluating the need to carry 100% reserves against the import schedule. The third-party transmission service is NOT a transmission service agreement with the Company ~~Merchant's commercial and trading~~ function; rather it is with the Company's Transmission function, which must maintain strict functional and informational separation.

3. **Interpretation with Interconnection Agreement**

Each Bidder responding to this RFP-2012 must conduct its operations in compliance with FERC Order No. 2004, Standards of Conduct for Transmission Providers, requiring the separation of its transmission and merchant functions. This RFP requires that all Bidders responding must enter into a separate Interconnection Agreement or Transmission Service Agreement ("TSA") with PacifiCorp Transmission, in accordance with ~~the PacifiCorp's Open Access Transmission Tariff, with PacifiCorp Transmission~~ if such agreements are necessary.

4. **PacifiCorp Transmission Interconnection Service**

Bidders requiring interconnection service from PacifiCorp Transmission must specify in their proposal if they have requested transmission service or not, and if so, what type of service (Energy Resource Interconnection Service ("ER") or Network Resources Interconnection Service ("NR")). Bidders must advise PacifiCorp Transmission that they are requesting the service as part of this RFP.

All ~~Proposals~~proposals that will require a new electrical interconnection to the PacifiCorp Transmission system or an upgrade to an existing electrical interconnection to the PacifiCorp Transmission system must include (a) a statement of the cost of interconnection, together with a diagram of the interconnection facilities. The Bidder will be responsible for, and is required to include

in its bid, all costs to interconnect to the ~~Company~~PacifiCorp's Transmission system. The Bidder will be responsible for applying to ~~the Company~~PacifiCorp Transmission for a Large Generator Interconnection Agreement ("LGIA"), except in connection with the EPC Contract, in which case PacifiCorp Generation will apply for the LGIA. However, the interconnection costs will be included in the bid evaluation. PacifiCorp's Transmission function has the option of funding the interconnection upgrades or requiring the Bidder to fund such upgrades and then receive revenue credits. Any such refunds shall be assigned to PacifiCorp's Merchant commercial and trading function by the Bidder.

5. PacifiCorp Transmission Integration Service

PacifiCorp has preliminarily identified the potential costs to integrate resources in **Attachment 13**.

These costs will be used in the evaluation analysis. In the event that a Bidder proposes a facility, PPA or TSA that is not at one of the locations identified in **Attachment 13**, PacifiCorp will utilize the best information reasonably available at the time of evaluation to estimate the cost to integrate the resource. Both the cost to integrate and interconnection upgrades will be utilized in the economic evaluation to determine the least-cost resource. **Bidders are reminded that they shall bear 100% of the costs to interconnect to PacifiCorp's Transmission system.** Bidders are encouraged to contact PacifiCorp's Transmission function (at www.pacificorp.com) for information related to system interconnection.

6. Use of PacifiCorp's Sites

In the event a facility is proposed to be located on a PacifiCorp Site, the Bidder must negotiate and enter into a land purchase agreement acceptable to the Company (**Attachment 16** and/or **17**), together with a Construction Coordination Agreement substantially in the form attached as **Appendix S** to **Attachment 76** or **Appendix H** if and when the Bidder has been selected as a resource in the final shortlist. **THIS RFP 2012 IS NOT AN OFFER TO SELL PACIFICORP'S SITE TO ANY BIDDER, AND IN NO EVENT WILL THE COMPANY BE OBLIGATED TO SELL A PACIFICORP SITE TO ANY BIDDER. ANY SALE OF A PACIFICORP SITE WILL BE SUBJECT TO THE NEGOTIATION, EXECUTION AND DELIVERY OF ALL AGREEMENTS AND TO THE COMPANY'S SATISFACTION, IN ITS SOLE DISCRETION, THAT SUCH TRANSACTION WILL BE IN THE BEST INTERESTS OF THE COMPANY'S CUSTOMERS AND WILL NOT IMPAIR IN ANY MANNER THE COMPANY'S OPERATION OF ITS FACILITIES THEN LOCATED ON OR ADJACENT TO THE COMPANY SITES.**

SECTION 5. BID EVALUATION PROCESS OF THE PROPOSALS

The Bidders must submit their proposals on or before ~~January~~February X, 2007. The RFP 2012 Evaluation Team and the ~~HEIEs~~ will adhere to the following bid evaluation process.

A. Overview of the Evaluation Process

Overview of the Evaluation Process

The analysis for the RFP will be focused on finding the best combination of resource opportunities to meet customer requirements at the least cost, on a risk adjusted basis. The evaluation process will utilize a screening process to derive an initial shortlist of bids (described in Step 1 below) which will then be placed in a system wide production cost model to determine the final shortlist (described in Step 2 and Step 3 below). The Company intends to utilize a “first price sealed bid format” in order to determine both the initial and final ~~short list~~shortlist of proposals ~~infor~~for each of the Eligible Resource Alternatives. ~~Alternative categories.~~

The selection of an initial ~~short list~~shortlist of bids will be based on price and ~~non-price~~non-price factors taking into account resource diversity of the term and fuel source. The price factor will be derived, in the initial ~~short list~~shortlist analysis, using the PacifiCorp Structuring and Pricing RFP Base Model. The RFP Base Model will be used to establish the initial shortlist of the top performing proposals in each of the Eligible Resource Alternative categories specified in the RFP 2012-based on the projected net present value revenue requirement (net PVRR) per kilowatt month (Net PVRR/kW-mo). The ~~non-price~~non-price factors will evaluate the proposed resource characteristics, ~~the Bidders’ characteristics and compliance with the Proforma contracts.~~ including development feasibility and risk, site control and permitting, and operational viability and risk impacts. The underlying criteria within each category are explained in more detail in Section 5.B.

The Bids which qualify for the initial listshortlist will be run through a production cost model to establish a preferred portfolio and subsequently a final ~~short list~~shortlist. After the final ~~short list~~shortlist is determined, post-bid negotiations will take place. Under this format, contract payments ~~are~~will be based on the price contained in each winning bid proposal. The “first price sealed bid format” means that the Company will utilize the initial prices and/or pricing structure submitted by the Bidders in order to determine the initial short-listed entities ~~and the final short-listed entities.~~ Bidders who make the initial shortlist may be offered the option to refresh or update their pricing at the discretion of PacifiCorp, in consultation with the IE.

In selecting the RFP 2012-bids for contract negotiations, an optimization model will be used to pick the least cost portfolio of resource options from the initial ~~short list~~shortlist under a given set of assumptions (prices, emission expenses, etc.) about the future. The optimization procedure will be applied under a set of future scenarios to develop a set of optimal resource portfolios. Additional deterministic and stochastic analyses will be performed to determine the expected present value revenue requirement (PVRR) and selected risk measures for each of the optimal portfolios determined by the optimization model.

After selecting the final shortlist, in selecting resources to be submitted for approval or acknowledgement, the Company will take into consideration, in consultation with the IEs, certain other factors not expressly included in the formal evaluation process, but required to be considered by applicable law or Commission order.

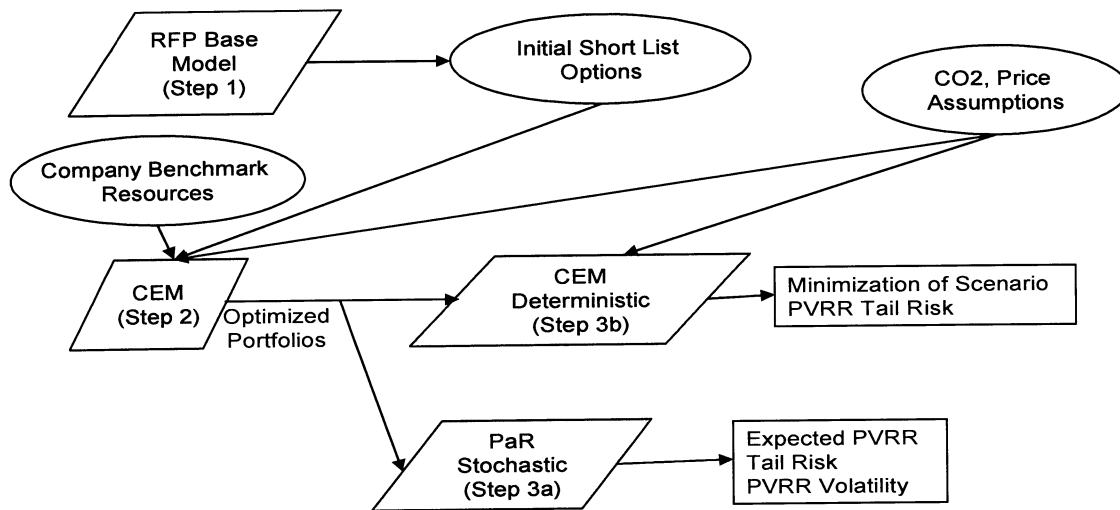
The ~~three-step~~evaluation process described below is consistent with that used in the Company’s Integrated Resource Planning process and applicable laws and orders, and is expected to provide sufficient analytical basis from which to make resource choices. The evaluation will lead to the resources in the highest performing (least cost, adjusted for risk, and including consideration of

statutory public interest factors) portfolios as the RFP “winners” that will then advance to contract negotiations. The Company will not ask for, or accept, updated pricing from Bidders during this evaluation period. It is the Company’s intent to negotiate both price and ~~non-price~~non-price issues during the post-bid negotiations. Selection for the initial ~~short list~~shortlist, final ~~short list~~shortlist, and/or post-bid negotiation does not constitute a “winning bid proposal.” For the purpose of the RFP 2012, only execution of the definitive agreement by both the Company and the Bidder that is specific to the Bidder’s proposal, as the same may be amended pursuant to any post-bid negotiations, will constitute a “winning bid proposal.”

Bidders should also be aware that operational separation exists, pursuant to FERC’s Standards of Conduct, between the merchant and transmission functions of PacifiCorp (See **Attachment 20**). As a result, ~~it is PacifiCorp’s requirement that~~ will require the Bidder ~~to be~~ responsible for the negotiation, execution and cost of interconnection and integration with the interconnection control area. The Bidder will be responsible for all incremental transmission expenses associated with delivery to the PacifiCorp’s network transmission system (inclusive of any third-party system upgrade needed to deliver such energy to PACE). Any anticipated transmission cost which is not included in **Attachment 13** or otherwise that is not disclosed in the Bidder’s response will be added by PacifiCorp using information reasonable and readily available during the economic evaluation phase.

Transmission integration costs will be used on a prorated basis in the development of the initial shortlist in Step 1. In the system wide production cost models utilized in Step 2 and Step 3, the transmission costs and system benefits (i.e. additional economic transactions, etc.) will be evaluated.

Below is an overview of the evaluation process.



The Company will not make any of the evaluation models - the RFP Base Model, the

Capacity Expansion Model, the Planning and Risk Model - available to Bidders. The IEs will have full access to the necessary inputs (including the Company’s forward price projections) and all models used in the evaluation process.

B. The Evaluation Process

Bids submitted to ~~the~~in this RFP 2012 will be evaluated in three steps:

A. 1. Step 1—Price and Nonprice ~~Non-price~~ Evaluation to Determine the Initial Short List

The Company intends to evaluate each bid received in a consistent manner by ~~breaking separately~~ evaluating the resource and non-price characteristics of the structure into individual components resource and the price characteristics. Each component will be evaluated separately and recombined to determine the bundled price and ~~nonprice~~non-price score. The price factor will be weighted up to ~~80~~70%, while the ~~nonprice~~non-price factor will be weighted up to ~~20~~30%. No proposal will receive a total weighting in excess of 100%. The ~~Price~~price and ~~Nonprice~~non-price evaluation will be added together and used to determine the initial ~~short list~~shortlist. The initial ~~short list~~shortlist will be made up of the highest scoring proposals for each of the ten Eligible Resource Alternative categories and the two exceptions.

1.a. Price Factor Evaluation (Up to 80%)

The Company will utilize the RFP Base Model to screen the proposals and to evaluate and determine the ~~initial short list~~price ranking for the eligible bids received. The RFP Base Model is contained in a Microsoft Excel workbook that includes a number of proprietary Visual Basic macros, custom add-ins, and computational code written in C++.

RFP Base Model Inputs:

- ●-Market Quote Date: The model will pull corresponding forward price, volatilities, and correlation projections for electricity and fuel commodities. Treasury discount curves are also included. The same Market Quote Date will be used for all bids during each evaluation phase.
- ●-Term: Start and End date
- ●-Transmission Cost assumptions (Transmission Integration costs will be used on a prorated basis)
- ●-Emission Inputs,
- ●-Rate Base Inputs: if applicable
- ●-Point of Delivery (POD) and Point of Receipt (POR)
- ●-Dispatch Pattern
- ●-Limitation of Duct Firing or Power Augmentation Capability (hours per day, hours per year, etc.)
- ●-Firm/Unit Contingent
- ●-Resource Type
- ●-Product Source
- ●-Temperature-adjusted undegraded (new and clean) Capacity Curve
- ●-Temperature – adjusted undegraded (new and clean) Heat rate Curve

- ●-Capacity (MW) Degradation Schedule (Expected and/or Guaranteed)
- ●-Heat Rate Degradation Schedule (Expected and/or Guaranteed)
- ●-Turbine Type
- ●-Variable O&M Payment (\$/MWh)
 - VOM costs (\$/MWh)
 - Start-Up Costs (\$/MWh)
- ●-Fixed O&M Payment (\$/KW-mo)
- ●-Gas Capacity (MMBtu/day)
- ●-Gas Demand Charge (\$/MMBtu-mo)
- ●-Gas Transportation/Delivery Adder (\$/MMBtu)
- ●-Fixed Energy Payment (\$/MWh, if applicable)
- ●-Capacity Charge (\$/KW-mo)
- ●-Resource/POD Availability by Month
- ●-Forward Price Curve Multiplier by Month
- ●-Corporate Financial Inputs – Inflation Curve, WACC, etc.

Comparison Metric

The comparison metric will be the projected net present value revenue requirement (net PVRR) per kilowatt month (Net PVRR/kW-mo). The net PVRR component views the value of the energy and capacity as a positive, and the offsetting costs as negative. The larger the net PVRR, the more valuable a given resource is to the Company’s customers. The net PVRR/kW-mo metric is the annuity value which, when applied to the nominal kilowatts on a monthly basis and present-valued, will result in the same net PVRR as a straight NPV calculation.¹⁴⁹

Bid Cost relative to adjusted price curves	Price Factor Weighting
Less than or equal to 80% of adjusted price projections	80 <u>70</u> %
Greater than 80% of adjusted price projections but less than 120% of adjusted price curves	Linearly interpolated
Equal to or greater than 120% of the adjusted price projection	0%

2. Non-price ~~b.~~ Non-price Factors (up to ~~20~~30%)

The primary purpose of the ~~non-price~~non-price analysis is to help gauge the relative development, construction and ~~contractual risk~~operational characteristics and associated ~~with~~risks of each proposal and have parties bid to a consistent set of Terms and Conditions within the Proforma Contracts. A matrix will be established for each ~~non-price~~non-price factor and will be used to compare the bids with one another.

~~Non-price~~Non-price factors will be weighted up to ~~20~~30% (in combination with the price scores) in the determination of which proposals will be chosen for the initial ~~short list~~shortlist.

¹⁴⁹The term “straight NPV calculation” refers to the act of present-valuing the net of the nominal capacity and energy value, and costs, to derive a net present value of the net margin between value and costs. To the extent that all proposals are above 120% of adjusted price curves, they will be ranked by percentage.

The ~~non-price~~non-price factor weighting for operation issues shall consist of the following:

Non-price <u>Non-price</u>	Non-price <u>Non-price</u> Weighting Factor
<u>Development Feasibility/Risk</u> <ul style="list-style-type: none"> ▪ <u>Critical Path Schedule</u> ▪ <u>Engineering Design and Technology</u> ▪ <u>Fuel Supply and Transportation Strategy</u> 	up to 10%
Site Control and Permitting <ul style="list-style-type: none"> ▪ <u>Permits Required</u> ▪ <u>Access to Water Supply</u> ▪ <u>Rights of Ways</u> 	up to 10%
<u>Development, Construction and Operational experience</u> <u>Viability/Risk Impacts</u> <ul style="list-style-type: none"> ▪ <u>Environmental Compliance/Strategy</u> ▪ <u>Environmental Impact</u> ▪ <u>O&M Plan</u> 	up to 10%

Development, Construction, and Operational Experience Feasibility/Risk

Bidders will be evaluated on the number of projects they have developed, constructed, and or operated. The scoring will be separated into two areas: 1) one percentage point will be awarded for each project the Bidder has developed, not to exceed 5%, 2) one percentage point will be awarded for the number of projects that the Bidder has constructed and/or operated in the past, not to exceed 5%. Scores for development, construction, and/or operational experience will not exceed 10%.

This category is intended to assess the likelihood the project can be successfully developed as proposed based on a number of factors which influence project development feasibility and risk of development. Factors influencing the status of project development as well as the likelihood the project will be developed on schedule will be assessed. For this category, PacifiCorp will evaluate the Critical Path schedule provided by the Bidders, the engineering design and technology maturity for the project proposed, the status of fuel supply arrangements and the strategy of the Bidder for securing fuel for the project.

Bidders shall provide a detailed project schedule with critical path milestones for the project that includes activities from the period of selection as the winning bidder to the commercial operation date. PacifiCorp will review and evaluate the project schedule to ensure there is a high likelihood the project can reach commercial operations as proposed. This review will include the risks of delays in securing the necessary environmental permits.

Bidders should also provide information about specific technology and equipment proposed for the project, including a description of the track record of the technology and equipment. The Bidder should provide a detailed description and specifications for the proposed equipment (including the

turbine, steam generator, gasifier, cooling equipment and environmental control equipment proposed). The Bidder should also identify any flexibility to change equipment design if environmental requirements or projected environmental compliance costs change significantly during project development. PacifiCorp reserves the right to conduct further due diligence on the equipment. PacifiCorp prefers proposals that demonstrate that the generation design and equipment proposed is technologically mature and the Bidder has included a reasonable plan to address how the project will conform to change in environmental requirements in the future (i.e. whether the project will be designed to be carbon capture ready and whether the facilities will be sited with ready access to sequestration opportunities).

Bidders should disclose the project design elements that have been included for the separation, capture and storage of carbon emissions, as well as any guarantees of cost and performance they are willing to provide with respect to these design elements. Bidders are also encouraged, but not required at this time, to identify the projected costs of additional design elements that would be required for carbon separation and capture. Bidders should discuss and provide documentation for any work they have done on whether the proposed site for the project would enable cost-effective access to geologic sequestration opportunities, including potential future revenue streams associated with the provision of compressed CO2 to enhanced oil recovery fields. If a Bidder does not address these issues fully in its initial project proposal, it should identify what additional information it will be prepared to provide in the event its bid moves from the initial shortlist to the final shortlist.

Bidders should provide a detailed strategy for securing and delivering fuel to the plant site. If the project is in the early stages of development, PacifiCorp requires a fuel supply and transportation plan that demonstrates that the fuel supply arrangements adequately conform to the type of project/technology proposed (e.g. gas-fired combined or coal). PacifiCorp prefers proposals that can demonstrate a secure and reliable fuel supply or strategy which demonstrates the ability of the bidder to secure a reliable supply for the project.

Site Control and Permits

Bidders must be able to 1) document they have obtained site control and necessary permits, awarded 10% or 2) Bidders can (maximum points in this category) or 2) demonstrate how site control and permits will be obtained, awarded 5%. To meet the site control requirement, Bidders shall have identified a site and must provide a copy of documentation establishing that the seller has and/or will have control over the site for the entire term of the contract. Eligible documentation includes a demonstration of site ownership, an option to purchase the site, or a binding letter of intent from the landowners for the full term of the contract.

For Bidders to demonstrate how they will obtain site control, they must submit documentation which supports the site control requirements and. Bidders should also provide a list of all required permits that must be obtained. The Bidder must also submit a defined plan and/or process with specific milestones in addition to any and all hurdles with an explanation of how these hurdles will be overcome. In addition, Bidders should identify any rights-of-ways that need to be acquired for the construction of supporting facilities (i.e. water pipelines, fuel lines, transmission lines, rail spurs, etc.) and provide a plan and schedule for securing the rights-of-ways.

Finally, PacifiCorp is particularly interested in the plan proposed by the Bidder for securing necessary water rights for the project, including the sources of water and status of any agreements in place to secure and deliver the water to the project site.

Operational Viability/Risk Impacts

This category addresses key viability and risk factors associated with project operations. The three key factors of importance are the Bidder's environmental management and compliance plan, the proposal's environmental impacts and the O&M plan. The environmental management and compliance criterion addresses the ability of the generation facilities supporting the PPA to anticipate and remain in compliance with existing and future environmental regulatory requirements and to reduce environmental impacts. Bidders should, to the extent practicable, explain and justify their choices of pollution control and water cooling technologies. PacifiCorp is interested in proposals that can demonstrate, through a credible plan, the ability to manage and reduce environmental costs and impacts. Options to meet the requirements of developing regulations for control of currently regulated air emissions and mercury, along with emerging issues such as greenhouse gas emissions and ways to mitigate future CO2 impositions, should be included in the Bidder's strategy for meeting the necessary requirements.

An important criterion for evaluating proposals will be the project's environmental impacts. The proposal's overall plan to minimize air emissions will be an important aspect of this review. In addition, site impacts such as water usage, land use, waste disposal, etc. will be considered. Proposals should include a description of the Bidder's plan to address site-specific areas of environmental sensitivity. Bidders are encouraged to identify areas where incremental improvements in environmental performance and water use and efficiency can be made through more advanced pollution control and water cooling technologies, if applicable, and to provide projected cost analysis for such incremental improvements, and tradeoffs with other factors like fuel use and air emissions. If a Bidder is not able to address this issue fully in its initial bid submission, it should identify what additional information it will be prepared to provide in the event its bid moves from the initial shortlist to the final shortlist.

The Bidder is also required to provide an O&M plan for the proposal. The O&M plan should include any plans for the Bidder to execute a long-term contract with a reputable operations and maintenance provider, a description of the funding levels/mechanism and contractual arrangements, and a description of the previous experience of the Bidder in operating and maintaining similar facilities.

The ~~initial short list~~The initial shortlist will be established using the combined price and non-price results. The initial ~~short list~~shortlist will include the top bids in each Eligible Resource Alternative category, up to two times the approximate megawatt needs for each year during the term. In addition, PacifiCorp may utilize the information provided by Bidders in their proposals associated with the non-price criteria listed above in the risk assessment of various resource alternatives.

The Final ~~Short List~~Shortlist will be comprised of Step 2 and Step 3.

B.2. Step 2—Capacity Expansion Model - Production Cost Run

Based on the initial ~~short list~~shortlist, Global Energy Decision's Capacity Expansion Model (CEM®) will be used to develop optimized portfolios under various assumptions for future emission expense levels and market prices. CEM® will develop a corresponding number of optimized portfolios—one for each combination of emission and wholesale market price assumptions—drawing from resource options in the initial ~~short list~~shortlist (described above) along with the Company's benchmark resources. These assumptions will be conceptually consistent with the 2006 Integrated Resource Plan high, medium, and low cases, but may reflect more recent data at the time the analysis is conducted.

Each portfolio from the CEM® scenarios will be a candidate for the optimum combination of resources to be selected through the RFP 2012-process and will therefore be advanced to the stochastic/deterministic analysis step described below. Resources bid into the RFP 2012-that are not included in any of the portfolios resulting from this step will no longer be considered candidates for acquisition by the Company.

C.3. Step 3—Risk Analysis

In order to identify the resources in the highest performing (least cost, adjusted for risk) portfolios, stochastic and deterministic analyses will be performed on each optimized portfolio. Consistent with the IRP, the Company will use the Planning and Risk Model and the Capacity Expansion Model to assess the risks to each Eligible Resource Alternative. The Planning and Risk Model will model hydro conditions, thermal outages, gas prices, electricity prices and load on a stochastic basis. The Capacity Expansion Model will model CO2, fuel prices and electricity prices on a scenario basis.

1.a. Stochastic Analysis

Global Energy Decision's Planning and Risk (PaR®) model will be used in stochastic mode to develop expected PVRR and PVRR volatility parameters. PaR® is an hourly dispatch model that varies loads, wholesale gas prices, wholesale electric prices, hydro variations, and thermal unit performance. The model dispatches resources to meet load with given markets and transmission access to minimize PVRR using linear programming techniques. The resulting distribution of PVRR, typically over 100 draws of the variables, can be evaluated for the expected PVRR, tail risk PVRR, and PVRR volatility.

2.b. Deterministic Scenario Analysis

As an additional risk analysis step, the optimal portfolios will be subjected to a more in depth deterministic dispatch model using CEM®, with each portfolio being assessed for each of the future scenarios described in Step 2 above. For example, Portfolio 1 will have been optimized for Scenario 1, but in this step Portfolio 1 will be reevaluated under scenarios 2 through *N* in order to assess the consequences of choosing a portfolio under non-optimal futures. This step is intended to identify portfolios with especially poor performance under certain future scenarios and used to inform the selection of final resource options.

Inputs used in CEM® and PaR® include:

Operational Costs

For each portfolio, the operational information for each added proposal will be entered into the production cost simulation (CEM® and PaR®). In addition, the Company will include any changes to the system topology to reflect transmission upgrades required by the added proposals. The operational information used in the production cost simulations includes:

1. Maximum capacity of each unit
2. Minimum capacity of each unit
3. Dependable per-unit capacity
4. Peaking capacity, for use under specified conditions
5. Actual pre-specified commitment and/or unit dispatch
6. Daily charge for operating a unit for at least one hour in the day

7. Variable O&M cost of each unit
8. The heat rate curve for a unit
9. Pre-scheduled maintenance, number of units and duration
10. Maintenance rate, for distributed maintenance per unit
11. Mean, maximum, and minimum time to repair, for outages scheduled by Convergent Monte Carlo
12. Minimum up- and downtimes of a unit
13. Per-hour operating cost, exclusive of fuel and variable O&M costs
14. Pumped storage pumping capacity and pumping minimum
15. Unit ramp and run-up rates
16. Unit start-up O&M and fuel costs and corresponding hours
17. Emission rates/costs

Bidders should ensure that they provide the information necessary to undertake the evaluation in their proposal. The production-cost model simulations (CEM® and PaR®) will provide information on net system costs for fuel, variable plant O&M, unit start-up, market contracts and spot market purchases and sales.

Fixed Costs

As mentioned above, the revenue requirement costs associated with additional investments required by the bid—investment in new resources and/or transmission—will be added to the variable operating costs. The information required for new resources in order to calculate the fixed costs include:

1. Capital Costs—generation and transmission
2. Fixed O&M
3. Incremental Transmission Asset Life
4. Incremental Resource Asset Life
5. ~~Direct & Inferred Debt~~

4. Step 4 – Final Selections; Other Factors

Certain differences may exist between the benchmark portfolio options put forth by the Company and resource alternatives provided through the solicitation process that are due to the inherent differences between cost of service regulated entities and market based entities. These differences may create different risk profiles for the resources covered by this RFP due to issues such as: 1) regulatory lag versus market lag, 2) risk and reward differences from cost-plus versus market operations, 3) opportunities for additional capital recovery, 4) cost recovery through rates versus through contracts, and 5) other regulated versus market differences that may exist. While these differences may exist, the Company has assumed that the benefits and risks of these issues are equal and offsetting between the benchmark portfolio options and solicitations received through the RFP.

The first three steps described above constitute the formal evaluation process and will lead to the compilation of the final shortlist of resources for further negotiation. After completing the formal evaluation process described above, but before making the final resource selections to be submitted for approval or acknowledgement, the Company will take into consideration, in consultation with the IEs,

certain other factors that are not expressly or adequately factored into the formal evaluation process, but that are required by applicable law or Commission order to be considered.

The Utah Energy Resource Procurement Act requires consideration of at least the following factors in determining whether a resource selected by the Company should be approved as in the public interest:

- whether it will most likely result in the acquisition, production, and delivery of electricity at the lowest reasonable cost to the retail customers of an affected electrical utility located in this state;
- long-term and short-term impacts;
- risk;
- reliability;
- financial impacts on the affected electrical utility; and
- other factors determined by the Commission to be relevant.

Oregon Order No. 06-446, Guideline 10(d), requires that the IE evaluate the unique risks and advantages associated with the Benchmark Resources, including the regulatory treatment of costs or benefits related to actual construction cost and plant operation differing from what was projected for the RFP.

SECTION 6. AWARDING OF CONTRACTS

A. Invitation

This RFP 2012 is merely an invitation to make proposals to the Company. No proposal in and of itself is a binding contract. The Company may, in its sole and absolute discretion, perform any one or more of the following:

- Determine, in consultation with the IEs, which proposals are eligible for consideration as proposals in response to this RFP-2012.
- Issue additional subsequent solicitations for information and conduct investigations with respect to the qualifications of each respondent.
- Disqualify proposals contemplating resources that do not meet this RFP-2012's definition of Base Load resources.
- Supplement, amend, or otherwise modify this RFP-2012, or cancel this RFP 2012-with or without the substitution of another RFP.
- Negotiate and ~~respond to~~request Bidders to amend any proposals.
- Select and enter into agreements with the respondents who, in the Company's sole judgment, are most responsive to the RFP 2012 and whose proposals best satisfy the interest of the Company and its customers, and state legal and regulatory requirements, and not necessarily on the basis of any single factor alone.
- Issue additional subsequent solicitations for proposals.

- Reject any or all proposals in whole or in part.
- Vary any timetable.

- Conduct any briefing session or further RFP 2012-process on any terms and conditions.

- Withdraw any invitation to submit a response.

B. Post-Bid Negotiation

The Company will further negotiate both price and ~~non-price~~non-price factors during post-bid negotiations. The Company will continually update its economic and risk evaluation until a definitive agreement acceptable to the Company in its sole and absolute discretion is executed by both parties. The Company will allow Bidders to negotiate final contract terms that are different from the ~~generic Proforma contracts as long as such negotiated terms constitute contract provisions that are acceptable to PacifiCorp on a legal, contractual, credit and other business basis~~Proforma Agreements including, but not limited to, CO2 risk. **The Company shall have no obligation to enter into any agreement with any Bidder to this RFP 2012 and the Company may terminate or modify this RFP 2012 at any time without liability or obligation to any Bidder.**

C. Confidentiality Agreement

All parties will be required to sign Confidentiality Agreements if they are short-listed (**Attachment 14**) prior to entering into negotiations with the Company.

D. Nonreliance Letter

All parties will be required to sign a nonreliance letter if they are short-listed (**Attachment 15**) prior to entering into negotiations with PacifiCorp.