

July 1, 2009

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Public Utility Commission of Oregon
550 Capitol Street NE, Suite 215
Salem, OR 97301-2551

Attention: Filing Center

RE: **UM 1020** - Request for Proposal for Tradable Renewable Credits for Oregon Portfolio Renewable Usage and Environmental Mitigation Options and Retail Marketing Services

Pursuant to OAR 860-038-0220(6), PacifiCorp d.b.a. Pacific Power (the "Company") hereby submits for approval an original and one copy of its Request for Proposal (RFP) for Tradable Renewable Credits for Oregon Portfolio Renewable Usage and Environmental Mitigation Options and Retail Marketing Services. The RFP is requesting bids for retail marketing services and tradable renewable credits for the Company's Renewable Usage Supply Service in Schedule 211 and the Habitat Supply Service in Schedule 213 for the period of January 1, 2010 to December 31, 2012.

The purpose and design of the RFP was discussed at the Portfolio Options Committee (POC) meeting on June 26, 2009, at which the POC recommended approval of the RFP. The Company respectfully requests that this matter be included on the agenda for the July 28, 2009 public meeting.

It is respectfully requested that all formal requests regarding this filing be addressed to:

By E-mail (preferred): datarequest@pacificorp.com

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

Oregon Public Utility Commission

July 1, 2009

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Informal inquires may be directed to Joelle Steward, Regulatory Manager, at 503-813-5542.

Sincerely,

A handwritten signature in black ink that reads "Andrea L. Kelly" followed by a stylized flourish or initial.

Andrea L. Kelly

Vice President, Regulation

Enclosure

Cc: Service List UM 1020

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket No. UM 1020 on the following named person(s) below by e-mail and U.S. Mail (if paper service has not been waived) addressed to said person(s) at his or her last-known address(es) indicated below:

Service List UM-1020

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Carrie Meyer
Coordinator, Regulatory Administration

PacifiCorp

REQUEST FOR PROPOSAL

FOR TRADABLE RENEWABLE CREDITS (Renewable Energy Certificates, as defined herein) FOR OREGON PORTFOLIO RENEWABLE USAGE AND ENVIRONMENTAL MITIGATION OPTIONS AND RETAIL MARKETING SERVICES

ISSUE DATE: July 29, 2009
DUE DATE: September 1, 2009

CONTACT: **Oregon SB1149 RFP**
PacifiCorp
1900 SW 4th Avenue – Plaza
Portland, Oregon 97201
OregonSB1149RFP@pacificorp.com

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1 REQUEST FOR PROPOSALS (RFP)

Background

PacifiCorp is one of the West's leading electric utilities, serving approximately 1.7 million customers in six western states. PacifiCorp consists of three business units, aggregating up to PacifiCorp: PacifiCorp Energy, containing the electric generation, commercial and energy trading functions, and the coal-mining operations of the company is headquartered in Salt Lake City, Utah; Pacific Power, which delivers electricity to customers in Oregon, Washington and California is headquartered in Portland, Oregon; and Rocky Mountain Power, which delivers electricity to customers in Utah, Wyoming and Idaho is headquartered in Salt Lake City, Utah.

PacifiCorp d.b.a. Pacific Power is requesting bid proposals for retail marketing services (called "RMS" herein) and tradable renewable credits, also known as Renewable Energy Certificates (called "RECs" herein), for two of our Oregon renewable power options (Renewable Usage Supply Service ("Usage option") offered through PacifiCorp Oregon Schedule 211 and Habitat Supply Service ("Habitat option") offered through PacifiCorp Oregon Schedule 213) sufficient to serve the needs of our residential and small non-residential customers who select and qualify for these two options for the period of January 1, 2010 to December 31, 2012.

PacifiCorp has prepared this RFP to solicit Proposals from qualified persons and organizations interested in providing the RECs and RMS. Under Oregon Administrative Rules ("OAR") 860-038-0220 (6) and Order No. 03-208 of the Oregon Public Utility Commission ("Commission"), PacifiCorp has created a neutral and open bidding process for the marketing and supply of its Usage and Habitat options. See Appendix D for background information regarding the renewable portfolio options and eligible customers.

As required by the Commission, PacifiCorp will make available to the Commission after a contract is awarded documentation on the evaluation process utilized to determine the winning bid and to support the selection. This information will be subject to appropriate confidentiality provisions.

Through this RFP process, PacifiCorp will contract for RECs from renewable energy sources to supply the tariffed Usage and Habitat options and RMS. Current tariff schedules for these two renewable energy options can be found on the company's website at:

http://www.pacificpower.net/Regulatory_Rule_Schedule/Regulatory_Rule_Schedule5293.pdf (Usage option) and http://www.pacificpower.net/Regulatory_Rule_Schedule/Regulatory_Rule_Schedule5295.pdf (Habitat option).

All Proposals must meet the requirements set forth herein. PacifiCorp must receive all Proposals on or before 5:00 p.m. PDT Tuesday, September 1, 2009. Respondents will be screened based on responsiveness to the requirements, creditworthiness, demonstrated ability to provide adequate verification of REC authenticity and benefits to PacifiCorp and PacifiCorp's customers as determined by PacifiCorp in its sole discretion. Bids from qualified Respondents will be evaluated based on the overall cost, resource mix, RMS approach and demonstrated marketing experience, as well as other evaluation criteria identified in Section 5. Respondents will be advised of the status of their Proposal upon completion of the selection process. PacifiCorp reserves the right, at any time, to reject any or all Proposals as described in Section 8.2.

Pacific Power serves 466,709 residential customers, 74,993 small non-residential customers and 11,291 large non-residential customers in Oregon according to 2008 year-end reports. The Usage and Habitat options are available to Oregon residential and small non-residential customers as mandated under OAR 860-038-0220 (4).

Customers who participate in these two options support renewable energy equal to 100% of their monthly usage. RECs are used by PacifiCorp to satisfy 100% of the renewable energy component of a subscriber's energy usage. These RECs must consist of 100% "new" generation as defined by Oregon's Electric Industry Restructuring Law¹ (referred to as "SB 1149" herein). "New" renewable resources are generating facilities that first started operation after July 23, 1999 (see Appendix B).

¹ Refer to ORS 757.600(21).

Currently, the cost to participate in one of these options is based on actual usage and is currently less than a penny at \$0.0089 per kWh. This charge is in addition to the standard energy rate paid by all customers. Under the Habitat option, customers make an additional \$2.50 monthly donation to support salmon habitat preservation and restoration. This donation currently goes to The Nature Conservancy (TNC), a non-profit organization. TNC administers this element of the program under contract.

The Renewable Usage and Habitat options have been available to Oregon residential and small non-residential customers since March 1, 2002. As of March 31, 2009 - 25,736 customers were enrolled in these two options, of which 24,902 are residential customers and 834 are small non-residential customers. Residential households in Oregon use on average 1,037 kWh per month and small non-residential customers use on average 1,425 kWh per month according to 2008 year-end records. Customers enrolled in the Usage & Habitat options during calendar year 2008 supported renewable energy equivalent to 240,659,123 kilowatt-hours. PacifiCorp also offers a block product to customers as a renewable resource portfolio option. The block option is offered under PacifiCorp Oregon Schedule 212. Under the block option, which is also known as the Fixed Renewable option, a customer purchases 100% "new" renewable resources in fixed 100 kWh block increments. PacifiCorp has offered this option to customers since April 2000. PacifiCorp procures the RECs to supply this program in addition to marketing and administering the program.

Renewable Energy Credit Requirements

All RECs purchased by PacifiCorp on behalf of program participants under the program must conform not only to Oregon Public Utility Commission approved regulatory requirements, but also to Green-e Energy national standards and be Green-e certified or Green-e certifiable. In addition, all RECs purchased are required to be registered with the Western Renewable Energy Generation Information System (WREGIS) or other regional REC tracking system as identified at <http://www.epa.gov/greenpower/gpmarket/tracking.htm>. The RECs provided cannot be associated with PacifiCorp's renewable energy portfolio, efforts to meet a Renewable Portfolio Standard or any other federal or state statutory requirement to construct or contract for renewable energy. These investments are not eligible as "new" and all renewable energy supported through the Usage and Habitat options must be "new" as defined ORS 757.600 (21).

RECs must meet "new" renewable resource standards for the Usage and Habitat options as adopted by the Oregon Public Utility Commission for the renewable energy portfolio options.² The bidder's Proposal must address the issues raised in the RFP in a compelling and reasonable manner. PacifiCorp will be looking for resources that meet the Commission's definition for New Renewable Resource Power and comply with Green-e Energy standards (See Appendix B for excerpts from OAR 757.600 (21)).

Content must be 100% "new" renewable resource. Product content must meet the eligible resource types described in the tariff schedules, ORS 757.600 (21) and Green-e Energy product standards as described at www.green-e.org. Providers must also abide by the Code of Conduct that governs the marketing and business practices of Green-e Energy certified programs and follow the Green-e Energy Customer Disclosure Requirements, including the following: provide customers with a product content label for the certified renewable energy option which identifies the renewable resource type supplied (such as wind or solar), the geographic location of the renewable energy generator, and provide customers with clear prices and simple terms and conditions for the renewable energy option. Bidder must also be prepared to support an annual verification process audit to ensure that they are buying enough of the right types of renewable energy to match their certified sales to customers; complete a twice-annual review of marketing materials to ensure the organization is not making false or misleading statements about their certified renewable energy option(s) and is following the Green-e Energy customer disclosure requirements; pay an annual fee to cover the costs associated with certification for the Usage and Habitat products. All Blue Sky renewable energy products are currently Green-e Energy certified. The provider will be expected to cover the expenses associated with certifying the Usage and Habitat products.

² See Oregon Public Utility Commission Order No. 06-350.

Retail Marketing Services (RMS) Requirements

All renewable energy options offered to customers are branded under the Blue Sky name. The Blue Sky program is voluntary and independent of the investment that PacifiCorp is already making to add cost-effective renewable energy to its generation portfolio serving all its customers. The Blue Sky program allows customers to make their own personal commitment to renewable energy. The Blue Sky program has been recognized as a top-performing program at the national level for several years. In early 2009, for the sixth consecutive year, the National Renewable Energy Laboratory (NREL) ranked the Blue Sky program fifth or better nationally for the number of customers supporting renewable power and for renewable power sales volume.

PacifiCorp is focused on offering customers renewable energy options that will continue to grow and receive positive recognition in the marketplace. The vendor selected will be expected to provide RMS that will assist PacifiCorp in achieving the goals of increasing enrollments and MWhs sold while retaining participation and enhancing the image of the program amongst our customers.

Additionally, PacifiCorp is required to include information about the block program in all customer education and marketing materials for the Usage and Habitat programs. The RMS sought through this RFP must include information on the block program in all customer messaging. Proposals must address how information on the block program will be included in marketing and educational materials for the Usage and Habitat programs.

2 GENERAL PROCEDURES

2.1 Notice of Intent to Respond

Respondents are requested to complete the "Notice of Intent to Respond" form, included in Appendix "A", in order to be notified of updates to this RFP. Future correspondence, including any clarifications, related to this RFP will be sent only to Respondents that return the Notice of Intent to Respond.

2.2 Clarifications

To Respondents - Respondents desiring any clarification or explanation regarding this RFP may write or e-mail to: OregonSB1149RFP@pacificorp.com.

Insofar as practicable, questions concerning the RFP should be submitted with the Notice of Intent to Respond. All questions will be answered in writing or over the telephone.

To PacifiCorp - PacifiCorp will perform an initial review of the Proposals to determine if all required information has been provided. Where deficiencies are not material, PacifiCorp may, at its sole discretion, grant a period of five (5) working days to the Respondent to cure such deficiencies.

2.3 Proposal Submittal

Six (6) copies of the Proposal are required and shall be delivered to:

ROUTINE MAIL & OVERNIGHT DELIVERY

PacifiCorp
Attn: Oregon SB1149 RFP 2009
1900 SW 4th Avenue – Plaza
Portland, Oregon 97201

HAND DELIVERY

PacifiCorp
Attn: Oregon SB1149 RFP 2009
1900 SW 4th Avenue – Plaza
Portland, Oregon 97201

The Proposal shall be sealed in an envelope and the exterior marked with the following to distinguish it from routine mail:

**RFP – CONFIDENTIAL TRADABLE RENEWABLE CREDIT AND RETAIL MARKETING SERVICES FOR
OREGON PORTFOLIO RENEWABLE USAGE AND ENVIRONMENTAL MITIGATION OPTIONS**
Proposal Due Date and Time: Tuesday, September 1, 2009 – 5:00 P.M. PDT

No oral or telephonic Proposals will be considered.

It is the sole responsibility of the Respondent to see that its Proposal is received by the date and time due. Any Proposal received after the stated deadline will be rejected.

All Proposals shall be prepared and submitted in accordance with these instructions and all Proposals submitted shall become the property of PacifiCorp.

Each Proposal must be effective for a minimum of 180 days after the response deadline. Respondents may be requested to extend their Proposal until a final agreement is executed.

3 DEFINITIONS

"**REC**" means: (i) the Non-Power Attributes associated with a Specified Resource or the generation of power there from and (ii) the REC Reporting Rights arising there from or connected therewith. One REC represents the Non-Power Attributes and REC Reporting Rights associated with 1 MWh generated by the Specified Resource. All RECs must be fully transferable to PacifiCorp, free from any rights of others.

"**Customer Care**" means direct and indirect contact with customers in response to such items as general information requests, enrollment processing and retention activities. This includes web, written correspondence, phone contact, and face-to-face sales contact at events and functions.

"**REC Reporting Right**" means the right of PacifiCorp to report to any agency, authority or other party, including without limitation under Section 1605(b) of the Energy Policy Act of 1992, or under any present or future domestic, international or foreign emissions trading program, that it exclusively holds the Non-Power Attributes.

"**Marketing**" means all mass media, customer communications and outreach activities associated with maintaining and increasing customer participation levels in these products.

"**Non-Power Attributes**" are all of the environmental, power source, and emission characteristics, credits, allowances, claims, reductions, offsets and benefits of a Specified Resource or the generation of power there from and include without limitation any avoided emissions of substances to air, soil or water, including without limitation nitrogen oxides (NOx), carbon monoxide (CO), mercury (Hg), carbon dioxide (CO₂), methane (CH₄), other greenhouse gases (GHGs) designated as such by the United Nations Intergovernmental Panel on Climate Change, and any other pollutant that is now or may in the future be regulated or tradable anywhere, whether or not any such legislation, regulation or trading program is ever enacted, implemented or promulgated. Notwithstanding the foregoing, Non-Power Attributes do not include adverse wildlife impacts or anything that PacifiCorp, in its sole judgment, deems to expose it to the threat of liability. Non-Power Attributes are expressed in MWh, and are not a calculation of the quantity of avoided emissions.

"**Program-Dedicated Renewable Resources**" means Specified Resources (e.g., specifically designated renewable energy project) whose entire REC production is supplied by the Respondent under the Proposal.

"**Proposal**" means a response to this RFP by a Respondent.

"**Respondent**" means a qualified person or entity proposing to provide RECs and retail marketing services.

"**Specified Resource**" means the facility designated by Respondent from which power is to be generated.

NOTE: Sales of RECs are not sales of physical power. PacifiCorp is buying only the RECs from the Specified Resources. Respondent may use or sell the power from the Specified Resources to third parties, but may not represent such power as possessing its Non-Power Attributes or REC Reporting Rights, and may not resell the RECs for the same power to any other parties.

4 SCHEDULE

4.1 Tentative Schedule of Events

An approximate schedule for Proposal evaluation and Respondent selection is as follows:

- RFP release July 29, 2009
- Notice of Intent to Propose due August 6, 2009 , 5PM PDT
- Questions from Bidders due August 13, 2009, 5PM PDT
- PacifiCorp Answer Bidder Questions due August 20, 2009, 5PM PDT
- Proposals due September 1, 2009, 5 PM PDT
- Bid Evaluation – September 1-14, 2009
- Term sheet executed with chosen vendor by November 1, 2009
- Tariffs filed with Commission, November 1, 2009
- Execute contract by January 1, 2010

5 EVALUATIONS

5.1 Proposal Evaluation and Discussions

PacifiCorp may award a contract on the basis of Proposals submitted, without discussions, or may negotiate further with those Respondents at its sole discretion.

Proposals should be submitted on the most favorable terms the Respondent can provide.

The authority for any agreement to contract rests with PacifiCorp.

PacifiCorp will perform an initial review of the Proposals to determine if all required information has been provided. Where deficiencies are not material, PacifiCorp may, in its sole discretion, grant a period of five (5) working days to the Respondent to cure such deficiencies.

Proposals should support the Considerations for Designing Portfolio Options adopted by the Oregon Portfolio Options Committee, be fully compliant with the Commission's requirements, and show supply from 100% new renewable resources³.

Respondents will be qualified based on:

- Creditworthiness
- Experience in renewable energy and retail marketing
- Demonstrated ability to provide adequate verification of REC authenticity
- Demonstrated ability to deliver on the renewable energy standards for the options provided herein and adopted by the Commission given these programs are subject to Oregon law as administered by the Oregon Public Utility Commission. Consequently, PacifiCorp reserves the right to modify any portion of this RFP or withdraw it in whole or in part, in order to comply with Commission orders, rules or statutes and Commission approved tariff filings.

Once qualified, subject to the requirements of this RFP, Proposals will be evaluated based on the following factors:

³ See Oregon Public Utility Commission Order No. 06-350

Weight	Evaluation Factor
35%	Overall price for RECs and RMS.
30%	Demonstrated experience and knowledge of the retail energy market with emphasis on the voluntary renewable energy options market. Ability to provide and execute a quality retail marketing plan which includes presentation of a practical marketing approach that demonstrates an understanding of how to effectively educate consumers and market these products across the company's diverse Oregon service area at a competitive price; providing a clear plan for retaining existing customers, increasing customers knowledge and awareness of the options as well as customer participation and renewable energy sales. Bidder must also demonstrate their ability to collaborate with PacifiCorp and other involved parties including but not limited to community-based challenges and outreach partnerships with environmental and community groups as a means of validating the option and educating Pacific Power customers. Provide annual marketing budgets and projected sales. The selected supplier will be required to work closely with PacifiCorp's Program Manager, Regional Community Managers, Corporate Account Managers, and other outreach partners to present information about PacifiCorp's renewable energy program.
20%	RECs appeal to customers (origin, sources, age, and location of RECs)
5%	Bidder's familiarity with the national wholesale and PacifiCorp service territory retail energy market with emphasis in the voluntary market and use of Renewable Energy Credit Tracking Systems.
5%	Demonstration of experience and ability to address customer care issues.
5%	Risks associated with the Proposal, including exposure to market prices, availability of RECs.

After the Proposals have been reviewed and evaluated, selected Respondents may be asked to make presentations of their Proposals to PacifiCorp personnel and field questions concerning them. After the interviews and the evaluation are completed, one or more Respondents may be requested to enter into contract negotiations.

In order to ensure proper consideration to the Proposal, Respondents should explain in detail any provisions that may not be obvious. Clearly mark portions of a Proposal that are variances of a base Proposal. It is critical that Proposals be clear and concise as to what is offered.

5.2 Awards

The successful Respondent will commence the process of contracting to provide RECs and RMS to PacifiCorp under the following procedure: PacifiCorp will deliver a form of contract, which the parties will then negotiate. No obligations or legal relations shall exist between PacifiCorp and Respondent until the definitive execution of final documentation acceptable to PacifiCorp in its sole discretion. PacifiCorp intends to file tariffs by November 1, 2009 for its Renewable Usage and Habitat options; this date may require a term sheet between parties on which to base tariff price. PacifiCorp is required to file revised tariffs four months ahead of implementation per OAR 860-038-0220 (7). Current tariffs for these products can be found on the Pacific Power Web site.

Usage Option – http://www.pacificpower.net/Regulatory_Rule_Schedule/Regulatory_Rule_Schedule5293.pdf

Habitat Option – http://www.pacificpower.net/Regulatory_Rule_Schedule/Regulatory_Rule_Schedule5295.pdf

Block Option - http://www.pacificpower.net/Regulatory_Rule_Schedule/Regulatory_Rule_Schedule5294.pdf

PacifiCorp will work with the successful Respondent to estimate the total RECs and RMS it will need for the 36-month term of the contract, although PacifiCorp will not be obligated to purchase any minimum amount of RECs and RMS from anyone.

The successful Respondent must be able to deliver attestations and documentation to support registration and transfer within a renewable energy credit tracking system for all RECs to meet Green-e Energy standards and Regulatory reporting requirements. The RECs must match actual customer demand and will not be paid for until PacifiCorp receives required attestations. For an example of a wholesale attestation, see Appendix C. Supporting

Generator Attestations may also be required. WREGIS certified RECs will need to be accompanied by WREGIS verification.

Pursuant to Commission Order No. 05-878, PacifiCorp is required to file with the Commission upon execution any contracts with REC/RMS suppliers for portfolio options under ORS 757.603(2) (a). PacifiCorp is allowed to request that the documents filed with the Commission be treated as a confidential submission under ORS 192.502(4), or other specified exemptions.

6 DETAILED PROPOSAL REQUIREMENTS

6.1 Provide the following information:

General Experience

1. Describe your experience with and/or understanding of Pacific Power's Oregon renewable energy options.
2. Discuss your knowledge of the retail and wholesale renewable energy market and more specifically with the voluntary renewable energy and carbon offset markets.
3. Describe your experience with voluntary utility programs, including behavior change campaigns; include the name of the program/campaign, the size of the program, number of sign-ups, and overall experience.
4. Describe your understanding of the barriers associated with an individual or business participating in a voluntary renewable energy program and what steps you would take to help overcome those barriers.
5. Provide three letters of reference related to providing RECs to end-use customers and marketing/outreach services related to a voluntary customer driven renewable energy program.
6. Demonstrate that you have the proper licensing in place to do business in the State of Oregon.

Retail Marketing

1. Describe your experience in successfully marketing a voluntary renewable power program to electric utility end-use consumers. Provide specific examples – related to reaching residential and small non-residential customers including samples of customer education/marketing literature.
2. Describe your approach to marketing the Oregon portfolio Renewable Usage and Habitat options, along with the Block product. Show the consideration you will give to marketing in PacifiCorp's Pacific Power Oregon service area which includes diverse and non-urban rural markets and serves customers residing in 168 different towns and cities. What strategies will you use to make renewable energy tangible and more appealing to the mainstream vs. the most environmentally conscious of consumers? Give specific approaches to retaining and expanding the current market share. Your response should include: number of years of experience including how many years in a partnership role with an electric utility, description of green product industry recognition or trade group awards, customer retention activities, and references from environmental groups and utilities, community groups and government entities.
3. Describe how you propose working in collaboration with the nonprofit agency that administers the projects that restore native fish habitat for the component of the Habitat option or other non-profit or community groups? Provide a general outline of the expected roles and responsibilities of each party.
4. Describe how you would coordinate with PacifiCorp's Pacific Power customer communication efforts to inform customers about all of their renewable power options. Describe your marketing/outreach plan – including objectives and goals for each customer segment and your expected use of various marketing channels. Include reasons why or why not you would use one channel over another and estimated budgets (by option if different).

5. Describe approaches to evaluating your marketing efforts for cost-effectiveness and customer segments reached.
6. Describe your expected participation results by option over the contract period. Describe how your marketing dollars would be allocated by customer segment and marketing channel, along with what dollar amount would be dedicated to retention and ensuring high customer satisfaction among all participants. Also describe how dollars received from participating customers would be used – portion to RECs, marketing, administration.
7. Describe what market research, you plan on executing and how you will evaluate your marketing effectiveness and impact on customer satisfaction and how this information will be shared with PacifiCorp.
8. Describe your suggested approach to customer relations, including any training processes and expected ongoing customer contact.
9. Describe your customer participation tracking/reporting needs from PacifiCorp.
10. Please provide letters of reference, endorsements or a list of references demonstrating support of your work by environmental organizations and other utilities.
11. Discuss your experience creating tools; including customer focused educational, marketing and recognition materials to communicate information to customers regarding voluntary programs. Provide examples of the tools you would use to engage residential, non-residential and governmental groups. Explain how the tools would influence behavior and encourage immediate action.

Customer Care

1. Describe your approach to ensuring high customer satisfaction levels. Specifically address the background and training of your staff and the expected level of on-going customer contact as well support that you would provide to train the utility's customer facing representatives.
2. Describe how you would handle a customer complaint or inquiry from a media representative.

Interaction with PacifiCorp

1. Describe your previous experience working with a regulated electric utility, identify if the utility operated under multiple jurisdictions.
2. Discuss your experience working with a utility's communication group(s). Explain how you would coordinate your efforts with PacifiCorp staff including your approach to seek approval from PacifiCorp to initiate a plan and/or make a recommendation to change course.
3. PacifiCorp will require the selected supplier to report progress quarterly to document results achieved against the performance metrics. In addition, the selected service provider will be required to provide forward looking quarterly marketing plan presentations, forecasts for new enrollments, drops and net enrollments by month; and present information and seek approval on new facilities being explored to supply RECs for the program. Weekly updates of community outreach activities scheduled for the following week will also be required. In addition, the selected supplier will be required to support other program related reporting – i.e. quarterly Oregon Portfolio Option Committee reporting, annual PUC reporting and may be asked to support other internal reporting needs and company sponsored events. Finally the supplier will be expected to provide quarterly reports to confirm that the total amount of Renewable Energy Certificates purchased, transferred, and currently contracted for the prior calendar quarter satisfy the total amount of MWhs purchased by PacifiCorp's customers in the Program for the previous calendar quarter.

4. Pacific Power currently has a Web page, <http://www.pacificpower.net/Homepage/Homepage74486.html>, which extends special access to coupons and incentives to Blue Sky customers. The selected supplier may be expected to identify business partners and develop and launch retail partnerships interested in offering Blue Sky Block customers coupons and incentives for participating in the program.
5. PacifiCorp may have other marketing partners promoting its renewable energy initiatives in other geographic regions and/or with similar/complimentary agendas. If requested, the selected supplier will be required to work in collaboration with other PacifiCorp partners. Discuss your strategy and approach for doing this.

Strategy/Plan

1. Describe the technique you would use to locate a variety of business and community forums and events. Discuss how you would present Blue Sky information and provide a presence at these events. Provide examples of use of proven/practical approaches as well as the use of creativity and innovation to identify target customers, educate customers to secure and maintain enrollments as well as lessons learned.
2. Discuss the process of creating presentations outlining the value, proposition, program design and benefits of participating in the Blue Sky Block program. Provide two examples of past presentations with similar themes.
3. PacifiCorp uses a variety of mechanisms to educate customers and encourage Blue Sky enrollments on an on-going basis. Repeated direct mail, newsletters, and bangtail business reply envelopes are used to increase participation as well as community focused campaigns that often take the form of a renewable energy challenge. PacifiCorp also communicates with participants through an annual report card mailing and a newsletter that is circulated twice a year. Describe how you would support PacifiCorp's on-going customer education and outreach efforts in these areas.

Renewable Energy Certificates (RECs)

1. Demonstrate certainty of the availability of RECs sufficient to meet our customer demand requirements over the contract term. Bidder must be able to deliver renewable energy credits within the Green-e Energy required true-up period and provide documentation required for Green-e Energy certification and Oregon Public Utility Commission regulatory reporting purposes.
2. Describe any potential time or other constraints to delivery of the RECs and any certificates, attestations, or other indicia demonstrating exclusive ownership of the RECs, such as WREGIS (Western Renewable Generation information System) or other generation information system certificates.
3. Describe any other operational constraints of which PacifiCorp should be aware.
4. Describe your process for acquisition of RECs and the sources (the Specified Resources), whether it is from market purchases and contracts or from owned or shared generation resources.
5. Describe the contract chain and generation information systems used for demonstrating the REC attestations and the RECs Reporting Rights.
6. Describe your familiarity with WREGIS or other applicable generation information system requirements and other renewable energy credit tracking systems across the country.
7. Provide information regarding your creditworthiness as required by PacifiCorp, including the name of the legal entity making the Proposal, 2 years of financial statements (audited if so available), the name of your primary lender, and three credit references.
8. All RECs must meet the renewable resource standards for Renewable Usage and Habitat options as adopted by the Commission and meet SB 1149's definition of New Renewable Resource Power and Renewable

Resources requirements (Appendix B). In addition, they must be Green-e Energy certified or Green-e Energy certifiable.

9. All RECs must contain documented reporting rights for authenticity purposes provided by an independent third party, including a generation information system.
10. Any RECs from Program-Dedicated Resources should be identified, with estimated production quantities, and documentation supporting their identification as Program-Dedicated.

6.2 Pricing

State the price per MWh per Renewable Usage and Habitat option for the entire 36-month term of the RECs and RMS contract. Pricing should be fixed for the delivery period or stated as “not to exceed price.”

Bidders are encouraged to present various pricing options. At minimum the following pricing options should be presented.

1. Product content is sourced exclusively from the WECC (Western Energy Coordinating Council) region and resource is Green-e Energy certified or Green-e Energy certifiable and the facility is WREGIS (Western Region Electricity Generation Information System) registered
2. Product content is sourced from a mix of WECC region and national Green-e Energy certified sources, in which the content distribution from each applicable regional tracking system is identified
3. Product content is sourced exclusively from outside of the WECC region. RECs must be Green-e Energy certified or Green-e certifiable and the facility must be registered with an applicable regional tracking system

Proposed supply strategies should recommend approaches that will mitigate price volatility during the term of the agreement while considering potential consumer preferences related to supporting local (WECC) generation vs. a mix of WECC and nationally sourced RECs. All strategies should conform to Green-e Energy National Standards for utility green pricing programs.

All supply sourcing related to a particular generating facility will require the approval of multiple PacifiCorp departments.

6.3 Guarantees

1. Describe any guarantees or other forms of security for performance, such as a bond or similar security.
2. Performance and other guarantees that are made as part of the RFP may be incorporated into the ultimate contract and used for contract compliance.

7 CONTENT OF RESPONSE

All Proposals should be in the format described herein. All requested information applicable to the Respondent's Proposal should be supplied. Additional or separate information submitted will be accepted without prejudice to the Proposal and will be considered in its applicable context, however, Respondents should avoid including extraneous information.

Proposals should include the following information in the order listed:

- Letter of Transmittal.
- Briefly state the Respondent understands the Proposal and what is being offered to PacifiCorp.

- The address used in the Proposal shall be considered the legal address of the Respondent and shall be changed only by written notice to PacifiCorp. The Respondent shall supply an address to which certified mail can be delivered. The delivery of any communication to the Respondent either personally, or to such address deposited in the United States Mail, registered or certified with postage prepaid, addressed to the Respondent at such address, shall constitute a legal service thereof.
- Table of Contents - Include a clear identification of the Proposal by section and by page number.
- Respondent's Qualifications - Identify the facility(s) or project(s) (the Specified Resource). Briefly describe the facility or project making sure it meets the Commission's Definition of Renewable Energy (included in Appendix "B").

PacifiCorp reserves the right to require, in PacifiCorp's sole opinion, adequate credit assurances which may include, but may not be limited to, a corporate parental guaranty and/or a letter of credit in a form, amount, and from a financial institution acceptable to PacifiCorp.

8 DISCUSSIONS AND RIGHT TO REJECT PROPOSALS

8.1 PacifiCorp's Rights and Options

This RFP contains only an invitation to make Proposals to PacifiCorp. No Proposal is itself a binding contract unless the parties execute definitive and complete documentation providing otherwise.

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

1. Determine which Proposals are eligible for consideration in response to this RFP.
2. Issue additional subsequent solicitations for information, and conduct investigations with respect to the qualifications of each Respondent.
3. Disqualify Proposals contemplating Specified Resources that do not meet the Commission's definition of renewable energy products containing new resources or any other renewable portfolio standards.
4. Supplement, amend, or otherwise modify this RFP, or cancel this RFP with or without the substitution of another RFP.
5. Negotiate with Respondents to amend any Proposal.
6. Select and enter into agreements with the Respondents who, in PacifiCorp's sole judgment, are most responsive to the RFP and whose Proposals best satisfy the interests of PacifiCorp and its customers, and not necessarily on the basis of price alone or any other single factor.
7. Issue additional subsequent solicitations for Proposals.
8. Waive any irregularity or informality on any Proposal to the extent not prohibited by law.
9. Reject any or all Proposals in whole or in part.
10. Vary any timetable.
11. Conduct any briefing session or further RFP process on any terms and conditions.
12. Withdraw any invitation to submit a response.

13. Order all or none or part of the RECs or RMS, and in any quantity for delivery without providing reasons and without being liable for any compensation to any party except to the extent of the services ordered and satisfactorily provided pursuant to the terms of an executed agreement.

8.2 Basis for Rejection

Proposals may be rejected for any of the reasons including but not limited to:

1. Receipt of the Proposal by PacifiCorp after the Response Deadline.
2. Failure to meet the requirements described in this RFP.
3. Failure to submit a complete Proposal with pertinent information necessary for evaluation.
4. Failure of the Respondent's authorized officer to sign the Proposal.
5. Inability or unwillingness of the Respondent to provide any security or surety required for performance.
6. If the Proposal is not a firm offer for at least 180 days from the Response Deadline.
7. Misrepresentation or failure to abide by National Association of Attorneys General (NAAG) Environmental Marketing Guidelines (available at http://www.naag.org/issues/pdf/Green_Marketing_guidelines.pdf).
8. Failure to permit disclosure of information contained in the Proposal to PacifiCorp agents, contractors or Commission.
9. Any attempt to influence PacifiCorp's evaluation of the Proposals outside the solicitation process.
10. Any change in regulation or regulatory requirements.
11. Failure of the Specified Resource to meet the Commission's definition of renewable energy products containing new resources or any other renewable portfolio standards.
12. Any matter impairing Respondent, Specified Resources or the generation of power or Non-Power Attributes there from or the delivery of RECs.

9 EXPENSES OF PREPARING PROPOSALS

Each Proposal will be prepared at the sole cost and expense of the Respondent and with the express understanding that there will be no claims whatsoever for reimbursement from PacifiCorp. PacifiCorp is not liable for any costs incurred by Respondents in responding to this RFP or for any damages arising out of or relating to PacifiCorp's rejection of any Proposal for any reason. Respondent shall bear all costs and expenses of any response to PacifiCorp in connection with its Proposal, including providing additional information and Respondent's own expenses in negotiating and reviewing any documentation.

10 DISPOSITION OF PROPOSALS AND OWNERSHIP OF DATA

All Proposals belong to PacifiCorp and will not be returned. PacifiCorp will use reasonable efforts to protect information clearly and prominently marked as proprietary and confidential on the page it appears, but PacifiCorp reserves the right to release such information to agents or contractors to help evaluate the Proposal. PacifiCorp shall not be liable for any damages resulting from any disclosure of such information, howsoever occurring.

11 CONTRACT PERIOD

PacifiCorp wants RECs and RMS sufficient to serve the electricity demands of customers who select the Renewable Usage and Habitat portfolio options for the period January 1, 2010 through December 31, 2012. The final contract will include performance requirements to assure compliance with contractual commitments.

12 SIGNATURES AND DECLARATIONS

Proposals must be submitted in the legal name of the Respondent who would be bound by any agreement with PacifiCorp, and must include the following declaration: "This Proposal is genuine, and not sham or collusive, nor made in the interest or on behalf of any person not herein named; the Respondent has not directly or indirectly induced or solicited any other Respondent to put in a sham bid, or any other person, firm, or corporation to refrain from submitting a Proposal; and the Respondent has not in any manner sought by collusion to secure for themselves an advantage over any other Respondent."

Appendix A

Notice of Intent to Propose

This is to declare that the undersigned intends to respond to PacifiCorp's:

REQUEST FOR PROPOSAL FOR TRADABLE RENEWABLE CREDITS (RECS) FOR OREGON PORTFOLIO RENEWABLE USAGE AND ENVIRONMENTAL MITIGATION OPTIONS AND RETAIL MARKETING SERVICES.

Please include:

Company _____

Mailing Address _____

Phone/Fax/Email _____

Contact Person _____

Authorized Signature and Date _____

Return by mail or e-mail within 7 days of the date of this document on the cover page to:

PacifiCorp
Attn: Oregon SB1149 RFP 2009
1900 SW 4th Avenue – Plaza
Portland, OR 97201
OregonSB1149RFP@pacificorp.com

Appendix B

New Renewable Resource Power: As defined in SB 1149, new renewable resources are defined as follows: New renewable resources are generating facilities that first started operating after July 23, 1999.

Renewable Resources: Eligible renewable technologies that may be used to supply certified green power marketing programs include those defined in ORS 757.600 and as specified in the Pacific Power tariff Schedules 211 and 213.

Renewable Power: Eligible renewable technologies that may be used to supply the Usage & Habitat options include the following: low emissions biomass - including landfill and sewage gas, geothermal, certified low impact hydroelectric, solar, wind and fuel cells using a renewable fuel. Certified products must meet certain minimum standards for the supply of new eligible renewable energy (kWh). Renewable energy generated in response to any federal or state statutory requirement to construct or contract for the renewable energy is not eligible as new. New renewable resources are those (1) placed in operation (generating electricity) on or after July 23, 1999, therefore excluding electricity generated by that part of the Wyoming, Foote Creek Wind Project fully in service before July 23, 1999; (2) repowered on or after July 23, 1999 such that at 80% of the fair market value of the project derives from new generation equipment installed as part of the repowering, or (3) a separable improvement to or enhancement of an operating existing facility that was first placed in operation prior to July 23, 1999, such that the proposed incremental generation is contractually available for sale and metered separately than existing generation at the facility. Any enhancement of a fuel source that increases generation at an existing facility, without the construction of a new or repowered, separately metered generating unit, is not eligible to participate.

Appendix C

Example of a REC Wholesale Attestation

GREEN-E ENERGY RENEWABLE ATTESTATION FROM WHOLESALE PROVIDER OF ELECTRICITY OR RECS

I. Wholesale Provider Information

Name of Wholesale Provider: _____

Address of Provider: _____

Contact Person: _____ Title: _____

Telephone: _____ Fax: _____ Email Address: _____

II. Declaration

I, (print name and title) _____ declare that the (indicate with "x")⁴ ___ electricity bundled with renewable attributes / ___ renewable attributes only⁵ listed below were sold exclusively from: (name of Wholesale Provider) _____ ("Provider") to: (name of REC provider, utility or electric service provider) _____ ("Purchaser").

I further declare that:

- 1) all the renewable attributes (including CO₂ benefits), including any emissions offsets, reductions or claims, represented by the renewable electricity generation listed below were transferred to Purchaser;
- 2) to the best of my knowledge, the renewable attributes were not sold, marketed or otherwise claimed by a third party;
- 3) Provider sold the renewable attributes only once;
- 4) the renewable attributes or the electricity that was generated with the attributes was not used to meet any federal, state or local renewable energy requirement, renewable energy procurement, renewable portfolio standard, or other renewable energy mandate by Provider, nor, to the best of my knowledge, by any other entity;

⁴ Use separate forms to report electricity and REC sales.

⁵ If Provider purchased electricity bundled with renewable attributes and has stripped off those attributes to sell in this transaction, and is selling the undifferentiated electricity to a utility or load-serving entity, see section III also.

5) the electrical energy that was generated with the attributes was not separately sold, separately marketed or otherwise separately represented as renewable energy by Provider, or, to the best of my knowledge, by any other entity; and

6) the facilities that generated all of the renewable electricity / renewable attributes (as indicated above) sold to Purchaser are listed below by fuel type.

List the renewable MWhs sold or transferred to Purchaser identified below by quarter of generation as a separate line item.

Generator Name	Generator ID Number (EIA or QF)	Nameplate Capacity (MW)	Fuel Type (if biomass, be specific; i.e. Landfill Gas)	# MWhs RECs / Elec. Sold	First Date of Generator Operation (mm/yy) ⁶	Period of Generation (quarter#/yy or mm/yy)	Selling as Green-e Energy Certified Wholesale? ⁷ (Yes/No)

III. Additional Statement required of Provider selling electricity to Purchaser

I declare that the electricity listed above was delivered into the NERC region(s) or ISO(s) in which the Generator(s) listed above are located.

IV. Additional Statement required if Provider is selling only RECs to Purchaser and selling the associated electricity to a utility or load-serving entity

Please write the name of the utility or load-serving entity here:

As an authorized agent of Provider, I attest that the above statements are true and correct.

Signature

Date

Place of Execution

⁶ For facilities that have added new renewable capacity, please indicate the amount and operational date of the new capacity and the existing capacity.

⁷ Provider may only indicate 'Yes' if Provider has a contract with Green-e Energy to sell RECs/renewable energy wholesale as Green-e Energy certified, the MWh listed in each row of this table are sold to Purchaser as Green-e Energy certified, and the MWh listed will undergo Green-e Energy Annual Verification.

This Attestation form is used by the Center for Resource Solutions to verify the accuracy of claims made by Participant renewable energy providers. The information on this form is held strictly confidential and will not be shared with any other party except in aggregate form.

Appendix D

Background Information

Oregon's electricity restructuring law went into effect March 1, 2002, and gives customers more energy choices and more influence over the way electricity is delivered and used. The law allows residential (Rate Schedule 4) and small non-residential (Rate Schedules 23 and 41 – defined as less than 30kW of demand according to Senate Bill 1149) customers to add a renewable resource option to their basic service. Customers who participate in the Renewable Energy Usage or Habitat options are billed at the Basic Service rates plus an additional per kilowatt-hour charge for higher cost renewable energy. Prices cannot be changed without Oregon Public Utility Commission approval.

Pacific Power serves 466,709 residential customers, 74,993 small non-residential customers and 11,291 large non-residential customers in Oregon according to year-end 2008 reports. A typical Oregon household served by Pacific Power uses 1,037 kilowatt-hours per month and small non-residential customers use on average 1,425 kilowatt-hours per month according to year-end 2008 reports.

It is the role of the Portfolio Options Committee (POC) to develop portfolio options in accordance with Oregon Administrative Rules. The POC makes annual recommendations to the Oregon Public Utility Commission regarding the design requirements of portfolio options offered to residential and small non-residential customers. The Committee consists of representatives from the Oregon Department of Energy, the Oregon Public Utility Commission, local governments, public/regional interest groups, electric companies, residential consumers, and non-residential consumers.

PacifiCorp implemented a comprehensive customer education and awareness program to introduce portfolio options to customers prior to March 1, 2002, and in each successive year an educational mailing has been distributed to customers. In addition, since the initial launch, customers have received information about their renewable power options through a variety of utility, direct response, community, and relationship/affiliation communication channels.

The Renewable Usage option and the Habitat option are both products of PacifiCorp and are marketed under the Blue Sky Usage and Blue Sky Habitat product names. The winning Respondent is not itself providing these products to PacifiCorp's Pacific Power customers, but is supplying RECs and retail marketing services to enable PacifiCorp's Pacific Power to offer these options to its customers. Products are to be branded as Pacific Power. In all marketing and communications to PacifiCorp's Pacific Power customers, PacifiCorp graphic standards must be followed and PacifiCorp's Pacific Power logo and all other applicable company branding must be used as defined by PacifiCorp. As the products and customers are PacifiCorp's, and consumer opinion about communications content and design will reflect on PacifiCorp, approval of marketing tactics and materials by designated PacifiCorp representatives is mandatory. Since PacifiCorp's Pacific Power offers three renewable resource options to its Oregon customers, when performing RMS, customers must be presented with all three options available to them.

The Renewable Usage and Habitat options are currently described to customers as follows: When customers enroll in Blue Sky, Pacific Power purchases certified renewable energy credits from regional renewable energy facilities. This guarantees that electricity from these renewable resources is delivered to the regional power pool and helps drive more new renewable energy development. Electricity produced by renewable energy facilities helps offset electricity generated from other, nonrenewable sources, creating measurable environmental benefits. The purchases made on behalf of Blue Sky participants are in addition to the renewable energy Pacific Power already purchases for its customers. Blue Sky is a customer-supported program and is Green-e Energy Certified.

Blue Sky Usage – Customers support a blend of regional wind (at least 61%); biomass (up to 38%); and solar (1%) generation equal to the amount of electricity used each month. The cost is based on actual usage and amounts to less than a penny (\$.0089) more per kWh in addition to basic service.

Blue Sky Habitat – Same as the Usage option, plus an additional \$2.50 monthly donation for restoring and preserving native salmon habitat in Oregon, administered by The Nature Conservancy.

Pacific Power offers its customers “Blue Sky”, a voluntary renewable energy program that provides them with the option to support renewable energy development in the region, going above and beyond the company’s existing renewable procurement efforts. To put a value on a customer’s investment in the Blue Sky program, the company provides information on the equivalent environmental benefits of the customer’s renewable energy investment, including characterizing carbon emissions benefits in terms equivalent to miles not driven and trees planted. The methodology relies on emissions data from the Western Energy Coordinating Council (WECC) region and on data and calculations provided by the U.S. Environmental Protection Agency (<http://www.epa.gov/cleanenergy/energy-resources/refs.html>) and http://epa.gov/cleanenergy/documents/egridzips/eGRID2007V1_1_year05_SummaryTables.pdf). While the company’s Blue Sky program, like many other utility-sponsored customer voluntary programs, does not seek to create or sell carbon credits (also known as carbon offsets), it does advertise an estimate of an equivalent carbon emissions benefits related to a customer’s Blue Sky purchase.

For each of these two options, the environmental attributes may be obtained via the RECs sought by this RFP. All RECs should follow the NAAG Environmental Marketing Guidelines (available at <http://www.naag.org/assets/files/pdf/GreenMarketing.pdf>); and Green-e Energy standard (available at www.green-e.org)

It is difficult to predict how many customers will choose the available options, and how long any customer will remain with any particular option. As of March 31, 2009 25,736 customers were enrolled in these two options. The break-down by customer segment and option is as follows: 20,364 residential customers and 671 small non-residential customers on the Renewable Usage option; 4,538 residential customers and 163 small non-residential customers on the Habitat option; and 8,154 residential customers and 322 small non-residential customers on the Block option.

Bidders can propose changes to the existing product content and price. Such proposed changes should only be to increase the benefits to customers and follow the Oregon Administrative Rules that govern these offerings. PacifiCorp recognizes that the market for renewable resources is dynamic and that new opportunities arise.