

March 22, 2018

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Filing Center

RE: UM 1020—Requests for Proposal Related to PacifiCorp’s Blue Sky Programs

In accordance with OAR 860-038-0220(6), PacifiCorp d/b/a Pacific Power submits for approval the following two requests for proposal (RFPs):

1. Request for Proposal for Retail Marketing Services and Renewable Energy Certificates for Pacific Power’s Blue Sky Renewable Energy Program Offered to Residential and Small Non-Residential Customers; and,
2. Request for Proposal for Oregon Habitat Option – Environmental Mitigation Funds Administrator for Salmon Habitat Preservation and Restoration in Oregon

The first RFP requests bids for retail marketing and outreach services and renewable energy certificates for the PacifiCorp’s Renewable Usage Supply Service in Schedule 211 and Habitat Supply Service in Schedule 213 for the period of January 1, 2019, through December 31, 2021. The second RFP requests bids from nonprofit organizations to manage Habitat Funds received through the company’s Blue Sky Habitat Supply Service in Schedule 213 for the period of January 1, 2019, through December 31, 2021.

These draft RFPs were discussed at the Portfolio Options Committee (POC) meetings on February 7, 2018, and March 13, 2018. The POC members voted to recommend approval of the RFPs at the March 13, 2018 meeting. PacifiCorp respectfully requests that this matter be included on the agenda for the May 8, 2018 public meeting. This timing would allow PacifiCorp to issue the RFPs by the target date of June 4, 2018.

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

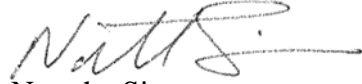
By e-mail (preferred): datarequest@pacificorp.com

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

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Please direct any informal inquiries to me at (503) 813-6583.

Sincerely,

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

Natasha Siores
Manager, Regulatory Affairs

Enclosures

Exhibit A – Scope of Work REQUEST FOR PROPOSAL (RFP)

Customer Solutions

For

Retail Marketing Services & Renewable Energy
Certificates for Pacific Power's Blue Sky renewable
energy program (1149) offered to residential and small
non-residential customers

Issue Date: Monday, June 4, 2018

Due Date: Friday, July 13, 2018

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OVERVIEW

[About PacifiCorp](#)

PacifiCorp is one of the West’s leading energy companies, serving 1.8 million households and businesses in six states. As the second largest owner of wind energy resources among the nation’s regulated utilities, we deliver reliable, low-cost and increasingly renewable energy through our two divisions: Pacific Power in Oregon, Washington and California, and Rocky Mountain Power in Utah, Idaho and Wyoming.

We are dedicated to helping customers and communities thrive by delivering an energy future that is reliable, affordable, sustainable and safe. To do this, we work to protect and enhance the environment by conserving natural resources, reducing emissions, and protecting wildlife and habitat. We shape forward-thinking policies and innovative solutions to improve the livability of customers’ hometowns and neighborhoods. We take pride in being an active member in the communities we serve, always striving to make the place our customers call home a better place to live.

Service area



Oregon Service Area

Respondents must submit a bid that supports all of Pacific Power's Oregon service area.

Oregon represents the largest portion of the Pacific Power service area 503,632 residential customers and 67,110 small non-residential customers in 163 cities and towns in Oregon. See Appendix C for a list of communities and number of residential and small non-residential customers served.

A typical Oregon residential household served by Pacific Power on average uses approximately 900 kilowatt-hours per month and small non-residential customers used on average approximately 1,150 kilowatt-hours per month.

Primary Oregon Communities/Counties



About Blue Sky

Pacific Power's voluntary Blue Sky renewable program provides customers with an option to support renewable energy equal to all or part of their energy use through the purchase of Renewable Energy Certificates (RECs). The program enables participants to reduce their carbon footprint tied to their home or business' electricity while helping to drive demand for newly developed renewable resources in the western region.

Pacific Power has offered the Usage and Habitat options to Oregon residential and small non-residential customers since March 2002. These options were introduced as part of the state restructuring of the electric utility industry governed by Senate Bill 1149.

The Blue Sky program has three participation options available throughout parts of their service area to specific customer segments described below. All options are products of Pacific Power and are marketed under the Blue Sky product names. The selected Respondent is not itself providing these products to Pacific Power's customers, but is supplying RECs and retail marketing services to enable the company to offer these options to its customers. Products are to be branded as Pacific Power.

1. **Blue Sky Usage** – this option allows residential and small non-residential (schedule 23 & 41) customers to support a blend of renewable energy resources (RECs) equal to their monthly electricity use. Currently the additional cost for customers to participate is 1.05 cents (\$0.0105) per kilowatt-hour (kWh) above the normal rate.
2. **Blue Sky Habitat** – this option works like the Usage option (above), but also provides an option for customers to help fund on-the-ground native fish habitat restoration and preservation projects through a fixed \$2.50 monthly donation directed to The Freshwater Trust, a nonprofit organization that restores rivers and streams throughout Oregon.
3. **Blue Sky Block** – (Oregon, Washington, and California) this option allows all customer classes to support renewable energy (RECs) through fixed increments called "blocks". Blocks are sold in 100 kilowatt-hours (kWh) increments for \$1.95 each. Customers can purchase as many "blocks" as they'd like which have historically consisted of newly developed Western Region wind energy but recently integrated solar into the mix. Participation in the Block option can also help fund the construction of community-based renewable energy projects in the customer's state (OR, WA, CA) in Pacific Power's service territory. Community Project funds are a result of any remaining customer program dollars after REC procurement and program marketing, outreach, and administration costs. More information about these funds is available at pacificpower.net/blueskyprojects

Customers who participate in the Usage or Habitat options are billed at the Basic Service rates plus an additional per kilowatt-hour charge, which is applied to their monthly usage as a separate line item.

The Blue Sky green power options are voluntary and independent of the investment that Pacific Power is already making to add cost-effective renewable energy to its generation portfolio serving all customers and efforts to meet state portfolio standards.

Retail rates for Blue Sky products are subject to change; however, pricing cannot be changed without approval from the Commission. The retail price charged to participating retail customers is expected to

recover program expenses, including the cost of acquiring the RECs and program fixed charges for marketing, education and administration.

OREGON TARIFFS

- a. Schedule 211- Blue Sky Usage
 - i. https://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/Oregon/Approved_Tariffs/Rate_Schedules/Portfolio_Renewable_Usage_Supply_Service.pdf
- b. Schedule 212 – Blue Sky Habitat
 - i. https://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/Oregon/Approved_Tariffs/Rate_Schedules/Portfolio_Fixed_Renewable_Energy_Supply_Service.pdf
- c. Schedule 213 – Blue Sky Block
 - i. https://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/Oregon/Approved_Tariffs/Rate_Schedules/Portfolio_Habitat_Supply_Service.pdf
- d. Schedule 270 - Blue Sky Block – Non-Residential Customers
 - i. https://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/Oregon/Approved_Tariffs/Rate_Schedules/Renewable_Energy_Rider_Optional.pdf

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

Pacific Power's Blue Sky programs is subject to Oregon law, as administered by the Public Utility Commission of Oregon (Commission) pursuant to Oregon Revised Statute (ORS) 757.603 and Oregon Administrative Rule (OAR) 860-038-0220.

Additional Blue Sky program information can be found at <http://www.pacificpower.net/bluesky>

At 2017 year-end, 60,170 Pacific Power customers in Oregon were enrolled in a Blue Sky option.

In 2017 alone, Pacific Power's Blue Sky participants supported 583,694 megawatt hours of renewable energy.

Customer participation by option is provided below (Based on YE 2017).

State	Residential				Small Non-Residential			
	Customers Served	Blue Sky Block	Blue Sky Usage	Blue Sky Habitat	Customers Served	Blue Sky Block	Blue Sky Usage	Blue Sky Habitat
Oregon	503,632	11,770	41,096	5,610	67,110	442	776	185

Renewable Energy Sales (kWh) – Calendar Year 2017						
State	Residential (Standard Block)	Non-Residential (Standard Block)	Non-Residential (Bulk Option)	Residential Usage & Habitat	Non-Residential Usage & Habitat	Total
Oregon	23,624,818	3,006,300	122,118,760	420,347,592	14,597,349	583,694,820

Examples of marketing and community outreach services our existing partner has used to support the program include, but are not limited to:

- Event tabling and outreach
- Door-to-door campaigns
- Direct promotions by mail, email, and bill inserts
- Social media
- Outbound calling
- Marketing strategy, tests, pilots and analysis
- Green Power Community Challenge promotions
- Incentives to Company Customer Contact Center employees for renewables sales
- Copywriting of digital and written marketing collateral and both internal and external resources
- Advice and assistance in developing new renewable options for customers
- Assistance in reporting to and working with oversight groups
- Training of Company employees

The following marketing activities have been utilized to retain enrolled customers:

- A welcome letter that includes a program window decal
- Forecast - biannual participant newsletter
- Mobile coupons for retail products and services from businesses that participate in the Blue Sky program;
- Social media messaging
- Exclusive access to Mobile coupons
- An Annual thank you letter / report

Request for Proposals (RFP)

Pacific Power issued this RFP to solicit proposals from qualified suppliers interested in providing an integrated package of services that includes:

1. Marketing and outreach services for the Usage and Habitat Blue Sky options offered in the Pacific Power Oregon service area, and
2. The REC supply to support the Usage and Habitat Blue Sky options offered in the Pacific Power Oregon service area.

These services are currently under contract with a third party. The current contract expires December 31, 2018.

Bidders are expected to provide a detailed plan that describes how they would provide outreach and marketing services to accomplish PacifiCorp's goals to increase customers' awareness of their renewable energy options and maintain participation in the Blue Sky program by continuing to grow program participation.

It is important to PacifiCorp to ensure market integrity by offering a high quality product that places a priority on participants' interest in supporting the greatest level of renewable energy while maintaining financial transparency of the program. Marketing and administrative expenses are held to best practice standards. The company expects clear transparency related to how participant funds are spent, understanding that marketing and consumer education have an important role to play in the voluntary green power market. Prospective bidders are advised that review of program costs by oversight bodies may extend to the marketing and administrative costs related to the contract awarded as a result of this RFP.

The selected supplier will be required to cooperate and work with PacifiCorp's Program Manager and other corporate departments of the company including but not limited to Customer Service, Customer & Corporate Communications, Corporate Accounts, Community Relations, Regulatory Affairs and others regarding the delivery of the voluntary renewable energy options to customers.

Company may have other marketing/community outreach 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 Company partners.

Pacific Power reserves the right to modify any portion of this RFP, or withdraw it in whole or in part, for any reason, including compliance with Oregon law and orders of the Commission.

Respondents can propose changes to the existing product resource mix by considering the eligible resources outlined in the tariff and Green-e Energy certification requirements and price. Such proposed changes should demonstrate increased value to customers and follow the applicable State laws & rules, Commission-approved tariffs, and Green-e Energy standards that govern these offerings.

This RFP will be released electronically only. Responses should be submitted electronically via email.

Pacific Power intends to award a three (3) year contract for retail marketing and outreach services and REC supply (Usage & Habitat options only). The initial contract term shall commence January 1, 2019 and run through December 31, 2021.

After Pacific Power reviews and evaluates the proposals, selected respondents may be asked to present their proposals to Pacific Power personnel and respond to questions concerning them. After the interviews and the evaluations are completed, Pacific Power may request one or more respondents to enter into contract negotiations. Pacific Power may thereafter cancel any such contract negotiations at any time for any reason.

In order to ensure proper consideration of their proposal, respondents should explain in detail any provisions that may not be obvious. It is critical that proposals be clear and concise as to what is offered.

Marketing & Outreach services

Respondents are expected to provide a detailed marketing plan that describes how they would provide retail marketing services to accomplish Pacific Power's goals to grow program participation and retain existing customers. Respondents should include

- expected use of various marketing channels,
- plans for reaching urban, suburban and rural communities across Pacific Power's service territory
- plans for evaluating marketing activities
- how residential and business customer segments will be engaged
- experience providing customer contact center support, marketing, community outreach services, and program reporting
- A detailed project timeline that identifies the steps the respondent will take to launch a marketing campaign by January 2, 2019.

REC Supply

Respondents are also required to provide a supply procurement plan. The selected respondent will be required to purchase and retire RECs that align with the company's tariff schedule requirements in the amount supported by Usage and Habitat customers and adhere to Green-e Energy national standards. The selected respondent will be responsible for verifying and tracking RECs used to support the programs. At minimum, respondents should include recommendations on supply and REC environmental integrity strategies to be employed during the contract term.

NOTE: Sales of RECs are not sales of physical power. Pacific Power is buying only the RECs from the Specified Resources. Respondent may use, sell to third parties, or not acquire the power from the Specified Resources, but may not represent or suffer the representation of 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.

General Submittal Procedures

Notice of Intent to Respond

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

Questions/Clarifications

Respondents desiring any clarification or explanation regarding this RFP may e-mail: bluesky@pacificcorp.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.

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

Proposal Submittal Process

All proposals shall be submitted via email as a Microsoft Word or Adobe PDF document. Microsoft Excel may be used for pricing. Proposals must be submitted to bluesky@pacificcorp.com

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 Pacific Power.

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.

Timeline

Pacific Power must receive all Proposals on or before **5 p.m. PDT – Friday, July 13, 2018**

Tentative Schedule

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

MILESTONE	DATE
RFP release	Monday, June 4, 2018
Notice of Intent to Propose due	June 11, 2018, 5 PM PDT
Questions from Respondents due	June 18, 2018, 5 PM PDT
Pacific Power Answer Respondent Questions	June 25, 2018
Proposals due	July 13, 2018 5 PM PDT
Bid Evaluation	July 15-July 27, 2018
Final Supplier Selection	July 31, 2018
Term sheet executed with chosen supplier	August 14, 2018
Revised tariffs filed with Commission (if required)	September 7, 2018
Contract agreement executed	October 30, 2018
Launch Marketing Plan	January 2, 2019

Evaluation Process

Respondents will be screened based on responsiveness to the requirements, creditworthiness, demonstrated ability to provide adequate verification of REC authenticity, benefits to Pacific Power and Pacific Power's customers as determined by Pacific Power in its sole discretion. Bids from qualified Respondents will be evaluated based on the overall cost, resource mix, Marketing & Outreach plan, demonstrated marketing experience, as well as other evaluation criteria identified herein and value to customers. Respondents will be advised of the status of their Proposal upon completion of the selection process. Pacific Power reserves the right, at any time, to reject any or all Proposals.

Product & Service Requirements

In preparing a response to this RFP Respondents should take into consideration the following:

- Each option is regulated by the Commission and driven by approved tariff requirements and Green-e Energy standards. The Commission regulates the prices charged to retail customers and sets the standards associated with the product.
- The Oregon residential and small business options are overseen by the Oregon Portfolio Options Committee (POC) pursuant to Oregon Administrative Rule (OAR) 860-038-0220. The selected Respondent will be required to support and participate in regularly scheduled committee meetings. For more information visit http://www.puc.state.or.us/Pages/electric_restruc/indices/pac.aspx
- Blue Sky products are Green-e Energy certified and therefore must comply with the customer disclosure/communication standards/environmental claims established for Green-e Energy certified green power products, the Federal Trade Commission and National Association of Attorney's Green Marketing Guide and Commission-approved tariff requirements.
- Voluntary renewable energy options offered must place a priority on participants' interest in supporting the greatest level of renewable energy. Program costs including marketing costs as a share of overall program will be reviewed by the Commission and POC members. Prospective Respondents are advised that such review may extend to the marketer's cost and programs related to the contract awarded as a result of this RFP. Pacific Power expects transparency related to how participant funds are spent. At minimum, the selected Respondent must provide, on an annual basis, the marketing, administration costs and REC costs (split) as well as support executive sessions with the POC members which are not open to the public. The purpose of the executive session is to review confidential material and program costs.
- Pacific Power will require, at minimum, the selected Respondent to report progress and to document results achieved against mutually agreed to performance metrics. In addition, the selected respondent will be required to provide forward looking (planning) reports and present an annual marketing plan based on lessons learned.
- The selected Respondent will be responsible for forecasting customer participation levels (customer enrollment - new enrollments, drops and net enrollments by month and REC sales.)

- During the implementation of services it is anticipated that periodic reports will be generated by Pacific Power and transmitted to the selected Respondent to advise the selected Respondent of participation levels, i.e. participating customers and REC purchase levels.
- Regular updates of community outreach activities scheduled will also be required at a mutually agreed upon interval. In addition, the selected supplier will be required to support other program related reporting.
- The Blue Sky options will be exclusively Pacific Power branded. As the products and customers are Pacific Power’s, and consumer opinion about communications content and design will reflect on Pacific Power, approval of marketing tactics and materials by designated Pacific Power representatives is mandatory. Since Pacific Power offers three renewable resource options to its Oregon customers, each of these options must be presented when performing marketing and outreach services.
- Pacific Power communication and graphic standards must be followed. The Pacific Power logo and all other applicable company branding must be used as defined by Pacific Power.
- The selected Respondent will be required to provide customer contact center support in order to facilitate customer enrollment and respond to customer inquiries. It will be necessary to train Pacific Power staff to address basic questions about the program. The company operates two customer service centers located in Salt Lake City, Utah and Portland, Oregon, both of which support Pacific Power customers.
- Pacific Power may have other marketing and outreach partners promoting its voluntary renewable energy program in other geographic regions. If reasonably requested, the selected Respondent will be expected to work in collaboration with other Pacific Power partners.
- As required by the Commission, Pacific Power 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.

Renewable Energy Certificate Requirements

Pacific Power is looking for resources that meet the Commission’s definition for New Renewable Resource, conform to eligible renewable resource tariff requirements, and comply with Green-e Energy standards as described at www.green-e.org.

All renewable energy supported through the Usage and Habitat options must be “new” as defined in ORS 757.600 (21) and Green-e Energy product standards as described at www.green-e.org.

Sale Year	Facility Commercial On-Line Date
2019	2005 or newer
2020	2006 or newer
2021	2007 or newer

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.

REC desirability is highest for those RECs generated in the Pacific Northwest, rather than elsewhere in the WECC. Customers generally prefer wind and solar projects to biomass and certified low impact hydro projects. Pacific Power must approve REC commitments prior to purchase. Respondents are encouraged to present a broad range of supply strategies and pricing options.

Green-e Energy Certified

Pacific Power's Blue Sky green power products are Green-e Energy certified. This certification means that the RECs purchased for this program come from renewable energy facilities that meet Green-e Energy standards and program marketing materials must conform to Green-e Energy Code of Conduct and Customers Disclosure Requirements.

- 1) For information on the Green-e Energy National Standard and Green-e Energy code of conduct, please visit www.green-e.org.

Detailed Proposal Requirements

By submitting a response to this RFP, you confirm that you have read and will comply with the minimum requirements as described in the "Product and Services requirements" section of this RFP on page 10.

Respondent must describe its approach and deliverables for each item listed below. Please provide a written response to each question in the order presented.

Company Overview/Market Differentiators

- 1) Discuss your company, including headquarter location, description of services offered, nearest office to Pacific Power, local staffing presence and years of experience. Describe your non-compete policies
- 2) Specify what makes your company uniquely qualified for this work.

General Knowledge/Experience

- 3) Describe your previous experience working with utilities in a partnership role including: Utility name, Customers served by utility, States in which the product was offered through your partnership, Program participation growth during your partnership, Program type (ie. REC-based, community solar, etc), and Years in a partnership role
- 4) List of green product industry recognition or trade group awards that your partners earned during your relationship.

- 5) Discuss your experience creating digital and print marketing materials across printed and digital mediums. Include relevant experience adapting to a utility company's service area, marketing standards, and customer care practices. Provide specific examples related to your approach to reaching residential and non-residential customers, including samples of materials developed to acquire new participants as well as retain existing ones.
- 6) Describe your experience partnering with organizations to present ideas and/or proposals for marketing efforts with a community or business. Provide names of group(s), relationship and results.
- 7) Provide three references from the utility industry which demonstrate experience in the voluntary renewable energy market. The company name, a contact phone number and email and brief description of your relationship with the company (products administered and/or services provided) must be provided for each reference.

Marketing - Outreach Services

8) Marketing - Outreach Plan

Pacific Power expects each Respondent to submit a detailed marketing, community outreach and customer retention plan that describes how they would provide customer education and marketing support services to Pacific Power.

The proposed plan should include, at minimum:

- a. Process for planning, executing, measuring the effectiveness of the marketing program, maximizing successes and making adjustments to the plan.
- b. Detailed project timeline which identifies the steps you would take to launch a marketing program by January 2, 2019. Include any basic steps required to implement and identify milestones.
- c. Expected use of various marketing acquisition, awareness, and retention tactics including but not limited to utility channels, web-based communications, direct mail, direct customer contact, print advertising, and earned media.
- d. If direct customer outreach is part of your plan, include the geographic areas, tactics planned in those areas, and approximate seasons targeted
- e. Expected participation results over the contract period, including total participation and gross adds per year by customer segment and tactic. Describe how your resources would be allocated by customer segment and marketing channel, including an allocation dedicated to retention.
- f. Describe how dollars received from participating customers would be allocated between RECs, marketing and administration.

Community/Customer Relations

- 9) Describe your experience with and/or understanding of Pacific Power's service area, customer demographics, and renewable energy options.
- 10) Describe your strategy for identifying event / tabling opportunities, engaging the public at events, and partnering with community partners to help promote the program.
- 11) Currently Pacific Power's Blue Sky program has a dedicated Facebook page and Pacific Power has Twitter, Instagram and Facebook accounts. What kind of support or expertise can you offer a utility for their social media presence?

Information Security

- 12) Please describe how your information is secured through the following methods
 - a. Highly secure data storage facility
 - b. Confirm that the Bidder's data center is certified according to the latest service organization reporting standards
 - c. Describe processes / capabilities to ensure appropriate physical back-up, environmental controls, and 24/7 controlled access
 - d. Information security and disaster recovery protocols
 - e. Secure data storage, transfer, and disposal standards
 - f. Malware security
 - g. Identify and access management control policies
 - h. Detection, monitoring, and logging for bidder's operational support tools
 - i. Security incident response capability

Certifications achieved to comply with Federal or International data privacy standards course.

Customer Care

- 13) 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. Describe your customer service policies and employee codes of conduct while representing Pacific Power.
- 14) Describe what support you would provide to the Company's Regional Business Managers who may act as both key account and community managers. .
- 15) Describe your experience interacting with utility customer contact centers. Provide specific examples of your experience including, but not limited to, how you utilize the utility's customer contact center to achieve program goals without negatively impacting the customer contact center's service goals. Describe challenges you have faced with utility customer contact centers and how you overcame these challenges.

- 16) Describe how your process for following up on a customer complaints and escalated issues. Include timeline for resolving the problem.

Renewable Energy Certificates (RECs)

- 17) Pacific Power expects the Respondent to including at minimum the following information related to REC supply.
- a. Provide a detailed description of experiences and qualifications for supplying RECs to meet Usage and Habitat options customer usage levels during the contract terms.
 - b. 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. Note that RECs sourced from resources located in Oregon are preferred. Your supply strategy can involve the use of non- WECC RECs that meet the Green-e Energy national standard and tariff requirements.
 - c. Describe your supply strategy to mitigate price volatility or supply volumes during the term of this agreement and secure resources from preferred WECC region resources. Demonstrate certainty of the availability of RECs sufficient to meet customer demand requirements over the contract term.
 - d. Describe your process for analyzing current and future market conditions as well as the process to provide marketing intelligence on RECs to Pacific Power staff, the Commission and POC committee members.
 - e. Describe the contract chain and generation information systems used for demonstrating the integrity of RECs, REC attestations, and the REC Reporting Rights, including plan to source and transfer eligible RECs to Pacific Power sufficient to meet the Usage and Habitat options customer needs no later than March 31 of the subsequent calendar year.
 - f. Describe your familiarity with WREGIS and other applicable generation information system requirements and other renewable energy credit tracking systems across the country.
 - g. Provide a plan to evaluate and reconcile the sourcing strategy while adhering to Green-e Energy disclosure standards.
 - h. Describe the process to secure Pacific Power's purchasing approval and payment for RECs acquired.
 - i. Describe any other operational constraints of which Pacific Power should be aware.

Please note: Respondents should also consider the following requirements.

1. 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 In addition, they must meet Green-e Energy national standards.

2. All RECs must contain documented reporting rights for authenticity purposes provided by an independent third party, including generation information system.
3. Any RECs from Program-Dedicated Resources should be identified, with estimated production quantities, and documentation supporting their identification as Program-Dedicated.
4. All RECs must meet the requirements set forth in the definition of Specified Resources above.

Pricing

Respondent will be compensated at a certain \$/MWh rate based on total program participation. The proposal must take into consideration, at minimum, the following: new MWh sales, customer acquisition costs, customer retention, new customer enrollments and overall growth of the program.

Retail pricing must cover all the costs of acquiring the renewable energy certificates along with program marketing and awareness building as well as education and administration.

Respondents shall:

1. State the price per MWh per Renewable Usage and Habitat option for the entire 36-month term of the REC supply and RMS contract. Pricing should be fixed for the delivery period or stated as "not to exceed price."
2. Respondents are encouraged to present a broad range of supply acquisition strategies and various pricing options.
3. Provide information regarding your creditworthiness as required by Pacific Power, 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.

At minimum the following pricing options should be presented.

1. WECC- Product content is sourced exclusively from the WECC region and resource is Green-e Energy certified or Green-e Energy eligible and the facility is WREGIS registered.
2. WECC & National 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. National – Outside WECC Product content is sourced exclusively from outside of the WECC region. RECs must be Green-e Energy certified or Green-e eligible and the facility must be registered with an applicable regional tracking system.
4. Pacific Northwest - Product content is sourced exclusively from the Pacific Northwest – defined as Oregon, Washington and Idaho or Oregon and Washington. RECs must be Green-e Energy certified or Green-e eligible and facility is WREGIS registered.

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

Guarantees

1. Describe any guarantees or other forms of security for performance, such as a bond, security interest, 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.

Financials

To determine financial stability and commercial risk, the Respondent is required to submit 2 full years of financial statements with accompanying notes (income statement and balance sheet), audited if available otherwise internal, plus year-to-date interim statements along with the proposal. Financial statements should reflect the operational units effectively involved in delivery of the proposed services, and not just the parent company.

Proposal Evaluation Process

Proposal Evaluation and Discussions

A Pacific Power project team will evaluate each proposal based upon their understanding of how the proposal meets the business objective and satisfies the service requirement.

Pacific Power 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 Pacific Power.

Pacific Power will perform an initial review of the Proposals to determine if all required information has been provided. Where deficiencies are not material, Pacific Power 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 resources¹.

Respondents will be qualified based on:

- Creditworthiness
- Experience in the voluntary renewable energy market and retail marketing
- Demonstrated ability to prove REC authenticity and integrity
- 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, Pacific Power 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.

The lowest cost bid will not necessarily result in a contract award, as Pacific Power will evaluate the risk and cost-to-benefit ratio of proposals relative to each other. Pacific Power's requirements are driven by the unique customer and process needs and a solution that best fits these needs.

Once qualified, subject to the requirements of this RFP, Proposals will be evaluated based on the following factors: **Technical 35%, Commercial 65%**

¹ See Oregon Public Utility Commission Order No. 06-350

Retail Marketing Services – 15%
Evaluation factor
Knowledge/years of experience in the voluntary renewable energy market
Customer education; marketing; and customer retention plan
Knowledge/understanding of service area; market area experience
Experience creating and delivering appropriate messaging
Experience developing partnerships
Customer care
Renewable Energy Certificates (RECs) – 20%
Evaluation factor
Respondent’s familiarity with the national wholesale and Pacific Power service territory retail energy market with emphasis in the voluntary market and use of Renewable Energy Certificates Tracking Systems.
RECs appeal to customers (origin, sources, age, and location of RECs)
Acquisition and delivery plan
Risks associated with the Proposal, including exposure to market prices, availability of RECs.
Overall Price of Services – RECs & Retail Marketing Services - 65%
Evaluation factor
Cost of RECs and RMS services

After the Proposals have been reviewed and evaluated, selected Respondents may be asked to make presentations of their Proposals to Pacific Power personnel and field questions concerning them. After the interviews and the evaluations 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.

Award of Proposal

The successful Respondent will commence the process of contracting to provide RECs and RMS to Pacific Power under the following procedure: Pacific Power will deliver a form of contract, which the parties will then negotiate. No obligations or legal relations shall exist between Pacific Power and Respondent until the definitive execution of final documentation acceptable to Pacific Power in its sole discretion. Pacific

Power 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 and previous sections of this RFP.

Pacific Power 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 Pacific Power will not be obligated to purchase any minimum amount of RECs and RMS from anyone.

The successful Respondent must be able to deliver 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 Pacific Power receives required documentation. For examples of attestation documentation that may be required, Green-e Energy verification documentation is available on their website (http://www.green-e.org/tracking_attests_recd.html). WREGIS certified RECs will need to be accompanied by WREGIS verification.

Per Order No. 05-878 of the Commission, Pacific Power is required to file with the Commission, upon execution, any contracts with REC/RMS suppliers for portfolio options under ORS 757.603(2) (a). Pacific Power 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.

Response Format

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 Pacific Power.
- The address used in the Proposal shall be considered the legal address of the Respondent and shall be changed only by written notice to Pacific Power. 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").

Pacific Power reserves the right to require, in Pacific Power'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 Pacific Power.

Discussions and Right to Reject Proposals

Pacific Power's Rights and Options

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

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

1. Determine which Proposals are eligible for consideration in response to this RFP.
2. Issue additional subsequent solicitations for information, and conduct investigations with respect to the qualifications of each 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 Pacific Power's sole judgment, are most responsive to the RFP and whose Proposals best satisfy the interests of Pacific Power 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.

Basis for Rejection

Proposals may be rejected for any reason including but not limited to:

1. Receipt of the Proposal by Pacific Power 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:
 - a. Best Practices in Public Claims for Green Power Purchases and Sales per the Federal Trade Commission Green Guides;
http://www.ftc.gov/sites/default/files/documents/federal_register_notices/guides-use-environmental-marketing-claims-green-guides/greenguidesfrn.pdf;
 - b. Best Practices in Public Claims for Solar Photovoltaic Systems;
<http://www.green-e.org/docs/energy/Solar%20FAQ%20and%20Claims.pdf> and
 - c. Double Claims Policy
http://www.resource-solutions.org/pub_pdfs/Explanation%20of%20Green-e%20Energy%20Double%20Claims%20Policy.pdf
8. Failure to permit disclosure of information contained in the Proposal to Pacific Power agents, contractors or Commission.
9. Any attempt to influence Pacific Power'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.

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 Pacific Power. Pacific Power is not liable for any costs incurred by Respondents in responding to this RFP or for any damages arising out of or relating to Pacific Power's rejection of any Proposal for any reason. Respondent shall bear

all costs and expenses of any response to Pacific Power in connection with its Proposal, including expenses incurred while providing additional information and Respondent's own expenses in negotiating and reviewing any documentation.

Disposition of Proposals and Ownership of Data

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

Contract Period

Pacific Power 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, 2019 through December 31, 2021**. The final contract will include performance requirements to assure compliance with contractual commitments.

Signatures and Declarations

Proposals must be submitted in the legal name of the Respondent who would be bound by any agreement with Pacific Power, 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 Respond

IMPORTANT: RETURN THIS NOTICE OF INTENT
NO LATER THAN June 11, 2018

Please complete and send via email to bluesky@pacificorp.com

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

REQUEST FOR PROPOSAL FOR RETAIL MARKETING SERVICES & RENEWABLE CERTIFICATES (RECS) FOR OREGON RENEWABLE USAGE AND HABITAT OPTIONS

Please provide the following:

Information Needed	
Company Name	
Contact Person Name	
Title	
Mailing Address	
Telephone	
Fax	
Email	

Authorized Signature and Date _____

Return by email within 7 days of the date of this document on the cover page to:

PacifiCorp/Pacific Power

Attn: Oregon SB1149 RFP 2018

bluesky@pacificorp.com

Appendix B

Oregon Communities & Residential/ Non-Residential Customers Served (Dec. 31, 2017)

State Cd	City Name	Residential	Non Residential	State Cd	City Name	Residential Service	Non Residential Service	State Cd	City Name	Residential Service	Non Residential Service
OR	ADAMS	202	78	OR	GLENDALE	917	210	OR	OTIS	1,808	153
OR	ALBANY	22,760	3,056	OR	GLENEDEN	1,143	81	OR	PARKDALE	19	3
OR	APPLEGATE	393	85	OR	GLIDE	913	165	OR	PENDLETON	7,653	1670
OR	ARCH CAPE	428	29	OR	GOLD HILL	2,256	232	OR	PHILOMATH	1,823	286
OR	ARLINGTON	328	154	OR	GRAND RONDE	6	10	OR	PHOENIX	2,159	285
OR	ASHLAND	1,764	486	OR	GRANTS PASS	28,869	4,081	OR	PILOT ROCK	804	202
OR	ASTORIA	7,378	1,337	OR	GRASS VALLEY	111	42	OR	PORTLAND	67,699	8574
OR	ATHENA	590	122	OR	HALSEY	513	169	OR	POWELL BUTTE	318	102
OR	AUMSVILLE	2,380	356	OR	HAMMOND	637	98	OR	POWERS	379	62
OR	AZALEA	372	100	OR	HARRISBURG	1,472	249	OR	PRINEVILLE	6,336	1511
OR	BANDON	507	132	OR	HELIK	126	63	OR	PROSPECT	549	97
OR	BEATTY	158	98	OR	HERMISTON	218	139	OR	REDMOND	10,117	1918
OR	BEND	38,663	6,809	OR	HOOD RIVER	5,772	1,264	OR	RICKREALL	192	129
OR	BLY	266	111	OR	IDLEWOLD PARK	390	89	OR	RIDDLE	1,017	176
OR	BOARDMAN	33	212	OR	IMNAHA	135	59	OR	RIETH	9	1
OR	BONANZA	1,016	583	OR		3,531	678	OR	ROGUE RIVER	3,187	380
OR	BROADBENT	78	31	OR	JACKSONVILLE	3,182	511	OR	ROSE LODGE	2	0
OR	BROWNSVILLE	981	158	OR	JEFFERSON	2,014	456	OR	ROSEBURG	18,418	3232
OR	BUTTE FALLS	234	59	OR	JOSEPH	1,283	495	OR	RUFUS	101	58
OR	CANNON	1,904	366	OR	JUNCTION CITY	1,767	351	OR	SALEM	580	100
OR	CANYONVILLE	968	206	OR	KENO	492	104	OR	SCIO	1,344	290
OR	CASCADIA	70	8	OR	KENT	13	7	OR	SEASIDE	4,824	860
OR	CAVE JUNCTION	2,743	547	OR	KERBY	285	61	OR	SELMA	919	154
OR	CENTRAL	10,763	1,234	OR	KLAMATH	22,601	4,466	OR	SHADY COVE	1,568	206
OR	CHARLESTON	35	44	OR	LAKEVIEW	1,660	440	OR	SHEDD	303	110
OR	CHILOQUIN	1,722	394	OR	LEBANON	8,553	1,143	OR	SPRAGUE	2,598	96
OR	CLATSKANIE	12	9	OR	LINCOLN CITY	6,968	1,162	OR	STANFIELD	789	160
OR	COBURG	410	108	OR	LOSTINE	254	68	OR	STAYTON	3,511	552
OR	COOS BAY	11,649	1,639	OR	LYONS	821	127	OR	SUBLIMITY	1,097	118
OR	COQUILLE	2,634	421	OR	MADRAS	3,547	844	OR	SUNNY VALLEY	206	32
OR	CORVALLIS	22,217	2,819	OR	MALIN	532	449	OR	SUTHERLIN	3,369	489
OR	COTTAGE	3,336	495	OR	MARION	42	24	OR	SWEET HOME	5,422	631
OR	CRABTREE	68	10	OR	MAYWOOD	306	6	OR	TALENT	3,535	353
OR	CRATER LAKE	47	37	OR	MCDARY	-	2	OR	TANGENT	640	242
OR	CRAWFORDSVIL	43	6	OR	MEDFORD	36,794	5,680	OR	TERREBONNE	805	164
OR	CRESWELL	1,263	183	OR	MEHAMA	72	20	OR	THE DALLES	23	3
OR	CROOKED RIVER RANCH	2,182	114	OR	MERLIN	1,102	212	OR	TILLER	131	52
OR	CULVER	1,176	441	OR	MERRILL	579	405	OR	TOLOVANA	8	0
OR	DAIRY	88	53	OR	METOLUIS	319	72	OR	TRAIL	691	99
OR	DALLAS	7,922	789	OR	MIDLAND	101	35	OR	TURNER	491	94
OR	DAYS CREEK	359	67	OR	MILL CITY	874	134	OR	UMATILLA	1,770	257
OR	DIAMOND LAKE	115	46	OR	MILLERSBURG	842	230	OR	UMPQUA	25	29
OR	DILLARD	157	27	OR	MILTON FREEWATER	1,048	745	OR	WALLOWA	658	169
OR	EAGLE POINT	6,069	762	OR	MONMOUTH	106	45	OR	WARM	797	150
OR	ECHO	283	68	OR	MONROE	699	201	OR	WARRENTON	3,072	519
OR	ENTERPRISE	1,418	477	OR	MORO	194	89	OR	WASCO	216	77
OR	EUGENE	28	63	OR	MOSIER	421	117	OR	WATERLOO	99	20
OR	FALLS CITY	416	49	OR	MYRTLE CREEK	4,127	632	OR	WESTON	325	69
OR	FORT KLAMATH	107	65	OR	MYRTLE POINT	1,414	279	OR	WHITE CITY	4,036	649
OR	FOSTER	149	16	OR	NEOTSU	284	7	OR	WILBUR	24	20
OR	GATES	426	58	OR	NEW PINE CRK	60	13	OR	WILDERVILLE	329	47
OR	GAYLORD	-	1	OR	NORTH BEND	4,275	725	OR	WILLIAMS	943	169
OR	GEARHART	1,692	230	OR	NORWAY	15	20	OR	WINCHESTER	733	56
OR	GLENDALE	917	210	OR	O BRIEN	297	40	OR	WINSTON	2,640	294
OR	GLENDALE	1,143	81	OR	OLNEY	582	89	OR	WOLF CREEK	377	73



EXHIBIT A – SCOPE OF WORK

Request for Proposal (RFP)

Customer Solutions

For

OREGON HABITAT OPTION - ENVIRONMENTAL
MITIGATION FUNDS ADMINISTRATOR FOR SALMON
HABITAT PRESERVATION & RESTORATION IN OREGON

ISSUE DATE: Monday, June 4, 2018

DUE DATE: Friday, July 13, 2018 – 5 P.M. Pacific Time

CONTACT: **Oregon SB1149 Habitat Funds RFP**
Pacific Power
825 NE Multnomah Street, Suite 1500
Portland, Oregon 97232
bluesky@pacificcorp.com



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OVERVIEW

PacifiCorp is one of the West’s leading energy companies, serving 1.8 million households and businesses in six states. As the second largest owner of wind energy resources among the nation’s regulated utilities, we deliver reliable, low-cost and increasingly renewable energy through our two divisions: Pacific Power in Oregon, Washington and California, and Rocky Mountain Power in Utah, Idaho, and Wyoming.

We are dedicated to helping customers and communities thrive by delivering an energy future that is reliable, affordable, sustainable and safe. To do this, we work to protect and enhance the environment by conserving natural resources, reducing emissions, and protecting wildlife and habitat. We shape forward-thinking policies and innovative solutions to improve the livability of customers’ hometowns and neighborhoods. We take pride in being an active member in the communities we serve, always striving to make the place our customers call home a better place to live.



BLUE SKY HABITAT OVERVIEW

2018 marks the seventeenth year for Pacific Power's ("PacifiCorp" or "the Company") Blue Sky Habitat option ("Habitat Option"), which offers our Oregon residential and small non-residential customers the option to support renewable energy through their monthly electrical bill and helps restore and preserve native fish habitat in Oregon through a \$2.50 monthly donation. Funds collected from customers through the monthly \$2.50 donation, referred to as Habitat Funds, are directed towards restoring native fish habitat throughout Oregon.

Habitat Funds collected from participating customers are passed through to a nonprofit Funds Administrator ("Habitat Provider") for use to preserve and restore habitats that are principally in Pacific Power's Oregon service territory. The Habitat Provider is expected to coordinate the use of Pacific Power Habitat Funds and to obtain matching grant funds to maximize the habitat restoration projects throughout the communities Pacific Power serves in Oregon. The following provides Habitat Option program background information and sets forth the minimum requirements and selection criteria by which the Company will evaluate proposals received in response to this request for proposals.

REQUEST FOR PROPOSALS (RFP)

Pacific Power is seeking proposals from nonprofit organizations to manage Habitat Funds received through the Company's Blue Sky Habitat option. Eligible entities must be not-for-profit entities and may include, but are not limited to, the following: tribes, local governments, nonprofit organizations, educational institutions, and other non-government community groups and organizations. Applicants must demonstrate their ability to meet the minimum requirements of this request for proposals as detailed below.

PURPOSE

Pacific Power invites eligible organizations described in the Eligible Applicant Section to provide Pacific Power with proposals that describe their qualifications to serve as the Blue Sky Habitat Provider. The successful bidder will manage Habitat Funds provided by Oregon customers participating in the Habitat Option to restore and preserve native fish habitat in Oregon and educate the community on the benefits of healthy rivers and streams.

These Habitat preservation and restoration activities are broad and can include, but are not limited to: watershed assessments and analysis, acquisition of conservation easements from private parties to protect anadromous fish species habitat, riparian planting, stream bank stabilization, barrier removal, removing vegetation, monitoring activities, and public outreach and education efforts. Habitat Funds cannot be used for political advocacy, donations to political campaigns or political action committees, litigation, or acquisition of water rights.



Oregon Public Utility Commission (“OPUC”) Order 01-337, dated April 26 2001, requires Pacific Power to offer a habitat option under the following terms and conditions:

The environmental mitigation option must be directed to promote restoration of native species adversely affected by the production and transmission of electricity.

OPUC Order 03-208, dated April 9, 2003, supplements this direction with the following:

Environmental mitigation funds from the program option will be dedicated to salmon habitat restoration.

Additional information on Pacific Power’s Habitat Option can be found in Pacific Power’s Oregon Schedule 213, which can be found on the Pacific Power web site at:

https://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/Oregon/Approved_Tariffs/Rate_Schedules/Portfolio_Habitat_Supply_Service.pdf

For further information about Pacific Power’s renewable portfolio options refer to the information provided in the Appendix.

As of December 31, 2017, 5,874 of Pacific Power’s Oregon customers were enrolled in the Habitat option, contributing approximately \$170,049 to the Habitat Fund in calendar year 2017. Pacific Power is seeking services for the period of January 1, 2019 through December 31, 2021. Proposals should describe how the Habitat Provider proposes to spend Habitat Funds. A list of past restoration projects that have received funding through the Habitat Option can be found on our Web site at:

[pacificpower.net/blueskyhabitat](https://www.pacificpower.net/blueskyhabitat)

Pacific Power is interested in proposals that will:

- 1) Encourage the development of projects in Pacific Power’s Oregon service area,
- 2) Engage communities and diverse partners in the efforts of habitat restoration, and
- 3) Coordinate efforts of various organizations and Pacific Power.

The selected Habitat Provider is required to provide:

- 1) A process for the review and approval by Pacific Power for the distribution of funds to eligible projects identified by the Habitat Provider.
- 2) Accounting reports at least semi-annually that:
 - a. Provide a full accounting of all funds received,
 - b. Detail the disposition of all funds disbursed.

In order to protect the Habitat Fund provided by Pacific Power's customers, the winning bidder is expected to establish a mechanism that specifies the accounting procedures that will be used by the Habitat Provider to manage the Habitat Option funds.

- 3) Detailed project reports with full project descriptions and project updates at least semi-annually that can be shared with participating customers and/or regulators.

Proposals should include a description of how the applicant plans to meet each of the requirements listed above.

MINIMUM REQUIREMENTS

All bidders are expected to meet the following minimum requirements:

1. Meets OPUC Order Terms. The Habitat Provider must meet the terms of all applicable orders of the Oregon Public Utility Commission. Please refer to OPUC Order 01-337¹ which established Pacific Power's Habitat Option program. Also refer to OPUC Order 03-208², dated April 9, 2003, which requires that Pacific Power continue to offer a Habitat Option "dedicated to salmon habitat restoration."

¹ <http://www.puc.state.or.us/orders/2001ords/01-337.pdf>

² <http://apps.puc.state.or.us/orders/2003ords/03-208.pdf>

2. Species and Habitat Restoration Activities. OPUC Order 01-337 requires that the Habitat Funds be “directed toward threatened or endangered anadromous fish” that are “native species adversely affected by the production and transmission of electricity.” Anadromous means fish that hatch in fresh water, migrate to the ocean to grow and mature, and migrate back to fresh water to spawn. According to the Pacific States Marine Fisheries Commission (http://www.psmfc.org/habitat/edu_anad_table.html), anadromous fish include Chinook Salmon, Coho Salmon, Chum Salmon, Pink Salmon, Coastal Cutthroat Trout, Sockeye Salmon, Steelhead, American Shad, Eulachon (Smelt), Green Sturgeon, White Sturgeon and Pacific Lamprey. Habitat restoration activities are broadly defined and can include, but are not limited to the following: watershed assessments and analysis, acquisition of conservation easements from private parties to protect anadromous species habitat, monitoring activities, and public outreach and education efforts including watershed restoration and school groups. However, preference will be given to proposals that include “on-the-ground” physical restoration of habitat for threatened or endangered species within the Pacific Power service territory.
3. Customer Education and Outreach Support. The bidder should demonstrate the ability to provide or adequately support Pacific Power’s education and outreach campaigns to increase awareness and understanding of the Blue Sky Habitat Option as well as assist in efforts to communicate to participating customers about the projects they are funding.
4. Demonstrate Pacific Power Community Involvement. Mitigation projects and actions should benefit the communities in which Pacific Power operates through both habitat restoration and education Preference will be given to proposals that include projects located in Pacific Power's Oregon service territory.
5. Not-for-Profit Status. All funds collected for habitat mitigation from customers participating in the Blue Sky Habitat Option must go directly to a not-for-profit organization.

6. Reporting. The bidder must demonstrate that it has a process in place to report to Pacific Power at least twice per year on mitigation projects and outreach and education efforts, and once per year on financial receipts and expenditures on mitigation projects, outreach, education and administration. The bidder must also meet reporting requirements set by Pacific Power’s regulators.³ The Habitat Provider must demonstrate that Habitat Funds collected from customers were appropriately used to support the goals and objectives of the Usage and Habitat program.
7. Customer Confidentiality. Information about PacifiCorp’s customers acquired through the course of this program must remain confidential. The bidder must adhere to PacifiCorp’s strict confidentiality standards. The successful bidder will be required to sign a non-disclosure agreement between the bidder and PacifiCorp.
8. Roles and Responsibilities. The proposal should identify the bidder’s personnel, along with their roles and responsibilities, who will be working with Pacific Power if the contract is awarded. Proposals should demonstrate a level of staffing dedicated to specific projects in order to ensure adequate support for the mitigation products and public education efforts.

BIDDER APPLICATION DETAILS REQUIRED

The bidder must provide the following information to Pacific Power:

- Name of organization
- Business address
- Phone number
- Email address
- Contact person and title

³ Entities that participate in reviewing Pacific Power’s Habitat Option include the Oregon Public Utilities Commission and the Oregon Portfolio Options Committee (“POC”). The POC is comprised of representatives from Oregon Department of Energy, the Oregon Public Utility Commission, local governments, public/regional interest groups, electric companies, residential consumers, and non-residential consumers. The POC is established in Oregon Administrative Rules as an advisory group to the Oregon Public Utility Commission. By rule, they group’s chief responsibility is to submit Recommendations annually to the Commission regarding a set of product and pricing options for small commercial and residential customer of the utility, which includes the Habitat option.

- Mission of organization
- Date of organization founding
- Staff and organizational structure
- Current year organizational budget
- Sources of funding
- Federal tax identification number
- Organization type (e.g., corporation, association, 501c3 IRS status)
- Financial statement (*Provide information regarding your creditworthiness - including the legal name of the legal entity making the Proposal, 2 years of financial statements (audited if available), the name of your primary lender, and three credit references.*)
- Letters of reference
- Signature of organization's authorized officer

SELECTION – EVALUATION CRITERIA

Proposals will be evaluated based on the bidder's ability to meet the minimum level requirements, the bidder's responses to the evaluation criteria listed below, and completeness of the bidder's proposal. Once a bidder meets the above requirements, its proposal will be evaluated based on the following criteria. Proposals will be ranked by a selection committee on a scale from zero (0) to one hundred (100).

1. Project planning status and schedule: Clearly describe the potential habitat restoration projects along with the benefits and potential impacts. Based on projected funding, indicate the timeline for implementing and completing the projects. **(Weighting 15%)**
2. Selection Process Considerations: Describe your selection process for projects upon which Habitat Funds are proposed to be spent. The selection process should consider the following factors: connection to Pacific Power's Oregon service territory, technical credibility, meaningful habitat benefits, and level of external stakeholder involvement as well as your approach for providing Pacific Power input in the project selection process. **(Weighting 20%)**

3. Known Projects: Include other participants, if any, and a typical timeline for project selection and implementation. Please provide a description of the projects of which your organization is currently aware that could be completed with levels of Habitat Funding. Habitat Funding for the 2019 – 2021 periods is expected to be approximately \$500,000. The project descriptions should include detailed information on the project, including timelines for implementation and completion of the project. **(Weighting 5%)**
4. Funding Leverage: Identify the availability of matching funds to your organization, or how you would acquire matching funds, to help support for proposed projects. **(Weighting 20%)**
5. Accounting and Control Procedures: Describe the accounting procedures and controls your organization will use to ensure that Habitat Funds are accounted for correctly and are expended appropriately. Also describe the process your organization will follow to provide accurate reporting on how Habitat Funds have been disbursed (i.e. % spent on project selection, contracting, implementation, communications, and administration). **(Weighting 10%)**
6. Marketing and Communications: Describe the process your organization will use to communicate to Pacific Power’s Oregon customers regarding habitat restoration projects, both in progress and completed. Clearly demonstrate to Habitat Option customers how their habitat funding contributions are being used. Identify marketing and communications activities that will be undertaken to enhance the brand awareness and customer acceptance of the Habitat Option amongst Pacific Power’s customers. If applicable, identify current membership levels your organization holds within the communities in Pacific Power’s territory and explain how this may impact your organization’s ability to successfully perform as Pacific Power’s Habitat Provider. Identify joint Pacific Power and Habitat Provider marketing activities or opportunities that may be undertaken to increase awareness of the program. Provide examples of marketing and communications material your organization would use to educate the public about habitat restoration projects – for example, sample marketing materials, press releases, community presentations, etc. **(Weighting 5%)**
7. Experience: Describe your organization’s experience in working with environmental mitigation projects and in marketing and communicating to the public regarding environmental issues. Please provide information on the following: years of experience your organization has in environmental mitigation issues, projects your organization has directed or been involved with, staff experience, and relationships your organization has with other relevant organizations. Include documented information that demonstrates a track record of successful funds management and project delivery and illustrates community and environmental benefits realized as a result of your organization’s projects. **(Weighting 15%)**

8. Partnership: Describe your organization’s process for generating support from the community for environmental mitigation projects. Provide documented examples of community support for projects your organization has directed or been involved with, demonstrate how community support was obtained, and describe the diversity of partnerships engaged by your organization to achieve successful project outcomes. **(Weighting 5%)**
9. Permitting and Monitoring: Describe the anticipated permitting process and the planned methods to monitor permit compliance through completion. **(Weighting 5%)**

TIMELINE

To be eligible for consideration, proposals must be submitted to Pacific Power by **5 p.m. on or before Friday, July 13, 2018**.

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

MILESTONE	DATE
RFP release	Monday, June 4, 2018
Notice of Intent to Propose due	June 18, 2018, 5 PM PDT
Pacific Power Answer Respondent Questions	June 25, 2015, 5 PM PDT
Proposals due	July 13, 2018 5 PM PDT
Bid Evaluation	July 15 -July 27, 2018
Final Supplier Selection	July 31 , 2018
Term sheet executed with chosen supplier	August 31, 2018
Contract executed	October 30, 2018
Contract becomes effective	January 2, 2019

Communication/Questions

Bidders desiring any clarification or explanation regarding this RFP may write or email to: bluesky@pacificorp.com. Pacific Power requests any questions concerning the RFP be submitted with the Notice of Intent to Propose, if possible. All questions received by the deadline listed above will be answered by Pacific Power’s response deadline.



FUNDS AVAILABLE TO WINNING BIDDER

Project funds will become available to the winning bidder upon execution of a final contract acceptable to both parties between the winning bidder and Pacific Power.

PROPOSAL REVIEW PROCESS

Each proposal will be prepared at the sole cost and expense of the bidder and with the express understanding that there will be no claims whatsoever for reimbursement from Pacific Power. Pacific Power is not liable for any costs incurred by bidders in responding to this RFP or for any damages arising out of or relating to Pacific Power's rejection of any proposal for any reason. Bidder shall bear all costs and expenses of any response to Pacific Power in connection with its proposal, including providing additional information and bidder's expenses incurred during negotiations and proposal review process.

All proposals belong to Pacific Power and will not be returned. Pacific Power will use reasonable efforts to protect information clearly and prominently marked as proprietary and confidential, however Pacific Power reserves the right to release such information to agents or contractors to help evaluate the Proposal. Pacific Power shall not be liable for any damages resulting from any disclosure of such information, howsoever occurring.

Proposals must be submitted in the legal name of the bidder who would be bound by any agreement with Pacific Power.

This RFP contains only an invitation to make proposals to Pacific Power. No proposal represents a binding contract. Pacific Power may at its sole and absolute discretion do any one or more of the following:

1. Determine which proposals are eligible for consideration as proposals in response to this RFP.
2. Issue additional subsequent solicitations for information and conduct investigations with respect to the qualifications of each bidder.
3. Disqualify proposals for any reason.
4. Supplement, amend, or otherwise modify this RFP, or cancel this RFP with or without the substitution of another RFP.
5. Negotiate with bidders to amend any proposal.
6. Select and enter into agreements with the bidders who, in Pacific Power's sole judgment, are most responsive to the RFP and whose proposals best satisfy the interests of Pacific Power and its customers, not necessarily on the basis of any single factor alone.
7. Issue additional subsequent solicitations for Proposals.
8. Reject any or all Proposals in whole or in part.



9. Vary any timetable.
10. Conduct any briefing session or further RFP process on any terms and conditions.
11. Withdraw any invitation to submit a response.

Proposals may be rejected for any reason, including but not limited to:

1. Receipt 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 bidder's authorized officer to sign the proposal.
5. Failure to submit a Notice of Intent to Proposed form, included in Appendix B.
6. Inability or unwillingness of the bidder to provide the required surety or bond for performance, if any.
7. If the proposal is not a firm offer for at least 90 days from the response deadline.
8. Misrepresentation.
9. Failure to permit disclosure of information contained in the proposal to Pacific Power agents, contractors or regulators.
10. Any attempt to influence Pacific Power's evaluation of the proposals outside the solicitation process.
11. Any change in regulation or regulatory requirements.
12. Any matter impairing the bidder.
13. Any collusive bidding or other anticompetitive conduct.
14. Any failure to disclose the real parties in interest in any proposal submitted.

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

Proposals will be reviewed by a team comprised of staff from various disciplines within Pacific Power. The evaluation team may contact bidders during the evaluation process if additional information is required. Failure to provide responsive information in a timely manner may lead to that bidder's proposal being disqualified.

Summary report of bid results - to the extent required by law or regulatory order, Pacific Power will compile a summary report of the bidding outcome. **Please note that this summary report**



will be made available to the public and filed for informational purposes with applicable regulators as required.

Appendix A

Background Information on Pacific Power's Usage and Habitat Program

Oregon's electricity restructuring law went into effect March 1, 2002, providing customers the opportunity to support the development of renewable resources. Specifically, the restructuring law allowed residential (Rate Schedule 4) and small non-residential (Rate Schedules 23 and 41 – defined as less than 30kW of demand) customers to add a renewable resource option to their basic service.

Pacific Power's Habitat option provides residential and small non-residential customers the choice to support renewable energy equal to their electric monthly usage while supporting the restoration and preservation of habitats for native fish, including salmon, in Oregon. Customers who participate in the Habitat option are billed at the Basic Service rates plus an additional per kilowatt-hour charge (\$0.0105) equal to their monthly electricity usage, which supports renewable resources and a \$2.50 per month contribution, which supports habitat preservation and restoration. Prices cannot be changed without Oregon Public Utility Commission approval.

Pacific Power serves 503,632 residential customers and 67,720 small non-residential customers in Oregon.



Appendix B

Notice of Intent to Propose

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

REQUEST FOR PROPOSAL FOR OREGON HABITAT MITIGATION FUND ADMINISTRATOR

Please include:

Company _____

Mailing Address _____

Phone /Email _____

Contact Person _____

Authorized Signature and Date _____

Please submit within 7 days from the RFP issue date stated on the cover page to:

Attn: Oregon SB1149 Habitat Fund Administrator - RFP 2018

Email address: – bluesky@pacificpower.com