ORDER NO. 26-404

ENTERED Oct 28 2026

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 2383

In the Matter of PACIFICORP, dba PACIFIC POWER, Application for Partial Waiver of OAR Chapter 860-089, Request to Engage Independent Evaluator, and Approval of 2025 Draft RFP.	ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on October 27, 2026, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:

Alison Lackey
Chief Administrative Law Judge

ITEM NO. RA2

PUBLIC UTILITY COMMISSION OF OREGON
REDACTED STAFF REPORT
PUBLIC MEETING DATE: October 27, 2026

REGULAR X **CONSENT** ____ **EFFECTIVE DATE** N/A

DATE: October 20, 2026

TO: Public Utility Commission

FROM: Benedikt Springer

THROUGH: Caroline Moore, Nora Xu, and Kim Herb **SIGNED**

SUBJECT: PACIFIC POWER:
(Docket No. UM 2383)
Application for Approval of 2025 Request for Proposals, Phase 2, and Request for Waivers.

STAFF RECOMMENDATION:

Staff recommends that the Oregon Public Utility Commission:

1. Grant PacifiCorp's request to waive OAR 860-089-0475(2), (3), (4) and OAR 860-089-0450(9) for good cause.
2. Deny PacifiCorp's request to waive OAR 860-089-0400(2), OAR 860-089-0475(5), and OAR 860-089-0300(1)(b)(A) and (B).
3. Approve PacifiCorp's 2025 RFP Phase 2 with modifications.
4. Direct the Independent Evaluator to evaluate PacifiCorp's pro forma agreements.

DISCUSSION:

Issue

1. Whether the Commission should approve multiple waivers of Competitive Bidding Rules (CBR) as outlined in PacifiCorp's application.

2. Whether the Commission should approve PacifiCorp's 2025 draft RFP Phase 2, finding that the Company has complied with competitive bidding rules.

Applicable Rule or Law

The Competitive Bidding Rules (CBR) in OAR Chapter 860, Division 89, apply when an electric utility intends to acquire a resource or a contract for more than an aggregate of 80 megawatts and five years of duration.[1] The Commission may waive any of the Division 089 rules for good cause shown.[2] A request for waiver must be made in writing to the Commission prior to or concurrent with the initiation of a resource acquisition.

Requirements for RFPs are set forth in OAR 860-089-0250. Generally, the electric utility must prepare a draft request for proposals for review and approval by the Commission that reflects any RFP elements, scoring methodology, and associated modeling.[3] OAR 860-089-0250(3) specifies that a draft RFP must include minimum bidder requirements, standard form contracts, bid evaluation and scoring criteria, language allowing bidders to negotiate final contract terms different from those in the standard agreement, a description of how the utility will share information, bid evaluation and scoring criteria for selection of an initial and final short list, a scoring methodology for price scores, an explanation of the electric utilities resource needs, and explanation of changes from the last RFP, and an explanation of the impact of any applicable multi-state regulation on RFP development.

The Commission may approve the RFP with any conditions it deems necessary, upon a finding that the electric company has complied with competitive bidding rules and that the draft RFP will result in a fair and competitive bidding process.[4] The Commission will generally issue a decision within 80 days after the draft RFP is filed.[5]

OAR 860-089-0450 describes the Independent Evaluator's (IE) duties. The IE must consult with the electric company on preparation of the draft RFP and submit its assessment of the final draft RFP to the Commission when the Company files the final draft for approval.[6] Following RFP issuance, the IE must file another report.[7] According to OAR 860-089-0475(6), the electric company must notify the IE and Commission Staff of its final shortlist selection in advance of filing a request for acknowledgment and provide supporting analysis, allowing sufficient time for the IE to complete the IE's closing report.

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1 OAR 860-089-0100(1).
2 OAR 860-089-0010(2).
3 OAR 860-089-0250(1) and (2).
4 OAR 860-089-0250(5).
5 OAR 860-089-0250(6).
6 OAR 860-089-0450(3)
7 OAR 860-089-0450(9).

OAR 860-089-0400 sets out criteria for the scoring of bids. An electric Company can select an initial short list of bids (ISL), before proceeding with further modeling and evaluation. This ISL must be based on non-price and price scores developed in accordance with OAR 860-089-0400(2). OAR 860-089-0400(4)(b) requires a sensitivity analysis showing how bid rankings respond to changes in non-price scores and assumptions used to compare bids or portfolios.

OAR 860-089-0475 sets out additional criteria for the selection of an ISL and final shortlist (FSL), although here ISL is defined as all bids meeting minimum qualifications and not otherwise removed from considerations. According to OAR 860-089-0475(2), an electric utility must file a report that includes the electric company's ISL, a list of bids received that are not included on the ISL, an explanation as to why each bid not included on the ISL was excluded, and a description of the set of scenarios and sensitivities the electric company proposes to use to select and evaluate the performance of portfolios of bids. Interested persons may file comments on the ISL within 15 days and request the use of different or additional portfolios and sensitivities.[8] An electric company must consider any filed comments and be responsive to requests for additional or different portfolios of bids by either performing the additional testing or providing a reasonable explanation why it did not do so.[9] The selection of an FSL must be based on bid scores and a portfolio analysis that considers multiple combinations of all bids on the ISL.[10]

Rules set forth in OAR 860-089-0300 and OAR 860-089-0350 apply to an electric Company's own bids, so-called benchmark bids. Any individual who participates or has participated in the development of an RFP or the evaluation or scoring of bids on behalf of the electric company within the past three years may not participate in the preparation of an electric company or affiliate bid and must be screened from that process. OAR 860-089-0300(1)(b)(A) and (B) set out specific reporting requirements for benchmark bids.

"Acknowledgment" is a finding by the Commission that an electric company's final shortlist of bid responses appears reasonable at the time of acknowledgment and was determined in a manner consistent with the rules in this division.[11] According to OAR 089-089-0500(3), with its request for acknowledgment of an FSL, the electric utility must include the IE's closing report.[12] The Commission will generally issue a decision

8 OAR 860-089-0475(3).
9 OAR 860-089-0475(4).
10 OAR 860-089-0475(5).
11 OAR 089-089-0500(1).
12 See also OAR 860-089-0450(9)(b).

on a request for acknowledgment within 60 days of receipt of the electric company's filing.[13]

Analysis

Background
On August 21, 2026, PacifiCorp filed an application requesting expedited approval of several waivers of OAR Chapter 860, Division 89, to streamline the procurement process, as well as approval of its Phase 2 RFP .[14] The draft is substantially similar to the Phase 1 RFP and responds to Commission direction from Order Nos. 25-343 and 26-215.[15] Staff, NewSun Energy (NewSun), and the Northwest & Intermountain Power Producers Coalition (NIPPC) each filed comments on September 14, 2026.[16] The Company responded on September 28, 2026.[17] Staff consulted with the IE in the review of this filing. The IE's report on the draft RFP is attached to this Staff report.

Waiver Requests
PacifiCorp's filling requests waivers of seven competitive bidding rules (CBRs) to streamline the 2025 Phase 2 RFP. In Order No. 26-326, the Commission approved the Company's request for waiver of stakeholder workshops prior to filing the draft RFP and appointment of PA Consulting as the Independent Evaluator (IE).[18] This memo addresses the five remaining requests for waiver. The Company requests waivers for streamlined treatment of the initial shortlist, required sensitivities, the timing and content of IE reports, and benchmark-related requirements. Staff does not treat PacifiCorp's proposal regarding the RFP schedule as a waiver request. The Company states that it is requesting waivers to streamline procurement processes in accordance with Staff's goals in the Docket No. UM 2417 Executive Order (EO) Work Plan development process.[19] In its argument for good cause, the Company cites Executive Orders 25-25 and 25-29, as well as agreement with developers and environmental organizations, but does not provide unique reasons for each individual waiver.[20]

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13 OAR 089-089-0500(4).
14 Docket No. UM 2383, Application for Partial Waiver of OAR Chapter 860-089, Request to Engage Independent Evaluator, and Expedited Approval of 2025 Phase II Draft RFP, August 21, 2026.
15 Docket No. UM 2383, Order No. 25-343, August 29, 2025; Order No. 26-215, June 23, 2026.
16 Docket No. UM 2383, Staff Comments, September 14, 2026. Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026; NIPCC's Comments, September 14, 2026.
17 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026.
18 Docket No. UM 2383, Order No. 26-326, September 3, 2026 (granting a waiver of OAR 860-089-0250(1)).
19 Docket No. UM 2417, Staff's Draft EO Work Plan, August 5, 2026.
20 Docket No. UM 2417, Joint Proposal, August 12, 2026.

In comments, NIPCC states that it is generally supportive of the waivers sought but does not provide remarks specific to individual waiver requests.[21] NewSun opposes PacifiCorp's waiver requests generally, arguing they would carry forward what it sees as unresolved flaws from Phase 1 and that the Company has not demonstrated good cause for the waivers.[22] Staff considers each waiver request individually, taking into account stakeholder feedback and PacifiCorp's reply. Concerns with design elements are addressed in the subsequent section on the Phase 2 RFP.

Initial Shortlist

PacifiCorp requests a waiver of all requirements applicable to the initial shortlist (ISL):

- OAR 860-089-0400(2) – defines ISL as a preliminary selection from the eligible bid pool and requires it to be based on price and non-price score.
- OAR 860-089-0475(2) – defines ISL as the pool of bids meeting minimum eligibility requirements and requires the ISL to be filed in the docket.
- OAR 860-089-0475(3) – allows stakeholders to file comments on the ISL to request additional sensitivities or portfolios of bids to be studied.
  OAR 860-089-0475(4) – requires the Company to be responsive to requests for additional sensitivities or portfolios.
- OAR 860-089-0475(5) – sets out requirements for the selection of a final short list.

Staff believes OAR 860-089-0400(2) and OAR 860-089-0475(5) lay out important principles for bid selection that should not be waived. Additionally, Staff notes that the proposed scoring and modeling methodology already complies with the processes described by both rules. At the same time, because Phase 2 is intended to closely mimic the approved Phase 1 process, Staff believes there is good cause to provide a narrow waiver that avoids a separate scored initial-shortlist stage with associated filing and comment round on proposed sensitivities as envisioned by OAR 860-089-0475(2), (3), and (4). Staff understands that PacifiCorp agrees to make the ISL along with a rationale for removing any bids available to Staff and PA Consulting for further consideration and be responsive to any concerns either PA or Staff makes about removals or inappropriate inclusions. PacifiCorp states that it agrees with Staff's recommendation.[23]

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21 Docket No. UM 2383, NIPCC's Comments, September 14, 2026, p. 1f.
22 Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026, p. 4ff.
23 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 9.

Staff Recommendation 1: The Commission should grant a waiver of OAR 860-089-0475(2), (3), and (4) to eliminate a separate scored initial-shortlist stage and the associated filing and comment round on proposed sensitivities.

Staff Recommendation 2: The Commission should deny a waiver of OAR 860-089-0400(2) and OAR 860-089-0475(5), preserving the requirement to conduct analysis of multiple combinations of all eligible bids and testing as requested by Staff or the IE.

Sensitivity Analysis

PacifiCorp's filing initially requested a waiver of OAR 860-089-0400(4)(b), which requires a sensitivity analysis showing how bid rankings respond to changes in non-price scores and assumptions used to compare bids or portfolios. PacifiCorp proposes to analyze its IRP price-policy scenarios, one Boardman to Hemingway (B2H) sensitivity, and conduct its stochastic risk analysis. NewSun expresses general concern that Staff has insufficient visibility into how the Company calculates price scores.[24] However, in Reply Comments, the Company states that it does not believe the requested waiver is necessary because its methodology already complies with the rules.[25] Staff agrees. The Company's current RFP design already includes sufficient sensitivities that adequately reflect stakeholder input via the Company's IRP Public Input Meeting process. Furthermore, Staff is confident that both the IE and Staff have adequate visibility and scrutinize the bid selection process. As a result, Staff believes no Commission action is necessary.

IE Reports

PacifiCorp seeks a waiver of the IE report following issuance of the RFP, as required by OAR 860-089-0450(9). This is a new rule effective March 23, 2026, and hence did not apply to Phase 1 of the RFP. Staff supports waiving this requirement and notes that PA Consulting has historically captured this information in its Closing Report and Staff understands it expects to again reflect its review of the issuance of the RFP in its required Closing Report. Staff expects the Company to keep Staff and the IE appraised of any issues surrounding RFP Issuance.

Staff Recommendation 3: The Commission should grant a waiver of the requirement to file an IE report on RFP issuance in OAR 860-089-0450(9).

[24] Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026, p. 10.
[25] Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 9.

PacifiCorp asked for flexibility to file its FSL acknowledgment application before the IE closing report is complete, requesting a waiver of OAR 860-089-0475(6) and OAR 089-089-0500(3). The rules require the application to include the closing report and the Company to give the IE sufficient time to prepare it. NewSun does not oppose this request, but notes that if the Commission allows the IE report to be filed later, the waiver should be limited to that report and make clear that no final decision will be issued until the report is filed and stakeholders, Staff, and the Commission have adequate time to review and comment.[26] Staff does not support granting this request since Staff would not be able to make a final recommendation, and the Commission should not make a decision, until the IE report has been filed and Staff and stakeholders have had a reasonable opportunity to review it. In Reply Comments, PacifiCorp states that it is no longer seeking this waiver.[27] Staff believes no Commission action is necessary.

Benchmark-Related Requirements

Lastly, PacifiCorp seeks a waiver of OAR 860-089-0300(1)(b)(A) and (B), which require reporting about Company employees engaged with development or submission of a benchmark or affiliate bid. NewSun does not appear to oppose this request.[28] Since the Company is not submitting any benchmark bids, Staff does not believe this rule is applicable and does not recommend the Commission take any action. The Company states that it agrees that the waiver is unnecessary as long as the Commission concurs with Staff's interpretation of the rule.[29] As a result, Staff recommends the Commission state that this rule is not applicable.

Staff Recommendation 4: The Commission should deny a waiver of OAR 860-089-0300(1)(b)(A) and (B), clarifying that the requirements only apply if an electric utility submits benchmark or affiliate bids to an RFP.

Schedule

PacifiCorp requests the Commission approve the Draft RFP by October 27, 2026, which will allow the possibility for issuance to market by November 3, 2026. Furthermore, the Company requests the Commission approve the final shortlist within 60 days of an acknowledgment filing. In Reply Comments, the Company clarifies that this is not a waiver request but a statement on the Company's preferred timeline.[30]

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26 Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026, p. 9f.
27 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 9.
28 Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026, p. 9f.
29 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 9.
30 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 10.

Staff notes that these requests are consistent with the expected timelines under OAR 860-089-0250(6) and OAR 860-089-0500(4). As a result, Staff and the Company have already agreed on a schedule that adheres to this timeline, which is included in Section 3 of the RFP. At the same time, it is not guaranteed that any future issues can be resolved within this timeframe. Both rules use the term "generally" to indicate that such circumstances may occur. Hence, Staff does not include a recommendation for the Commission to commit to a specific timeline for the FSL decision.

Summary of Phase 2 RFP
PacifiCorp's Phase 2 RFP seeks to procure wind, photovoltaic (PV) solar, wave, geothermal, hydroelectric, biomass, or other sources of energy that support compliance with Oregon's HB 2021 emissions reduction requirements are capable of reaching commercial operation by December 31, 2033. The minimum bid size is 1 MW. The stated goal of the Company is to backfill resources dropping out of the Phase 1 FSL and meeting the remaining need of **[BEGIN HIGHLY CONFIDENTIAL]** [redacted] **[END HIGHLY CONFIDENTIAL]** in accordance with the June Supplemental Filing.[31] Phase 2 RFP also responds to Order No. 25-343, in which the Commission directed the Company to conduct a second phase of the RFP to take advantage of any additional clarity on the connection of the Boardman to Hemingway (B2H) transmission project (Longhorn substation) to PacifiCorp's West Balancing Area (PACW), which would require the acquisition of redirect rights from the Bonneville Power Administration (BPA).[32] Phase 1 bidders may re-submit their bids to Phase 2 with updated commercial operation dates (COD) and prices for a reduced fee.

The RFP allows for new or existing resources to participate through either Power Purchase Agreements (PPAs) or Energy Storage Agreements (ESA) with terms of five to 20 years; benchmark or affiliate bids are not allowed. Proposals will be evaluated using a combination of price and non-price factors, weighed at 80 percent and 20 percent, respectively. The evaluation process includes transmission consulting agreement (TCA) studies, third-party review of resource performance estimates, and portfolio modeling in PLEXOS consistent with the 2025 IRP Update. PacifiCorp anticipates filing for acknowledgment of the FSL in August 2027, with executed contracts to follow.

[31] Docket No. LC 85, 2025 IRP, March 31, 2025; IRP Supplemental Filing, June 30, 2026.
[32] Id.

Company Proposed Changes from Phase 1 RFP
PacifiCorp has proposed the following changes to the draft RFP from Phase 1 in its original filing. Staff believes these modifications reflect attributes of a competitive and fair solicitation.

Table 1: RFP changes from Phase 1.

Proposed Change	**Company Justification**
Include an option for bidders from Phase 1 to submit a price refresh into Phase 2.	Required by Order No. 26-215.[33]
Included "cluster study" as one of the items that can be provided to show on-system interconnection viability in minimum eligibility requirement No. 14.	Required by Order No. 26-215.[34] Staff proposes additional language regarding project viability to be adopted via Commission motion.
Updated Appendix P to clarify which non-price scoring questions require a narrative answer.	Required by Order No. 26-215.[35]
~~Replaced energy storage agreements (ESA) with capacity agreements (CA).~~	~~Similar benefits with favorable treatment by credit rating agencies.~~[36]
Conduct TCA studies for all eligible bids prior to evaluation.	Identify potential costs for and barriers to projects achieving designated network resource status. This would create more certainty that selected bids can actually serve load cost-effectively.
Modified minimum eligibility requirement No. 28 to state that bidders need to have site control *for the proposed duration* of the resource.	This change responds to a recommendation of the IE, who flagged ambiguity about what type of site control documentation would be sufficient for eligibility in Phase 1.
Removed references to on-ramps to the Washington RFP.	Due to the pending sale of PacifiCorp's Washington service territory.
Various modifications of contacts and dates.	Administrative changes necessary to issue Phase 2 RFP.

[33] Docket No. UM 2383, Order No. 26-215, June 23, 2026.
[34] Docket No. UM 2383, Order No. 26-215, June 23, 2026.
[35] Docket No. UM 2383, Order No. 26-215, June 23, 2026.
[36] PacifiCorp initially proposed this change, but later communicated that it intended to retain the ESA option as was in the Phase 1 RFP.

In Reply Comments, the Company informed Staff that that it would like to revert back to the ESAs used in Phase 1 of the RFP.[37] Staff has no concerns with that approach.

Staff believes the addition of TCA studies is reasonable. In Phase 1 PacifiCorp was directed to move the TCA study to after the section of the FSL to help expedite the process and better align the Oregon RFP with that in WA.[38] Given that one of PacifiCorp's concerns with Phase 1 was that FSL would be created without being able to approximate costs and timeline impacts of ensuring projects have designated network resource status and that bids may ultimately fail to do so and be removed from the FSL. Moving the TCA to within the project review process addresses this attrition risk. And while time is still of the essence, Phase 2 does not need to align with other RFP schedules, and Staff believes having the TCA as part of the determination of the FSL can result in higher confidence about project costs and timelines.

Upon recommendation of the IE, Staff and the Company agreed that language should be added to Section 6.E. Price Scoring, that would give bidders more information on how the results of the TCA study will be used. Staff recommends the Commission require PacifiCorp to include the following.

Staff Recommendation 5: Direct PacifiCorp to add the following sentence to Section 6.E. Price Scoring, after the words "network upgrade costs, as applicable.": "The Transmission estimated network upgrade costs component will be incorporated directly from the TCA results." Further direct the Company to add a footnote, stating "TCA results do not determine bid compliance; only network upgrade cost estimates."

Staff believes the change addressing site control is reasonable. During Phase 1, discrepancies between PacifiCorp and IE bid scoring arose because there was ambiguity around this issue.

Staff believes that removing references to the Washington RFP is reasonable given the pending sale. Staff has no concerns with various modifications of contacts and dates.

In an email on October 6, the Company brought concerns to Staff regarding the addition of cluster studies as a minimum eligibility requirement. Staff had considered cluster studies as providing adequate interconnection details, akin to what is sourced from system impact studies (SIS). SIS refer to the engineering studies that were part of the older serial queue interconnection process, which was replaced by the cluster process following FERC Order No. 2023.[39] The Company explained that the new cluster studies

[37] Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 9.
[38] Docket No. UM 2383, Order No. 25-343, August 29, 2025.
[39] The cluster study process started in 2021.

are substantially similar but are associated with more uncertainty due to the fact that multiple generators are studied at the same time, each of which may drop out after the conclusion of the study, requiring restudy. PacifiCorp reported a 60 percent withdrawal rate from cluster studies, which means their results are substantively less certain than a SIS. A facilities study on the other hand converts the cluster study results into a more accurate construction schedule and cost estimate within 90 to 180 days of a signed agreement. As a result, a facilities study provides more certainty regarding a project's interconnection costs and timeline. Staff, the IE, and the Company agreed that project readiness, as reflected in the difference between a cluster or facilities study, should be part of the evaluation process. As a result, Staff proposes, in agreement with PacifiCorp and the IE, to retain the use of cluster studies as an acceptable representation of interconnection status for the purpose of determining whether a bid meets minimum qualifications, as initially proposed by the Company. The Company should insert "cluster study" in Section 1.B. Interconnection Requirements (this was mistakenly omitted from the initial draft RFP). In addition, Staff proposes the below language. This will enable the use of cluster studies and supplementary interconnection details to address project costs, timelines, and overall readiness.

Staff Recommendation 6: Direct PacifiCorp to add the following language to the first paragraph of section 6.F. Final Scoring and Ranking to Recommended Final Shortlist: "and (c) PacificCorp will take into account project readiness as represented by (i.) the interconnection study includes an assessment of both Energy Resource Interconnection Service (ERIS) and Network Resource Interconnection Service (NRIS), and (ii.) bidder has signed an LGIA which demonstrates ability to interconnect before proposed COD (this will not qualify/disqualify a bid but may affect its ranking)." Further direct the Company to insert "cluster study" in Section 1.B. Interconnection Requirements as acceptable means to show the ability of a project to interconnect.

Staff and Stakeholders Concerns
Staff and Stakeholders comments raised various questions and concerns about the RFP Draft, generally highlighting the need for clearer information, greater flexibility in contract and scheduling requirements, and improved transparency in the RFP process to ensure fair participation and accurate evaluation of bids under varying project and transmission conditions. The table below summarizes these concerns and shows how the Company responded, including any modifications to the RFP Draft provided in the Company's Reply Comments.

Table 2: Staff and stakeholder concerns from filed comments; Company proposed changes from reply comments.

Party	***Concern***	***Response***	***RFP Changes***
Staff	The Company should provide detailed information about how the RFP will consider B2H-related transmission uncertainty.	Base case assumes B2H is energized in 2028 and redirects are available. No-B2H Redirect sensitivity will be modeled.	None. Further information about B2H-dependent bids in the RFP addressed via Commission motion (*Staff Recommendation 7*).
Staff/ NIPCC	The Company should provide the proposed capacity agreement.	The Company reverted back to an ESA.	ESA, identical to Phase 1, included. Staff agrees with Company modification.
Staff/ NIPCC	The Company should provide Appendix T.	Appendix T attached to Company Comments.	Appendix T included. Staff agrees with Company modification.
Staff	The Company should explain treatment of COD variants.	Variants should be required to pay the same bid fee.	None. Staff proposes COD variants via Commission motion (*Staff Recommendation 8).*
Staff	Staff identified multiple issues and necessary corrections.	The Company agreed to correct.	Minor issues corrected. Staff agrees with Company modification.
NIPCC	Company should not require delivery date earlier than guaranteed COD.	This was an error.	Error corrected. Staff agrees with Company modification.
NIPCC	Company should allow flexibility in COD if caused by utility, instead of disqualifying the bid.	Company does not want to make changes to the PPA/ESA, but states that COD delays are accommodated during contract negotiations on a case-by-case basis.	No changes. Staff agrees with Company.
NIPCC	Clarify that refresh bids from Phase 1 are allowed.	Refresh bids are already allowed, but	Minor error corrected. Staff agrees with Company modification.

		there was a minor error.	
NIPCC	Add "cluster study" in section 1.B.	N/A	None. This was an oversight. Included in final draft via Commission motion (*Staff Recommendation 6).*
NewSun	Allow bidders to submit multiple prices per bid, one to the pro forma PPA/ESA, one for the pro forma agreement with redlines, and one for a 2016 standard QF contract.	Company wants to keep Phase 2 substantially similar to Phase 1. Commission rejected NewSun proposal when approving Phase 1.	No changes. Staff agrees with Company. Staff recommends assessment of pro forma agreement in contract negotiations report (*Staff Recommendation 9*).

B2H Consideration

The Phase 2 RFP responds to Order No. 25-343, in which the Commission directed the Company to conduct a second phase of the RFP to take advantage of any additional clarity on the connection of B2H to PACW. Staff was initially concerned with the fact that the Company had not provided any detail on how it would model B2H. After the filing of the initial draft, BPA announced that it would make redirect rights available to PacifiCorp once B2H is energized.[40] As a result, B2H will now be modeled as the base case, with "no redirects" remaining an additional scenario. To increase bidder participation, the IE suggested PacifiCorp add language to the RFP clarifying that B2H-dependend bids are being considered as part of the evaluation process. Staff, the Company, and the IE agreed that a paragraph on "B2H uncertainty" should be added to Section 6, Bid Evaluation and Selection. Staff recommends the Commission adopt this language.

Staff Recommendation 7: Direct PacifiCorp to add the following before Section 6.E. Non-Price Scoring, in a separate section, titled "B2H Uncertainty: The Phase 2 bid evaluation will reflect B2H uncertainty through a base-case assumption that B2H is energized in 2028 and BPA grants PacifiCorp some, but not all, requested Longhorn redirect rights, thereby providing incremental PACE import capability toward Oregon resource adequacy requirements. This capability will be modelled in PLEXOS. PacifiCorp will additionally run a set of "No-B2H Redirects" scenarios on the top performing portfolios. Known B2H upgrades will be incorporated into relevant TCA

[40] Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 2.

studies without presuming that redirects resolve project-specific network transmission needs."

Energy Storage Agreements / Capacity Agreements

Staff and NIPCC were initially concerned with the fact that the Company had proposed to replace ESAs with CAs but had not provided a draft of the new agreement. While a CA might provide similar benefits to an ESA, Staff wanted to review the CA to ensure this is actually correct. However, the Company explained in reply comments that it is reverting back to the ESA as approved as part of Phase 1 of the RFP.[41]

Bid Variants

In its comments, Staff raised the treatment of bid variants as an issue.[42] The Company's Draft RFP does not address bid variants and appears to require a $10,000 for any bid variant. Staff does not believe this is appropriate, since bid variants do not require the same amount of evaluation. Specifically, Staff worries that full fees for variants might disincentivize bidders from submitting multiple CODs. Given that the Company is soliciting bids across many years, Staff believes it would be desirable to get bids that only vary price and COD. The Company responded initially that it believes every bid should pay the full fee.[43] After discussion with the Company and the IE, the following language was agreed upon, allowing up to two bid variants with different project COD, contract term, and/or price at no additional costs. Staff recommends the Commission direct PacifiCorp to add this language in the appropriate section.

Staff Recommendation 8: Direct PacifiCorp to insert the following sentences in Section 3.E. Bid Submission Fees: "For each base bid submitted, bidders may submit up to 2 bid variants. Base bids are defined as project resources which have submitted a full bid fee amount. Bid variants are defined as changes to the base bid project resource, with changes limited to the project COD, contract term, and/or price."

Pro Forma Contracts

NewSun, a developer based in Central Oregon, submitted comments in this docket requesting that the Commission reconsider concerns it raised in Phase 1 of the RFP.[44] NewSun argues that requiring bidders to price their proposals based on PacifiCorp's pro forma agreements may increase bid prices because bidders must price contractual risks

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41 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 2f.
42 Docket No. UM 2383, Staff Comments, September 14, 2026, p. 4.
43 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 3.
44 Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026. Staff takes NewSun's main concerns to be those cited in its Petition for Judicial Review of Public Utility Commission of Oregon Order No. 26-215, filed with the Circuit Court for the County of Marion on 8/21/26.

they expect to negotiate after selection.[45] NewSun also argues that particularly onerous provisions may discourage otherwise viable developers from participating.[46] The main provisions NewSun appears to find too onerous are: interconnection schedule, security requirements, risk distribution from change of laws, duration of the contract, and jurisdiction for conflict resolution.[47] However, NewSun does not state how it would resolve perceived shortcomings except for proposing that bidders should be allowed to submit separate prices for contract redlines and for bids to a 2017 QF contract PGE used. PacifiCorp responds that requiring bidders to price a common set of contractual terms provides an apples-to-apples basis for evaluating proposals, while bidders may identify exceptions through their issues lists and negotiate mutually agreeable final terms if selected.[48]

Having completed a full assessment of many of these issues as part of Phase 1, Staff does not believe that it is necessary to re-visit each of these arguments in detail as part of Phase 2. Overall, Staff makes the following findings:

- This RFP conforms with CBRs which require use of standard form contracts.[49]
- In Phase 1, Staff addressed concerns about onerous contract terms with the IE and determined the current terms were within market standards.
- Staff was unable to find examples of procurements that allows NewSun's approach and instead found examples where other commissions determined that such provisions would overly complicate procurement.
- While Staff cannot say if developers declined to bid due to the pro forma requirement, participation in Phase 1 indicates that bidding to the pro forma did not significantly limit participation. Bid prices received were competitive.
- Lower bid prices do not necessarily equate to better outcomes for customers if they shift risk to the Company.
- Comparisons to QF pro forma contracts is inappropriate because the 10 MW size limitation and must-take requirements proscribe material contract terms not present in non-QF procurement.
- The lack of utility ownership options in this RFP eliminates the risk of utility bias associated with alignment with contract terms.

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45 Docket No. UM 2383, NewSun's Comments, August 25, 2025, p.3
46 Docket No. UM 2383, NewSun's Comments, August 25, 2025, p. 2.
47 Docket No. UM 2383, NewSun's Comments, August 25, 2025, Attachment D.
48 Docket No. UM 2383, PacifiCorp's Reply Comments, September 28, 2026, p. 6f.
49 OAR 860-086-0250.

Staff supports maintaining standard solicitation terms, absent broader market evidence for change, as doing so promotes consistent treatment between phases and helps ensure a fair and stable process for all bidders. As an initial matter, Staff notes that the RFP structure is consistent with the CBRs. OAR 860-089-0250(3)(b) requires an RFP to include standard form contracts, while OAR 860-089-0250(3)(d) requires language allowing bidders to negotiate mutually agreeable final contract terms that differ from those standard forms. The rules do not prescribe how requested contract modifications must be reflected in initial bid pricing; but any consideration of bidder exceptions to contracts in the evaluation process would need to be fair, objective, and transparent in accordance with OAR 860-089-0010(1). Ultimately, OAR 860-089-0250(5) directs the Commission to determine whether the RFP complies with the CBR and will result in a fair and competitive bidding process.

The contracting approach now at issue already reflects changes made in response to stakeholder concerns during Phase 1.[50] For example, PacifiCorp initially proposed not allowing bidders to submit contract revisions with their initial bids.[51] Following concerns from stakeholders and the IE, PacifiCorp agreed to allow bidders to submit proposed redlines or an issues list with their bids, while continuing to require that initial bid prices assume the pro forma terms.[52] Staff supported that modification because it allows bidders to identify material concerns from the outset while retaining a common basis for comparing bid prices. NIPPC considered this revised approach in Phase 1 and did not oppose it then or now.[53]

The Commission has also previously required targeted review of PacifiCorp's pro forma terms in this proceeding. In Order No. 25-343, responding to concerns raised by NIPPC, the Commission required modification of one identified limitation-of-liability provision and directed PacifiCorp to work with Staff and the IE to review whether other contract provisions raised by NIPPC were consistent with current market practice.[54] PacifiCorp, Staff, and the IE subsequently completed that review, and Staff identified no additional provisions examined through that process that warranted modification. NIPPC has not raised any concerns regarding pro forma agreements in Phase 2 of the RFP.[55] While

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50 Docket No. UM 2383, NIPCC's Comments, July 7, 2025; OSSIA's Comments, July 7, 2025; Renewable NW's Comments, July 7, 2025; Form Energy's Comments, July 7, 2025; Sierra Club and GE Comments, July 7, 2025.

51 Docket No. UM 2383, In the Matter of PACIFICORP, dba PACIFIC POWER, Application for Partial Waiver of OAR Chapter 860-089, Request to Engage Independent Evaluator, and Approval of 2025 Draft RFP, April 16, 2025.

52 Docket No. UM 2383, Staff Report for the August 26, 2025 Special Public Meeting, August 21, 2025, p. 16.

53 Docket No. UM 2383, NIPPC's Final Comments, August 22, 2025, p. 4.

54 Docket No. UM 2383, Order No. 25-343, August 29, 2025, p. 1.

55 Docket No. UM 2383, NIPCC's Comments, September 14, 2026.

Staff has not been able to find agreement with NewSun, the facts show that the pro forma agreements have already been subject to targeted review in this proceeding and that the Commission has required changes where concerns warranted them.

Staff notes that other states' commissions have approved competitive solicitations that permit bidder exceptions to pro forma contracts, but Staff has not been able to identify RFPs where bidders are free to price the contractual terms of their choosing. For instance, Staff found RFPs in Hawaii where bidders could propose contract modifications, but such proposals would then be awarded a lower non-price score.[56] The Colorado Public Utilities Commission appears to have moved toward a conforming bid policy because it found ad hoc changes to contractual terms too challenging to fairly evaluate.[57] NewSun has not explained how PacifiCorp should value its requested departures from the performance contract when comparing its price against bidders willing to accept greater development or performance risk.

Staff does not find evidence for supporting a recommendation to change the contracting approach for Phase 2. In fact, Phase 1 provides direct evidence that the contracting framework did not prevent substantial market participation or the submission of competitive offers. Phase 1 attracted substantial participation and resulted in competitively priced bids from nearly two dozen developers. The observed prices do not raise any red flags indicating above market price bids.

Conceptually, Staff notes that more favorable contractual terms for developers, as requested by NewSun, do not necessarily produce better outcomes for customers, even where they result in lower initial bid prices. Contract provisions allocate risks between developers and customers by way of the Company. Reducing development security, extending commercial-operation deadlines, or limiting remedies for project failure may reduce the costs and risks that a developer must incorporate into its bid and may therefore produce a lower nominal PPA price. However, those changes also transfer development and non-performance risk to the utility and eventually customers; for example, if a contract does not perform, the utility might have to purchase higher priced capacity or energy to ensure reliability. The relevant question is therefore not simply whether a different contractual term would result in a lower bid price, but whether the resulting allocation of risk is expected to produce a better overall outcome for customers.

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[56] Hawaiian Electric Companies' Final Stage 2 Renewable and Grid Services RFPs, August 22, 2019; approved in Order No. 37123, May 1, 2020.

[57] Proceeding No. 24A-0442E, Decision No. C260121, February 24, 2026.

NewSun's request to not require development security for bids under 250 MW provides an instructive example.[58] Requiring meaningful security imposes a cost on developers, and some portion of that cost is likely reflected in bid prices. At the same time, security provides a screening mechanisms for the capability of developers and a financial incentive for bidders to submit projects they reasonably expect to develop. Staff has observed substantial attrition from final shortlists in other recent competitive procurements. This attrition is most commonly related to increased interconnection costs, delayed COD, or inability to secure appropriate permitting and site control. NewSun appears to only propose more developer-friendly terms without addressing how this would balance with the interest of the utility in receiving bids that are likely to succeed.

NewSun points to PGE's 2017 standard QF agreement as an example of a contract under which it successfully financed projects, and which therefore should be used in PacifiCorp's RFP.[59] That agreement, however, was a PURPA standard contract intended for must-take energy from qualifying facilities up to 10 MW. Staff does not believe PURPA contracts would be appropriate for substantially larger utility-scale resources. In competitive solicitations, utilities generally seek resources that meet different requirements and necessitate different assignment of risk.

Lastly, it is also important to note that the RFP does not include any utility ownership options or benchmark resources. As such, concerns that third-party bidders are at a disadvantage are irrelevant to this proceeding.

However, Staff agrees with NewSun that the relationship between contractual risk allocation, bidder participation, project viability, and bid pricing warrants continuous examination across RFP cycles. Staff believes the appropriate time for that examination is after contract negotiations are substantially complete. At that point, Staff and the IE will have evidence that is not presently available: which provisions were flagged in redlines in the initial bids; which provisions bidders actually sought to change in negotiations; whether the same concerns arose independently across multiple bidders; which provisions PacifiCorp ultimately agreed to modify; whether particular provisions impeded successful contract execution; whether projects withdrew or failed to reach agreement because of particular contract terms; and, where the record permits, whether negotiated changes were associated with changes in price. This will also allow Staff and the IE to distinguish provisions that are routinely negotiated as part of the normal contracting process from provisions that may materially affect competition, project viability, or costs and risks to customers.

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[58] Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026, p. 4.
[59] Docket No. UM 2383, NewSun Energy's Comments, September 14, 2026, p. 5.

The IE is already required to monitor contract negotiations and submit a report regarding those negotiations. Staff recommends that the Commission direct the IE to evaluate in its contract negotiations report whether PacifiCorp's pro forma agreement appears to have increased bid prices or discouraged participation, as described in the preceding paragraph. Staff could then use that analysis to inform whether standard terms, or the treatment of contract exceptions more generally, should be modified before PacifiCorp's next major resource solicitation. Staff believes this retrospective review will provide a substantially better basis for evaluating NewSun's concerns than modifying Phase 2 based on assumptions about how alternative contract terms might affect bidder behavior. The Commission will be able to evaluate actual bidder exceptions, actual negotiations, actual project attrition, and, where observable, actual price effects. This approach also avoids materially changing the terms of an ongoing two-phase procurement where Phase 1 has not demonstrated an obvious competitive failure.

Staff Recommendation 9: Direct the Independent Evaluator (IE) to evaluate in its contract negotiations report whether PacifiCorp's pro forma agreements should be modified to increase participation or lower bid prices.

Phase 2 RFP Compliance with Competitive Bidding Rules
After review, Staff finds that PacifiCorp's draft Phase 2 RFP complies with competitive bidding rules in OAR 860-089-0250. The Company's draft also follows the Commission direction in Order Nos. 25-343 and 26-215.[60] Staff also finds that the RFP is generally consistent with the goals of maximizing procurement opportunities, ensures fair and equitable treatment of bidders, and minimizing utility bias. Lastly, PacifiCorp has reasonably responded to Staff and stakeholder concerns. While NewSun criticizes various RFP elements, Staff finds nothing in the record presently before the Commission that would provide a sufficient basis to alter the Phase 2 RFP. Instead, Staff believes the commercial assumptions in question serve the legitimate purpose of evaluating bids fairly and transparently. As a result, Staff finds that the RFP complies with the competitive bidding rules and recommends the Commission approve the RFP with the small modifications discussed in this memo. The IE has reviewed the RFP and concurs with Staff's recommendations.

[60] Docket No. UM 2383, Order No. 25-343, August 29, 2025; Order No. 26-215, June 23, 2026.

Staff Recommendation 10: Approve PacifiCorp's draft 2025 Request for Proposals (RFP) Phase 2 with the afore-directed modifications, finding that the Company has complied with competitive bidding rules.

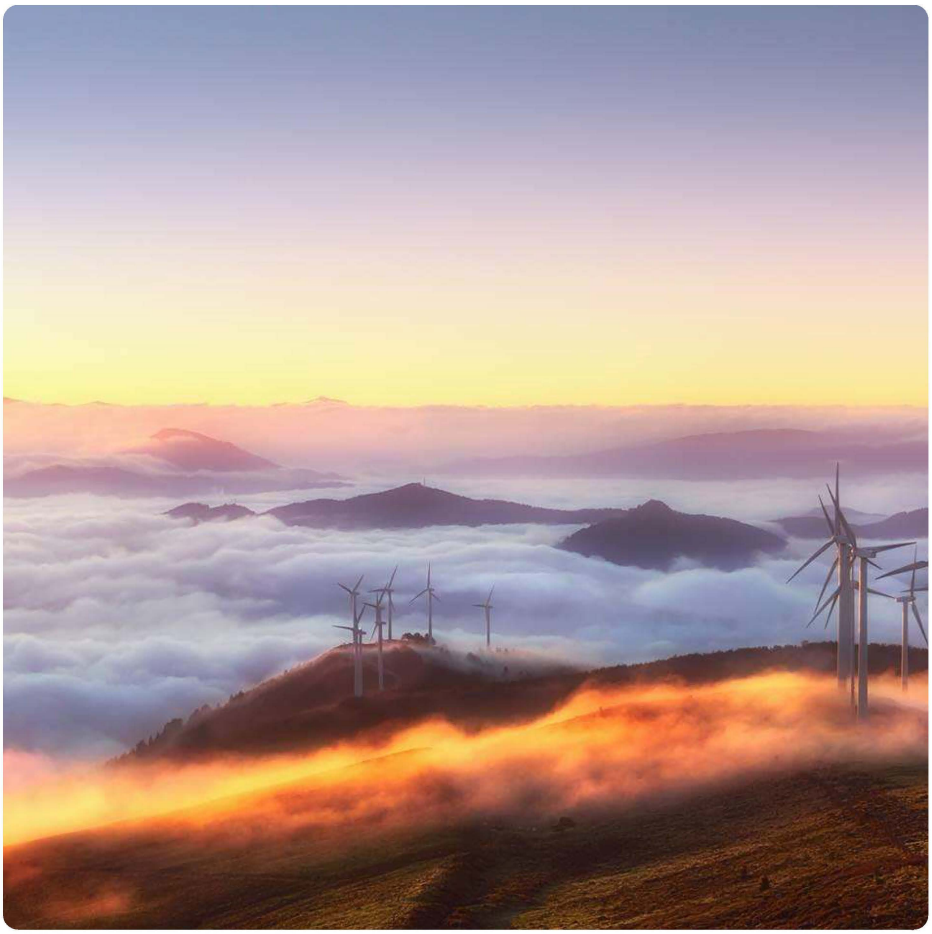
PROPOSED COMMISSION MOTION:

1. Grant a waiver of OAR 860-089-0475(2), (3), and (4) to eliminate a separate scored initial-shortlist stage and the associated filing and comment round.
2. Deny a waiver of OAR 860-089-0400(2) and OAR 860-089-0475(5), preserving the requirement to conduct analysis of multiple combinations of all eligible bids and testing as requested by Staff or the IE.
3. Grant a waiver of the requirement to file an IE report on RFP issuance in OAR 860-089-0450(9).
4. Deny a waiver of OAR 860-089-0300(1)(b)(A) and (B), clarifying that the requirements only apply if an electric utility submits benchmark or affiliate bids to an RFP.
5. Direct PacifiCorp to add the following sentence to Section 6.E. Price Scoring, after the words "network upgrade costs, as applicable.": "The Transmission estimated network upgrade costs component will be incorporated directly from the TCA results." Further direct the Company to add a footnote, stating "TCA results do not determine bid compliance; only network upgrade cost estimates."
6. Direct PacifiCorp to add the following language to the first paragraph of section 6.F. Final Scoring and Ranking to Recommended Final Shortlist: "and (c) PacificCorp will take into account project readiness as represented by (i.) the interconnection study includes an assessment of both Energy Resource Interconnection Service (ERIS) and Network Resource Interconnection Service (NRIS), and (ii.) bidder has signed an LGIA which demonstrates ability to interconnect before proposed COD (this will not qualify/disqualify a bid but may affect its ranking)." Further direct the Company to insert "cluster study" in Section 1.B. Interconnection Requirements as acceptable means to show the ability of a project to interconnect.
7. Direct PacifiCorp to add the following before Section 6.E. Non-Price Scoring, in a separate section, titled "B2H Uncertainty: The Phase 2 bid evaluation will reflect B2H uncertainty through a base-case assumption that B2H is energized in 2028 and BPA grants PacifiCorp some, but not all, requested Longhorn redirect rights, thereby providing incremental PACE import capability toward Oregon resource

adequacy requirements. This capability will be modelled in PLEXOS. PacifiCorp will additionally run a set of "No-B2H Redirects" scenarios on the top performing portfolios. Known B2H upgrades will be incorporated into relevant TCA studies without presuming that redirects resolve project-specific network transmission needs."

8. Direct PacifiCorp to insert the following sentences in Section 3.E. Bid Submission Fees: "For each base bid submitted, bidders may submit up to 2 bid variants. Base bids are defined as project resources which have submitted a full bid fee amount. Bid variants are defined as changes to the base bid project resource, with changes limited to the project COD, contract term, and/or price."
9. Direct the Independent Evaluator (IE) to evaluate in its contract negotiations report whether PacifiCorp's pro forma agreements should be modified to increase participation or lower bid prices.
10. Approve PacifiCorp's draft 2025 Request for Proposals (RFP) Phase 2 with the afore-directed modifications, finding that the Company has complied with competitive bidding rules.

RA2- UM 2383







Oregon Public Utilities Commission Independent Evaluator's Assessment of PacifiCorp's DRAFT 2026 Phase 2 All-Source RFP

October 19, 2026

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Executive summary

PA Consulting Group, Inc. (PA) is serving as the Independent Evaluator (IE) for PacifiCorp's 2026 Phase 2 Request for Proposals (the Phase 2 Draft RFP).[1] For the purpose of this report, PA evaluated the "2026 Oregon Situs Phase 2 Draft RFP" filed on August 21st and will be herein referred to as the "Phase 2 Draft RFP". PA also served as the IE for PacifiCorp's 2025 Oregon Situs RFP, which is herein referred to as the "Phase 1 RFP."

Through engagement as the Independent Evaluator, PA anticipates producing the following reports in relation to PacifiCorp's 2026 Phase 2 RFP.

- Draft RFP and Scoring and Modeling Methodology Assessment Report
- IE Closing Report
- Contract Negotiations Monitoring Report

This report serves as the Draft RFP and Scoring and Modeling Methodology (SMM) Assessment Report, in which PA will provide the Oregon Public Utilities Commission (OPUC) with an independent assessment of the Phase 2 Draft RFP, prior to the issuance of the RFP. The report provides:

- An introduction and background of the RFP
- A summary of the assessment criteria used by PA to evaluate the RFP
- PA's evaluation of the draft RFP using the assessment criteria
- A summary of stakeholder comments received on the draft RFP
- A summary of the Independent Evaluator's findings and recommendations related to the RFP

Background and Overview of 2026 Phase 2 RFP

PacifiCorp has committed to issuing this 2026 Oregon Situs Phase 2 RFP in compliance with OPUC Orders 25-343 and 26-215 issued under Docket UM 2383 and PacifiCorp's 2025 IRP LC-85 Supplemental Filing. In addition to obtaining economically advantageous resources that contribute to PacifiCorp's greenhouse gas reduction goals for 2035, this RFP aims to fulfill any shortfall due to the potential of resources selected to the final shortlist in the Phase 1 RFP failing to reach an executed agreement and/or achieve designated network resource (DNR) status.

The 2026 Oregon Situs Phase 2 RFP seeks bids with a minimum nameplate capacity of 1 MW that support compliance with Oregon's House Bill 2021 remissions reduction requirements and have a guaranteed commercial operation date (COD) on or before December 31, 2033.

The Phase 2 Draft RFP and SMM are very similar to what was previously approved by the OPUC for the Phase 1 RFP. The specific changes between the Phase 1 and Phase 2 RFP documents are outlined in more detail in Section 1 of this report. PA has reviewed these changes and agrees that they are necessary and subsequently find the resulting Phase 2 Draft RFP and SMM to be reasonable.

RFP Assessment of Criteria and Areas of Evaluation

PA has developed the following three fundamental Assessment criteria which we applied to our evaluation of the RFP and the extent to which it:

- Maximizes procurement opportunities;
- Ensures the fair and equitable treatment of bidders; and
- Minimizes utility bias.

[1] We understand that the name of the RFP may evolve to reflect changes proposed by Staff, stakeholders, and PAC throughout the remainder of the RFP design process.

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For the purposes of this report, PA surveyed various areas of the RFP and the bid evaluation process described therein and evaluated the RFP in the following areas:

- Compliance with Oregon Competitive Bidding Rules
- RFP Minimum Eligibility Requirements for Bidders
- Bid Scoring Methodology
- Transmission and Interconnection
- Standard Terms and Conditions
- Other Topics

Stakeholder Comments

PA reviewed all stakeholder comments filed in relation to the Phase 2 Draft RFP and considered them in the evaluation of the RFP. PA does not comprehensively repeat those comments herein; we encourage readers to review those comments in their entirety as filed in OPUC Docket No. UM 2383. Sections 2 and 3 of this report summarize those comments PA considered material, PacifiCorp's responses, and a discussion of their disposition in the final draft RFP.

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1 Background and Overview of RFP

PacifiCorp (the Company) plans to issue a 2026 Oregon Situs Phase 2 Request for Proposals (2026 OR Situs Phase 2 RFP or the RFP) in early November 2026, pending approval by the Oregon Public Utility Commission (OPUC or the Commission). The RFP will seek least-cost, least-risk resources consistent with the Company's 2025 Integrated Resource Plan (2025 IRP or IRP) preferred portfolio, specifically seeking to fulfill any shortfall due to a resource selected to the final shortlist in the 2025 Or Situs RFP that failed to reach an executed agreement and/or achieve DNR status.

The Phase 2 Draft RFP and SMM closely mirror the 2025 Oregon Situs RFP and SMM that were previously approved by the OPUC. The changes made from Phase 1 to the Phase 2 Draft RFP include:

- Removal of the use of an energy storage agreement (ESA) to be replaced with a capacity agreement (CA). Generation resources co-located with storage will have a separate agreement for each.
- A Transmissoin Consulting Agreement (TCA) will be used to help identify potential network integration costs and any potential barriers to resources achieving network resource designation.
- Updated language pertaining to site control requirements.
- Inclusion of cluster studies as sufficient evidence of interconnection capability.

PA has reviewed these changes and agree they are reasonable and do not significantly alter the Phase 2 Draft RFP from what was previously approved by the OPUC.

1.1 Background

As outlined in PacifiCorp's 2025 IRP, the Company has committed to issuing an RFP to secure new energy and capacity resources for its Oregon service area in alignment with the state's energy policy under HB 2021. This Solicitation supports the preferred portfolio identified in the 2025 IRP, which includes the addition of 1,570 MW of utility-scale solar, 1,400 MW of utility-scale wind, and 320 MW of small-scale solar resources. The plan also calls for the procurement of energy storage solutions, specifically 509 MW of four-hour lithium-ion battery storage and 272 MW of 100-hour iron-air storage, to be placed into service by the end of December 2029. This Solicitation also supports the Clean Energy Plan (CEP) Supplement, which stated plans to issue rolling or annual procurements, as required, to address capacity and energy needs over time. Phase 2 aims to address these needs, while also accounting for any failures to execute an agreement which occurred in Phase 1, in an effort to act in alignment with HB 2021, both in 2030 and in future years.

An overview of PacifiCorp's recent all-source RFPs is provided below.

PacifiCorp's 2025 OR Situs RFP (Phase 1)

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PA Consulting served as the Independent Evaluator for PacifiCorp's 2025 Oregon Situs Request for Proposals (2025 RFP), which was issued to the market on October 13, 2025. The RFP sought proposals from resources that would interconnect with PacifiCorp's transmission system and help meet the Company's energy and capacity needs. As of the drafting of this report, PacifiCorp continues to negotiate contracts resulting from the 2025 Oregon Situs RFP.

PacifiCorp's 2022AS RFP

PA Consulting served as the Independent Evaluator for PacifiCorp's 2022 All-Source Request for Proposals (2022AS RFP), which was issued to the market on April 29, 2022. The RFP sought proposals from resources that would interconnect with PacifiCorp's transmission system and was aligned with the Company's 2021 IRP preferred portfolio. The 2021 IRP preferred portfolio called for the addition of 1,345 MW from wind and solar resources, 600 MW from co-located battery energy storage systems (BESS), and 274 MW from demand-side resources such as demand response (DR) by the end of 2026.

However, on September 29, 2023, PacifiCorp announced the suspension of the 2022AS RFP due to evolving planning conditions. As a result, no Final Short List (FSL) was established for the RFP.

PacifiCorp's 2020AS RFP

PA Consulting served as the Independent Evaluator for PacifiCorp's 2020 All Source Request for Proposals (2020AS RFP), which was issued to the market on July 7, 2020. PA Consulting concluded that the RFP process was conducted in a fair and transparent manner.

The purpose of the RFP was to acquire renewable resources that offered the lowest cost and risk, in alignment with PacifiCorp's 2019 IRP. The preferred portfolio outlined in the 2019 IRP included 1,823 megawatts of new proxy solar resources co-located with 595 megawatts of new proxy battery energy storage system capacity, along with 1,920 megawatts of new proxy wind resources, all targeted for development by the end of 2023.

Following a comprehensive evaluation process that included bid scoring, interconnection cost assessments, and sensitivity analyses, PA Consulting determined that PacifiCorp's selection of the FSL was reasonable and consistent with regulatory expectations. The Final Shortlist was submitted to the Oregon Public Utility Commission for final acknowledgment in June 2021.

1.2 RFP Overview

The RFP is designed to solicit cost-competitive bids for capacity and energy resources that support Oregon's clean energy goals and are capable of achieving commercial operation by December 31, 2033. This procurement effort as described in the Draft RFP is specifically targeted at serving PacifiCorp's Oregon customers and is aligned with the preferred portfolio identified in the 2025 IRP.

The 2025 IRP projects a need for substantial renewable and storage capacity additions by the end of 2029. Specifically, PacifiCorp anticipates the procurement of 1,570 MW of utility-scale solar, 1,400 MW of utility-scale wind, and 320 MW of small-scale solar. In addition, the plan includes 509 MW of lithium-ion battery storage with a four-hour duration and 272 MW of iron-air storage with a 100-hour duration. The current transmission environment that PacifiCorp is operating within is described further in the prior Section as well as throughout Sections 2 and 3.

The RFP requests proposals for resources with a minimum nameplate capacity of 1 MW. Eligible technologies in the RFP include wind, photovoltaic solar, wave, geothermal, hydroelectric, biomass, and other renewable sources that will comply with Oregon's House Bill 2021 emissions reduction requirements. Energy storage resources, such as batteries and iron-air storage, are also eligible. All proposed resources must have a guaranteed commercial operation date (GCOD) no later than December 31, 2033. For resources eligible under the Renewable Portfolio Standard (RPS), certification from the Oregon Department of Energy must be obtained within 90 days of the COD and maintained throughout the contract term.

Interconnection capability is a critical requirement for bid eligibility. Bidders must provide evidence of the ability to interconnect to either PacifiCorp's transmission or distribution system directly, or to a third-party transmission system. For resources interconnecting through third-party transmission providers, bidders must demonstrate both the availability of long-term, firm transmission capacity and evidence of a formal request to secure such service.

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PacifiCorp is open to proposals involving both existing and new resources. Existing resources must not be under active contract with PacifiCorp at the time of bidding, and any existing contracts must expire before the proposed COD, but no later than December 31, 2034.

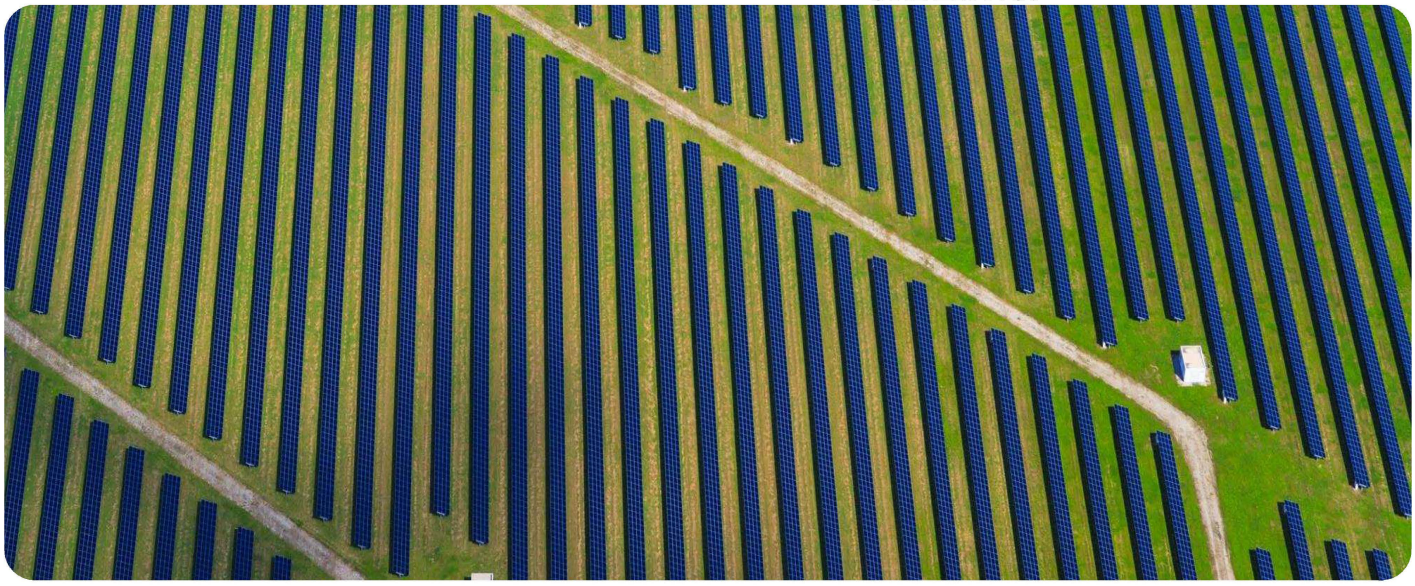
The RFP allows for two primary transaction structures. First, Power Purchase Agreements (PPA) may be proposed for terms ranging from 5 to 20 years, covering energy, capacity, ancillary services, and environmental attributes. PPAs may involve generation-only resources or generation resources co-located with battery energy storage systems (BESS), with PacifiCorp requiring full dispatch control over the storage component. Second, Energy Storage Agreements (ESA) may be proposed for standalone storage resources, including BESS and pumped storage hydro (PSH), with terms ranging from 5 to 20 years or up to the term of the operating license for PSH.

1.3 PA Consulting's Role as an Independent Evaluator

PA was engaged by PacifiCorp to provide Independent Evaluator services associated with the RFP and anticipates providing three reports throughout the RFP process, as previously discussed. As the Independent Evaluator, PA has completed a thorough assessment of the 2026 Phase 2 RFP design and submit herein our assessment of the final draft RFP for the Oregon Public Utility Commission's consideration.

PA will also be evaluating PacifiCorp's bid evaluation process, which is to include PA's independent scoring analysis of the submitted and competing bids. PA will also provide a closing report documenting PA's Independent Evaluation of the entire RFP process, including the resources identified on the final shortlist. Finally, PA will also complete a contract negotiation report following the negotiation of the projects on the FSL. PA notes that we anticipate to work closely with Staff throughout the RFP on issues spanning from RFP design, to the treatment of individuals bids, and through the review and consideration of potential sensitivity analyses and shortlists.

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2 RFP Assessment Criteria and Areas of Evaluation

The following section summarizes PA's RFP Assessment Criteria and Areas of Evaluation by summarizing all stakeholder comments filed under Docket UM 2383 regarding the Phase 2 Draft RFP.

2.1 Assessment Criteria

In developing the RFP Assessment Criteria, PA reviewed and incorporated guidance, themes, and information from:

- The OPUC's Competitive Bidding Rules[2]
- OPUC Orders 25-343 and 26-215
- PacifiCorp's 2025 IRP LC-85 Supplemental Filing
- Stakeholder comments and PacifiCorp's reply comments filed with the OPUC

Considering guidance from the OPUC's Competitive Bidding Rules and themes that have emerged through PA's review of stakeholder comments, PA developed the following fundamental Assessment criteria. PA utilized these criteria as guiding principles when evaluating PacifiCorp's Draft RFP and are based on the extent to which the Draft RFP:

- Maximizes procurement opportunities
- Ensures fair and equitable treatment of bidders
- Minimizes utility bias

2.1.1 Does the RFP maximize opportunities to procure low-cost, low-risk generation?

This criterion is intended to evaluate the Draft RFP's likelihood to either encourage or discourage bidders with low-cost, low-risk projects to bid into the RFP. The main objectives of the Phase 2 Draft RFP are to obtain economically advantageous generation and/or capacity resources that contribute to PacifiCorp's greenhouse gas reduction goals for 2035 and fulfill any shortfall due to a resource selected to the final shortlist in the Phase 1 Oregon Situs RFP that failed to reach an agreement or achieve DNR status. The Phase 2 RFP aligns

[2] OPUC's Oregon Administrative Rules, Chapter 860, Division 089, Resource Procurement for Electric Companies, as modified in OPUC Order No. 18-234 in Docket AR 300, August 30, 2018.

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with these objectives and targets energy resources that support compliance with Oregon's House Bill 2021 emissions reduction requirements with a minimum nameplate capacity of 1 MW, including storage resources. These resources must have a guaranteed commercial operation date (GCOD) on or before December 31, 2033, and meet Oregon RPS certification requirements within 90 days of COD. As discussed further in this report, PA, in fulsome, outlines stakeholder themes related to key minimum bidder requirements and resulting recommendations. PA hereafter refers to this as the "Maximize Opportunities" criterion.

2.1.2 Does the RFP provide fair and equitable treatment of bidders?

Oregon's Competitive Bidding Rules emphasize the importance of fair and equitable treatment of all bidders, including PacifiCorp. For example, any implicit preference for a specific resource type, such as wind over solar, is not reflected in the RFP's design or requirements. PA cautions that this principle should not be confused with efforts to reduce project risk, such as ensuring timely achievement of Commercial Operation Dates (COD). Notably, PacifiCorp included several waiver and accelerated process requests, detailed in Table 3-1, to encourage an expedient procurement process of this Phase 2 RFP. Upon review, these requests and the resulting Phase 2 Draft RFP are not materially different from the 2025 Oregon Situs RFP, which was approved by OPUC Staff. PA evaluated the Draft RFP under this criterion by assessing whether any provisions could unintentionally favor one bidder type over another. PA refers to this as the "Bidder Fairness" criterion, with further stakeholder perspectives discussed in Section 3.

2.1.3 Does the RFP minimize opportunities for utility bias to be introduced into the procurement process?

As part of the Bidder Fairness evaluation, PA recognizes the heightened sensitivity among stakeholders regarding potential utility bias in the procurement process. Both benchmark bids and Build-Transfer Agreements (BTAs) are not permitted in this Draft RFP, consistent with the 2025 Oregon Situs RFP. As such, ensuring that the RFP does not unintentionally favor utility-owned projects is not a priority issue. PA evaluated the Phase 2 Draft RFP design with this in mind, focusing on whether any provisions could create an uneven playing field. PA hereafter refers to this as the "Minimize Bias" criterion.

2.2 Areas of Evaluation

In completing an assessment of the Draft RFP, PA reviewed various aspects of the Draft RFP and PacifiCorp's bid evaluation and scoring criteria, as is described further in this report. PA applied the aforementioned Assessment Criteria to these areas of evaluation of the Draft RFP and bid evaluation and scoring criteria as appropriate. The areas of evaluation that PA assessed for the Draft RFP and bid evaluation scoring criteria are outlined further below.

2.2.1 Compliance with Oregon Competitive Bidding Rules

While this evaluation area is not a direct component of the RFP process, PA recognizes the importance of aligning the Draft RFP and bid evaluation and scoring criteria with OPUC guidance and ensuring compliance with Oregon's Competitive Bidding Rules (CBRs) for power procurement. As such, PA evaluated the Draft RFP and bid evaluation and scoring criteria against Oregon's CBRs. As further discussed in Section 3.1, PacifiCorp requested limited waivers on August 21, 2026, for certain provisions of the CBRs to streamline its RFP process. These waivers included the requirements for IE consultation, stakeholder workshops, and pre-approval of the RFP design and scoring methods. At its public meeting on August 26, 2026, the Commission waived the requirement for workshops but withheld judgement on the remaining waivers so they could be addressed in conjunction with the approval of the Draft RFP.

Generally, PA finds the CBRs to be straightforward and therefore PA's assessment within this area of evaluation is focused on whether the draft RFP and bid evaluation and scoring criteria satisfy the specific

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requirements defined within the CBRs. PA does not explicitly list Oregon's CBRs within this report but encourages the reader to review the CBRs from the OPUC website.

2.2.2 RFP Minimum Eligibility Requirements for Bidders

This area of evaluation relates to the minimum eligibility requirements for bidders that were are presented in detail in Section 3.G Minimum Eligibility Requirements for Bidders of the Phase 2 Draft RFP. Given the number of requirements and the potential for them to unnecessarily limit or restrict the number of bids considered in the Draft RFP, PA views the RFP minimum bidder requirements as an important area for this RFP assessment. PA previously reviewed the minimum eligibility requirements as presented in the 2025 Oregon Situs RFP, as well as stakeholder comments related to those requirements. Refer to PA's IE report submittal on PacifiCorp's Draft RFP filed on August 12, 2025, for PA's detailed assessment of the requirements and associated recommendations, which continue to provide relevant context for evaluating the 2026 Draft RFP.

The 2026 Draft RFP retains the minimum eligibility requirement criteria from the 2025 Oregon Situs RFP with a few updates. Key changes include extending the required COD from 2029 to 2033 to align with the revised RFP framework, allowing cluster studies as acceptable evidence of interconnection capability for on-system resources, and adding additional clarity surrounding the definition of site control. The changes to the minimum eligibility requirement criteria related to the addition of cluster studies and clarity surrounding site control are a result of feedback PA provided to PacifiCorp ahead of its filing of the 2026 Draft RFP. PA believes these revisions appropriately align with updates to the RFP framework and enhance bidder guidance, which should support more informed bid submissions while ensuring an objective conformance framework is established for PacifiCorp's conformance review of bids.

When reviewing this evaluation criteria, PA considered the extent to which the minimum eligibility requirements for bidders would unduly or unfairly restrict the number of types of bids to be considered; whether they exclude certain categories of bids arbitrarily without good reason; whether they place an undue burden on prospective bidders; or any evidence that they had been communicated in advance to certain bidders but not others.

2.2.3 Bid Scoring Methodology

PacifiCorp's scoring methodology plays a critical role in determining shortlist outcomes and ultimately contracted resources. It is essential that the bid scoring methodology reflects the evolving external to ensure relevance and fairness, and therefore should be a key consideration for this report.

In the Phase 2 Draft RFP, PacifiCorp retains the price and non-price scoring methodology established in the 2025 Oregon Situs RFP with one primary update. PacifiCorp now identifies Transmission Consulting Agreement (TCA) study results as the method for determining network upgrades needed to achieve DNR status. Section 6.B of the RFP document further expands on the purpose of the TCA and associated bidder requirements.

Bid evaluation will incorporate both price and non-price factors, consistent with OAR 860-089-0400, and aligns with the resource needs and analytical framework outlined in PacifiCorp's 2025 IRP. PA has engaged extensively with PacifiCorp and Staff throughout the Draft RFP process, as well as during the 2020AS, 2022AS, and 2025 Oregon Situs RFPs, receiving materials such as frameworks and flowcharts to support its review of the evaluation process. PA will continue to advise on evaluation outcomes and address any issues that arise during the RFP process. Given the consistency in PacifiCorp's scoring process between recent RFPs, PA does not intend to further discuss specific scoring methodology updates in this report unless they relate to other topics covered herein.

2.2.4 Transmission and Interconnection

PacifiCorp's Phase 2 Draft RFP incorporates a sensitivity analysis considering projects impacted by the Board to Hemingway (B2H) transmission line and existing cluster study timelines, includes cluster studies as acceptable evidence of interconnection capability, and continues to focus on procurement specifically for

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Oregon. Additionally, PacifiCorp will use the TCA to help proactively identify potential network integration costs and any barriers to bids achieving DNR status. PacifiCorp will start the TCA process ahead of completing its full price-based scoring process and final shortlist selection.

PacifiCorp's 2025 Oregon Situs RFP excluded the B2H transmission line from its modeling assumptions and instead contemplated a second phase of the RFP for projects awaiting greater transmission certainty, including resources dependent on delivery to PacifiCorp West enabled by the energization of the B2H project. In the Phase 2 Draft RFP, PacifiCorp addresses this requirement by proposing a single B2H-related sensitivity analysis of ranked bids. PacifiCorp requested a waiver of OAR 860-089-0400(4)(b) with the reasoning that focusing the analysis to only the B2H scenario would expedite the procurement timeline while still complying with Order 26-215.

The Phase 2 Draft RFP adds to the minimum eligibility requirements that a completed cluster study can be submitted as a form of sufficient evidence of interconnection capability. However, this addition was not carried through to Section 1.B of the Draft RFP despite the inclusion in the minimum eligibility section. See the discussion in Section 3.4 for PA's recommendation regarding the consistency of interconnection requirements in the RFP document.

The major transmission-related change in the Phase 2 RFP is the inclusion of the TCA, which is intended to increase confidence that shortlisted projects can ultimately achieve DNR status. PA expands further on the basis for the TCA in Section 3.4 of this report.

2.2.5 Standard Terms and Conditions

PacifiCorp's Draft RFP includes pro forma contracts that define standard terms and conditions for power purchase agreements (PPAs), capacity agreements (CAs), and Build-Transfer Agreements (BTAs). These documents establish baseline legal, technical, and commercial expectations for bidders which are intended to streamline negotiations and reduce risk. While the inclusion of standard forms provides clarity, it also introduces potential constraints for bidders, particularly those offering novel technologies or financing models that may not align with default terms. This includes limitations around change-in-law provisions, which may restrict bidder flexibility in adapting to evolving policy or regulatory environments. PacifiCorp introduced a capacity agreement as a contracting option for the Phase 2 Draft RFP, however decided instead to revert back to its established energy storage agreement for the Phase 2 Draft RFP in its reply comments. As the Independent Evaluator for PacifiCorp's prior RFPs, PA recognizes that PacifiCorp generally seeks to negotiate with bidders in a way that results in consistent outcomes across key issues. PA evaluated this aspect of the RFP under the "Bidder Fairness" criterion, with further assessment and recommendations provided in Section 3.

2.2.6 Other Topics

PacifiCorp's Phase 2 Draft RFP allows for participation from a broad range of technologies provided they meet specific eligibility requirements and the required COD of December 31, 2033. Stakeholders provided comments related to PacifiCorp's waiver and accelerated process requests and subsequent Phase 2 Draft RFP filed under Docket UM 2383. PA evaluates these comments and provides resulting recommendations in this report.

2.3 Stakeholder Comments

PA reviewed all stakeholder comments that were filed in relation to PacifiCorp's Phase 2 Draft RFP through OPUC docket UM 2383. Comments focused both on the Phase 2 Draft RFP as well as the waivers and accelerated process requests by PacifiCorp, detailed in Section 3.1 of this report. Table 2-1 summarizes themes discussed in relation to the waivers requested by PacifiCorp. Table 2-2 includes comments related to both PacifiCorp's waiver requests and Phase 2 Draft RFP document.

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Table 2-1: Key Themes Discussed in Stakeholder Comments Pertaining to Waiver Requests

Stakeholder	RFP Approval	Initial Shortlist	Sensitivity Requirements	IE Report Filing	IE Report Requirements	Final Shortlist Approval
NIPPC					☑	
NewSun Energy	☑	☑	☑	☑	☑	☑

Table 2-2: Summary of Key Themes and Topics Discussed in Stakeholder Comments

Stakeholder	Topics
NIPPC	**IE Report Requirements** • NIPPC requests additional detail regarding PacifiCorp's request to waive certain IE reports as informational only, specifically which reports would be waived and any associated process changes. **COD Flexibility** • NIPPC recommends the pro forma PPA provide additional flexibility to accommodate delays to a proposed COD resulting from utility-caused delays. • NIPPC suggests allowing Phase 1 Oregon Situs bidders to refresh both pricing and COD. **TCA and Capacity Agreement** • NIPPC recommends PacifiCorp include drafts of both the Capacity Agreement and TCA with the Phase 2 filing. **General Clarification** • NIPPC recommends PacifiCorp clarify COD and deliverability requirements to ensure consistency across the Draft RFP document
NewSun Energy	**RFP Approval** • NewSun Energy argues that the requirement in OAR 860-089-0250(5) of the Commission to create a fair and competitive bidding process should still be fulfilled and not be waived to expedite RFP approval. • NewSun Energy believes PacifiCorp did not exhibit "good cause" for requesting an alternative RFP review period, as required by OAR 860-089-0250(6), and requests the Commission be allowed to take the full 80-day review period to fully review the draft RFP. **Initial Shortlist** • NewSun Energy believes an initial shortlist is an important procedural step to assess RFP progress and that PacifiCorp does not meet the good cause standard to waive OAR 860-089-0400(2) and 860-089-0475(2)-(5). **Sensitivity Requirements** • NewSun Energy believes it is unclear if PacifiCorp is requesting a waiver of OAR 860-089-0400(4)(b) or if this rule is the applicable provision to satisfy the Commission's order to study the Boardman to Hemmingway transmission line and requests more clarity. NewSun also requests that PacifiCorp's modeling results be made visible to the Commission and the IE. **IE Report Filing** • NewSun Energy requests the Commission make it clear that PacifiCorp will only waive the IE report filing requirement per OAR 860-089-0475(5) and that the final decision will not be made until after the report is filed and all appropriate reviews have been completed. • NewSun Energy argues the Commission should not rely on the final IE report for their assessment of whether the RFP process was adequately competitive as they believe this type of evaluation is not included with the IE's responsibilities. **IE Report Requirements** • NewSun Energy requests clarity regarding PacifiCorp's request to waive the requirements to submit a benchmark report as they are not aware of any benchmarks in this RFP. • NewSun Energy requests more detail from PacifiCorp regarding how the IE report for this RFP would differ from what is required in OAR 860-089-0500(3), specifically what is meant by an informational only report. **Final Shortlist Approval**

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Stakeholder	Topics
	• NewSun Energy questions the applicability of PacifiCorp's reference to OAR 860-089-0550 when requesting a 60-day timeframe for final shortlist approval and believes the correct reference would be 860-089-0500(4).

2.4 PAC Reply Comments

PacifiCorp filed response comments in Docket UM 2383 regarding its 2026 Phase 2 Draft RFP on September 28, 2026. The comments are organized into four categories: responses to Staff, responses to NIPPC, responses to NewSun, and individual responses to all waiver and accelerated process requests. PacifiCorp provided additional clarification that their requests encompass both waivers and accelerated processes, with accelerated process requests not requiring Commission waivers. PacifiCorp also stated their approach to the Phase 2 RFP was to maintain material consistency with Phase 1, which was previously approved by the Commission, in order to bring Phase 2 to market as expeditiously as possible. Table 2-3 summarizes PacifiCorp's replies to all stakeholder comments filed in Docket UM 2383.

Table 2-3: Summary of PAC Stakeholder Reply Comments

Staff Comments	
B2H Transmission Uncertainty in RFP Scoring and Modeling	• PacifiCorp's 2027 IRP will assume the B2H transmission line is energized by 2028 and that BPA grants some transmission redirect rights out of Longhorn. The Phase 2 RFP bid evaluation will use a base case that includes some B2H-related redirects and will evaluate a no-B2H redirects sensitivity.
Capacity Agreement	• PacifiCorp proposes amending the draft RFP to allow bid pricing updates no later than 20 business days after PacifiCorp notifies bidders of initiating the Transmission Consulting Agreement Study.
Submission of COD Variants for the Same Project	• PacifiCorp declined to convert the Oregon Situs RFP into a system RFP because there is no current system-wide resource need, the RFP was specifically mandated to meet Oregon's HB 2021 policy goals, and converting it would raise legal, jurisdictional, procedural, and operational challenges.
NIPPC Comments	
Allow for more COD flexibility in the pro forma PPA	• NIPPC recommends that the pro forma PPA provide additional flexibility to accommodate delays to a proposed COD resulting from utility-caused delays • PacifiCorp is not proposing additional pro forma revisions but there may be flexibility regarding COD on a case-by-case basis if project-specific circumstances arise during contract negotiations.
Allow bidders to refresh both pricing and CODs	• NIPPC suggests allowing Phase 1 Oregon Situs bidders to refresh both pricing and CODs. PacifiCorp intended to include this flexibility and ensured it was added to all applicable RFP sections.
Update interconnection requirements to reflect modernized language	• NIPPC suggests updating interconnection requirements to align with Order 26-215, modernizing generation interconnection minimum requirements by including cluster studies. PacifiCorp incorporated this language in the minimum eligibility criteria section of the Phase 2 Draft RFP but needs to add the same allowance to the interconnection requirements section of the RFP. See Section 4 for PA's recommendation related to this.
Include the Capacity Agreement with the Phase 2 filing	• PacifiCorp has reverted to the agreement forms that were filed and approved during Phase 1 of the RFP rather than using an updated Capacity Agreement.
Include the Transmission Consulting Letter Agreement with the Phase 2 filing	• PacifiCorp provided the Transmission Consulting Letter Agreement with the reply comments filed.
Provide additional clarification on the requests pertaining to IE reports	• PacifiCorp provided the additional clarity that this waiver request is intended to only require the IE reports required in the RFP Phase 1. This waiver would remove the Post-Issuance and Benchmark Reports. • PacifiCorp clarifies the purpose of informational IE reports to inform parties recommendations of items as opposed to separate items warranting a comment process in the schedule.

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NewSun Energy Comments	
Opposition of all waivers and accelerated process requests	• PacifiCorp's intent is to keep Phase 2 substantially consistent with the Phase 1 framework that was already approved by the Commission. • PacifiCorp's approach for Phase 2 expediency is consistent with Order 26-215
Disagreement with prior Commission determination regarding the 2025 RFP	• PacifiCorp replied that NewSun already had an opportunity to present arguments, which were considered and declined by the Commission.
Utility Ownership is not fully mitigated in the Draft RFP	• PacifiCorp clarifies that the Phase 2 RFP does not allow for the possibility of utility ownership, including build transfer agreements.
PacifiCorp Responses to Waiver and Accelerated Process Requests	
Accelerated Process Request - Approve the Draft RFP by October 27, 2026	• PacifiCorp clarifies this is a request for an accelerated process and does not require a Commission waiver as it seeks Draft RFP approval on a timeline consistent with OAR 860-089-0250(5).
Waiver Request – Employee Disclosure and Reporting Requirements	• PacifiCorp sought this waiver request to obtain regulatory clarity regarding the applicability of the rules as the Draft RFP does not include benchmark bids. • PacifiCorp agrees with Staff's denial of this request under the interpretation that the rules do not apply to non-benchmark RFPs.
Waiver Request – Initial Shortlist Requirements	• PacifiCorp agrees with a partial acceptance of this waiver with the intent of avoiding a separate initial shortlist stage to keep the Phase 2 process substantially similar to Phase 1.
Accelerated Process Request – Sensitivity Analysis	• PacifiCorp clarifies a waiver is not necessary for this request and proposes the sensitivity analyses be limited to only those identified by Staff and adopted in Commission Order 26-215, particularly the "No-B2H Redirects" sensitivity.
Waiver Request – IE Closing Report	• PacifiCorp is no longer seeking this waiver and remains committed to working closely with the IE to ensure the FSL Application filing is not delayed.
Accelerated Process Request – FSL Acknowledgement	• PacifiCorp clarifies the 60-day approval request is consistent with Phase 1 that was previously approved. This does not need to be approved through a waiver request. • PacifiCorp agrees that the Commission retain discretion and that FSL approval is not guaranteed within 60 days of the acknowledgement filing.

Lastly, PacifiCorp acknowledged and corrected several errors in the Draft RFP document, including removing an unnecessary eligibility requirement, correcting erroneous regulatory citations, updating bid eligibility and transmission rights references, and removing outdated Phase 1 language. Aside from a bidder workshop date reference that was left unchanged, Staff's administrative and drafting concerns were generally addressed through redlines to the Draft RFP.

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3 RFP Assessment

3.1 Compliance with Oregon Competitive Bidding Rules

PA believes the Phase 2 Draft RFP, as filed by PacifiCorp on August 21, 2026, generally complies with Oregon's Competitive Bidding Rules. PacifiCorp requested waivers from certain competitive bidding requirements to expedite resource procurement while allowing the previously issued Executive Orders 25-25 and 25-29 to remain in effect. Table 3-1 outlines the requested waivers and streamlined processes:

Table 3-1: Requested Waivers and Accelerated Processes

Requirement	Citation	Requested Waiver or Accelerate Process
Stakeholder and Bidder Workshops	OAR 860-089-0250(1)	• PacifiCorp requests a waiver to conduct bidder workshop(s) prior to the filing of a draft RFP. The proposed schedule has a bidder workshop on November 10, 2026.
Commission approval of draft required before issuing RFP	OAR 860-089-0250(5)	• PacifiCorp requests the Commission approve the Draft RFP by October 27, 2026, to allow the possibility for issuance to market by November 3, 2026.
Employee disclosure and reporting requirements	OAR 860-089-0300(1)(b)(A)-(B)	• PacifiCorp requests a waiver of the reporting requirement in this rule as the Draft RFP does not include utility ownership.
Initial shortlist based on price and non-price scoring	OAR 860-089-0400(2) OAR 860-089-0475(2)-(5)	• PacifiCorp requests a waiver of all requirements applicable to the initial shortlist and will provide price scores and other requested information during the RFP.
Sensitivity analysis on key assumptions and scoring	OAR 860-089-0400(4)(b)	• PacifiCorp will conduct only one sensitivity for Phase 2 of the B2H line; allowing for additional sensitivities may delay the procurement timeline.
Application must include IE closing report	OAR 860-089-0475(6) OAR 089-089-0500(3)	• PacifiCorp requests a waiver to be able to file its FSL application before the IE report is completed to prevent potential delays.
File IE report, shortlist, and portfolio analysis	OAR 860-089-0500(3)	• PacifiCorp requests a waiver to submit a benchmark report as there are no benchmarks in the RFP that some or all of the required IE reports could be informational only.

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Acknowledgement process	OAR 860-089-0550	• PacifiCorp requests the Commission approve the FSL 60 days after filing to allow for quicker procurement.

Many of these waivers are intended to identify ways to expedite the procurement sought in Phase 2. Materially, this Phase 2 RFP and SMM are very similar to the 2025 Oregon Situs RFP that was approved by the OPUC Staff. PA finds many of these requests to be reasonable and generally agrees with PacifiCorp's reasoning for how they will each contribute to an expedited procurement process. On September 3, 2026, the Commission approved PacifiCorp's request for PA Consulting to serve as the IE and granted one waiver request allowing the bidder workshop to be conducted after the Phase 2 RFP is issued to the market.

PA has participated in several conversations with PacifiCorp and Staff, including several discussions between PA, Staff, and PacifiCorp. While the IE contract is technically with PacifiCorp, PA feels that in practice a working relationship with PacifiCorp is secondary to that of our relationship with Staff. PA not only appreciates the collaboration but notes the collaboration is likely to ensure continued alignment between PA and Staff, and indeed PacifiCorp and the stakeholders, on issues pertaining to this RFP and likely resource acquisition by PacifiCorp resulting from the RFP.

3.2 RFP Minimum Eligibility Requirements for Bidders

The RFP's minimum eligibility requirements are substantially similar to those outlined in the 2025 Oregon Situs RFP previously approved by the Commission. As of the drafting of this report and following changes agreed to by PacifiCorp in its reply comments, the main differences between Phase 1 and Phase 2 include updating the required GCOD to December 31, 2033, adding cluster studies as evidence of interconnection capability, and clarifying the site control requirement. Given the number of minimum bidder eligibility requirements included in PacifiCorp's Draft RFP, PA will not provide a comprehensive overview of each requirement in this report, particularly as most of the requirements are the same as those approved and utilized in the 2025 Oregon Situs RFP. PA encourages the reader to review Section 3.G Minimum Eligibility Requirements for Bidders of the Draft RFP which further details and defines each of PacifiCorp's minimum bidder requirements.

In its reply comments, PacifiCorp agreed to Staff's recommendation to remove the minimum eligibility requirement that deems co-located bids ineligible when combined nameplate capacity exceeds the 80 MW threshold established under OAR 860-089-0100(1)(c). Staff questioned the reasoning for this requirement, given that bidders are bidding into a competitive solicitation. PacifiCorp agreed with this comment and subsequently removed the requirement from the criteria. Other stakeholder comments regarding the minimum eligibility requirements focused on guaranteed COD and deliverability requirement inconsistencies in different sections of the Phase 2 Draft RFP. In its reply comments, PacifiCorp agreed to revise the Draft RFP to ensure all references consistently reflect a required COD of December 31, 2033.

PA generally believes the minimum bidder requirements are appropriate and unbiased, with PA's specific recommendations related to the minimum bidder requirements below in other sub-sections of Section 3.

Table 3-1: IE Assessment of RFP Minimum Bidder Requirements

Assessment Criteria	IE Assessment	IE Recommendation Topic Area
Maximizes procurement opportunities	Requirements are generally appropriate with noted recommendations following in other sub-sections of Section 3	• Discussed further below in Section 3
Ensures the fair and equitable treatment of bidders	Requirements are generally appropriate with noted recommendations following in other sub-sections of Section 3	• Discussed further below in Section 3
Minimizes utility bias	Utility bias is minimized as the RFP will not solicit benchmark or BTA bids	• N/A

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3.3 Bid Scoring Methodology

PA has reviewed PacifiCorp's bid scoring methodology and is generally familiar with its approach given prior engagement as the IE for PacifiCorp's 2020 All-Source RFP, 2022 All-Source RFP, and 2025 Oregon Situs RFP. The bid scoring methodology in the 2026 Phase 2 Draft RFP did not substantially change from the methodology approved by the Commission in the Phase 1 RFP. PacifiCorp incorporated minor updates to the scoring methodology section of the Phase 2 Draft RFP primarily for clarification purposes.

In its Draft RFP, PacifiCorp introduced a few key updates from its previous 2025 Oregon Situs Phase 1 RFP. Firstly, PacifiCorp includes the detail that network upgrades for interconnection DNR will be identified through the TCA study process. This step in the evaluation process will occur prior to PacifiCorp's completion of its price-based scoring and final shortlist selection, and instead be an additive and informative input into the process.

Through its filed comments, OPUC Staff requested that PacifiCorp explain how B2H-related transmission uncertainty would be considered in the Phase 2 RFP's scoring and modelling. PacifiCorp's reply, summarized in Table 2-3 of this report, addresses this and provides an explanation of the assumptions that would be used. PA believes including this detail in the RFP document may enhance clarity for bidders. NIPPC and NewSun did not provide comments related to the Phase 2 Draft RFP Scoring Methodology.

PA has also reviewed stakeholder comments and met with Staff multiple times throughout the RFP design process. PA appreciates the feedback provided by stakeholders, PacifiCorp, and Staff on the topic and have provided recommendations for consideration below.

Table 3-2: IE Assessment of Bid Price Scoring Methodology

Assessment Criteria	IE Assessment	IE Recommendation Topic Area
Maximizes procurement opportunities	Bid Scoring Methodology is generally appropriate with noted recommendations	• Include details regarding the impact of B2H-related transmission uncertainty on bid scoring and modelling.
Ensures the fair and equitable treatment of bidders	Bid Scoring Methodology is generally appropriate with noted recommendations	• Include details regarding the direct impact of TCA results on bid evaluation.
Minimizes utility bias	Utility bias is minimized as no benchmark or BTA bids will be scored in this RFP	• N/A

3.4 Transmission and Interconnection

PA reviewed the transmission and interconnection requirements for the Draft RFP in depth. Through this review, PA also considered stakeholder, Staff, and PacifiCorp comments. PA appreciates the feedback provided by stakeholders, Staff, and PacifiCorp on the topic and finds potential areas for further consideration for the RFP design. The table below provides an overview of topics and potential recommendations contemplated in this section, with a fulsome discussion following.

Table 3-3: IE Assessment of Transmission and Interconnection

Assessment Criteria	IE Assessment	IE Recommendation Topic Area
Maximizes procurement opportunities	Requirements are generally reasonable, however there is room for improvement to help maximize procurement opportunities	• Include in the RFP document the intent to consider bids dependent on B2H line energization.
Ensures the fair and equitable treatment of bidders	Requirements are generally reasonable and the risk for fair and equitable treatment of bidders is minimal	• Correct the transmission and interconnection minimum requirements in Section 1.B to reflect the acknowledgement of cluster studies.
Minimizes utility bias	Requirements are reasonable and the risk for utility bias is minimal	• N/A

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The Phase 2 Draft RFP incorporates a sensitivity analysis specifically for projects that depend on the B2H transmission line project as a viable delivery path per Order 26-215. The exact modeling methodology is not laid out in the Draft RFP language, but PacifiCorp included in the Phase 2 Draft RFP memo the intention to conduct only one sensitivity for Phase 2, specifically related to the B2H transmission line. Staff inquired for more details regarding how the RFP will consider B2H transmission uncertainty in scoring and modeling, which PacifiCorp provided in its reply comments. PacifiCorp's Phase 2 modeling will assume B2H energization in 2028 and the availability of some BPA redirect rights, consistent with its 2027 IRP, along with a "No-B2H Redirects" modeling scenario if applicable. PacifiCorp requested the rights in 2022 to move energy from Longhorn, where the B2H line terminates, to other PACW load areas. BPA plans to offer these rights once a firm B2H energization date is known, although PacifiCorp may accept only a portion of the rights based on updated large load expectations and the expected sale of PacifiCorp's Washington service area. PA believes including the intention to consider bids dependent on B2H energization will provide clarity to bidders during the Phase 2 RFP process.

PacifiCorp also incorporated Staff's recommendation to modernize the Generation Interconnection Minimum Requirements language by including a cluster study as acceptable evidence of interconnection capability. PA appreciates this addition as it will likely expand the pool of applicable bids to those that are dependent on cluster study timing but have the potential to still meet the COD required in this Phase 2 RFP. This update was included in the minimum eligibility criteria section but not carried through to Section 1.B, Interconnection Requirements. NIPPC included a recommendation to modernize interconnection requirement language in their RFP comments, to which PacifiCorp replied that their intent was to include this language. PA believes it was an unintentional oversight to only include the cluster study requirement in the minimum eligibility criteria section and not the interconnection requirements section and recommends PacifiCorp ensure all references to interconnection requirements in the Draft RFP include the acceptance of cluster studies. PacifiCorp, in its reply comments, did correct a reference to a required COD of 2029 that was inadvertently carried over from the Phase 1 RFP document. This acknowledgement and correction were included with PacifiCorp's reply comments.

Lastly, the Phase 2 RFP includes a TCA study as part of the process. Upon collaboration with both Staff and the PA, PacifiCorp stated the intent of the TCA is to help identify potential costs for network integration earlier in the RFP process as well as any barriers that may be encountered when seeking network resource designation. This information provided by the TCA will yield greater confidence that resources in the FSL can be realized. In response to comments requesting a draft of this agreement, PacifiCorp included one in an Appendix will their reply comments.

3.5 Standard Terms and Conditions

PA reviewed the standard terms and conditions in depth. Additionally, we reviewed stakeholder, Staff, and PacifiCorp comments. PA appreciates the feedback provided by stakeholders, Staff, and PacifiCorp on the topic. The table below provides a basic overview of the section with a fulsome discussion following.

Table 3-4: IE Assessment of Standard Terms and Conditions

Assessment Criteria	IE Assessment	IE Recommendation Topic Area
Maximizes procurement opportunities	Although approved vendor lists may continue to be updated, PacifiCorp's list and approach to identifying vendors remains consistent with the 2025 Oregon Situs RFP.	• N/A
Ensures the fair and equitable treatment of bidders	PacifiCorp's process of evaluating bids and trying to negotiate standard and uniform terms and conditions across all counterparties minimizes unfair treatment of bidders	• N/A
Minimizes utility bias	Utility bias is minimized as PacifiCorp is not accepting any BTA bids through this Solicitation which may have different considerations in regards to the terms and conditions	• N/A

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The Draft RFP mandates that bidders accept the pro forma contract terms provided in Appendices E-1, E-2, and E-3 for Generation-Only PPAs, Generation and Storage PPAs, and Capacity Agreements, respectively. The Draft RFP permits bidders to submit redlines during the bid phase, along with an "Issues List". PA appreciates the allowance of redlines submittal during the bid submittal process.

In response to requests for more flexible COD deadlines, PacifiCorp declined to modify the existing agreements. It stated they will not propose any further revisions to the pro forma agreements previously approved by the Commission in the Phase 1 Oregon Situs RFP but may consider COD flexibility on a project-specific basis during negotiations. Further, PacifiCorp opted to revert to its energy storage agreement, instead of a new capacity agreement for the Phase 2 RFP in its reply comments.

Regarding vendor restrictions, PacifiCorp has in the past acknowledged in its reply comments stakeholder concern and indicated a willingness to reconsider specific bans if the safety rationale (e.g., fire risk) is no longer applicable. PacifiCorp's openness to revisiting the BESS vendor exclusions is a positive step and PA recommends greater transparency around supplier criteria.

3.6 Other Topics

In reviewing the entirety of the comments filed by stakeholders, Staff, and PacifiCorp, PA observed comments regarding other topics that could not be cleanly categorized into Sections 3.1 through 3.6 of this report. PA appreciates these comments provided by the different parties and discusses potential areas for recommendation in this section. The table below provides a high level overview of the topics in this section with a fulsome discussion following.

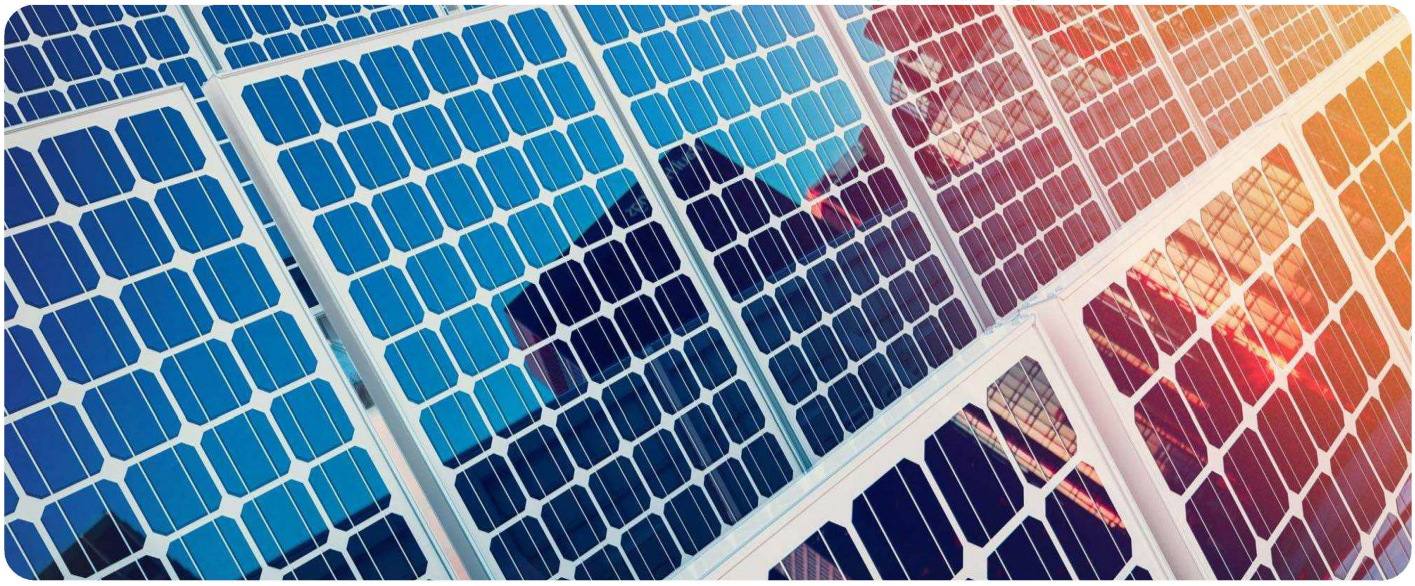
Table 3-5: IE Assessment of Other Topics

Assessment Criteria	IE Assessment	IE Recommendation Topic Area
Maximizes procurement opportunities	The RFP incorporates a reduced bid fee for bids which are refreshing their COD and/or price from the Phase 1 RFP, thereby encouraging continued bidder participation.	• N/A
Ensures the fair and equitable treatment of bidders	PacifiCorp's reply comments indicates its method for modelling refreshed bids and in doing so, helps ensure fair and equitable treatment of bidders.	• N/A
Minimizes utility bias	Utility bias is minimized as benchmark and BTA bids will not be excepted into this RFP.	• N/A

PacifiCorp received and replied to comments regarding the responsibilities of the IE and requirements of the IE report during the Phase 2 RFP. In its reply comments, PacifiCorp clarified that the primary intent of the waiver request pertaining to IE reports is to align with the requirements during Phase 1. Therefore, of the five typical IE reports generated during an RFP, PacifiCorp requests to waive the Post-Issuance and Benchmark reports. Additionally, PacifiCorp clarified the request to accelerate processes where the IE reports are deemed informational rather than requiring a separate comment process that would extend the RFP timeline is also consistent with Phase 1.

PacifiCorp also received comments regarding how Phase 1 bidders submitting the same or refreshed bids with revised CODs would be treated in Phase 2. In its reply comments, PacifiCorp stated the new bid would replace the Phase 1 bid and that they will not model multiple versions of the same bid that only vary by COD. PacifiCorp further clarified that, consistent with Phase 1, bidders will be allowed to submit multiple configurations and PacifiCorp will separately model each configuration. NIPPC suggested allowing Phase 1 bidders to be allowed to refresh both pricing and COD when submitting in Phase 2. PacifiCorp replied that they agree with this suggestion and corrected an inadvertent omission of this allowance in the RFP.

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4 Independent Evaluator's Recommendations

4.1 PA's Findings and Recommendations

This section summarizes PA's findings and recommendations related to PacifiCorp's Draft RFP. Please refer to the appropriate section number for detailed discussion of our recommendations.

Figure 4-1: Summary of PA's Findings and Recommendations

Section Number	IE Recommendation
3.3	PA recommends that PacifiCorp consider including further clarification on how B2H-related transmission uncertainty will impact bid scoring and modelling. This will enhance transparency for bidders that would like to understand the impacts before submitting a bid into the RFP.
3.3	PA recommends that PacifiCorp consider including further clarification on how the results of the Transmission Consulting Agreement (TCA) impact bid evaluation. This will enhance transparency for bidders.
3.4	PA recommends that PacifiCorp consider stating in the RFP document the intent to include B2H-dependent bids as part of the evaluation process of this RFP.
3.4	PA recommends that PacifiCorp include the acceptance of cluster studies as evidence of interconnection capability in Section 1.B of the RFP, similar to the language in the minimum eligibility requirements section.

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