

PacifiCorp 2017R RFP Pre-Issuance Bidders' Conference Questions and Answers

The following are questions and answers resulting from the PacifiCorp 2017R RFP Pre-Issuance Bidders' Conference held in Salt Lake City, Utah on Wednesday, May 31, 2017.

For additional questions, please submit them to the 2017R RFP mailbox at:

RFP_2017R@pacificorp.com

Additional information regarding the 2017R RFP is provided at the follow link which will be updated throughout the 2017R RFP process:

www.pacificorp.com/sup/rfps/2017-rfp.html

Question and Answers:

Will there be a RFP for solicitation for the Oregon IE? If so, where can the RFP be located?

The RFP for the Oregon IE was filed with the Oregon Commission on June 1, 2017. Information regarding this RFP is provided at <http://www.pacificorp.com/sup/rfps/2017-rfp-or-eval.html>.

Can you provide a list of attendees to this Pre-Issuance Bidders' Conference?

A list of attendees is provided at www.pacificorp.com/sup/rfps/2017-rfp.html.

We are very interested in being a part of this project as a subcontractor offering survey and materials testing. We assume that these tasks would be contractor responsibilities. If there has been a list of contractors and subcontractors created for this project we would like to be added to or told how to get on that list so that we can stay informed during the bidding process.

The 2017R RFP will be for new wind resources that will be submitted by companies that are developing wind projects in Wyoming and seeking to sell the power out of the project or the asset itself to PacifiCorp. The 2017R RFP is not a RFP for professional or construction services to a project to be constructed. The bidders may be issuing their own RFP for engineering, procurement and construction (EPC) services.

For more information on the Energy Gateway West sub-segment D2 process and vendor/contractor information, please use the following link:

<http://www.gatewaywestproject.com/>.

Can you please confirm if projects must be located in Wyoming, Oregon, or Utah?

We do not plan to have the requirement that project(s) be physically located in any specific state(s). We will be requiring that proposed projects must be capable of interconnecting with the PacifiCorp's Wyoming transmission system inclusive of the Energy Gateway West sub-segment D2 transmission line running from Aeolus to Bridger/Anticline, or be able to deliver energy and capacity into PacifiCorp's Wyoming transmission system.

Can you please clarify as to why the RFP must be approved by the Utah and Oregon PUCs?

PacifiCorp is filing the RFP with the Public Utility Commission of Oregon (Oregon Commission) according to requirements under OPUC Orders No. 04-046 and 14-149. PacifiCorp is filing the RFP with the Utah Public Service Commission (Utah Commission) according to requirements under Utah's Energy Resource Procurement Act, Title 54, Chapter 17 and UPSC Rules R746-420. These rules, from both states, came out of state legislation concerning procurement of large resources and or length of term of a power purchase agreement.

Will PacifiCorp consider resources other than wind?

Under the 2017R RFP PacifiCorp is seeking wind resources.

With respect to transmission cost associated with the Gateway D2 segment, is this considered a sunk cost or is that part of the evaluation?

The transmission costs associated with Gateway D2 segment are not assigned to a specific project as part of the bid evaluation.

How will we evaluate transmission costs distinguished by project location?

For the costs of the project itself, the transmission cost, other than Direct Assigned costs as identified in the interconnection studies, is not assigned to any specific project. Costs associated with providing the transmission capacity in order to relieve existing congestion and facilitate the interconnection and integration of new wind projects will not be assigned to an individual project as part of the RFP evaluation.

Under what financial metrics will the benchmark resources be evaluated?

The financial metrics used for the benchmark resources and RFP bids will be same. These metrics will be vetted and validated by the independent evaluators as part of the draft 2017R RFP review process and be used consistently throughout the RFP.

What is the timing of the self-build EPC RFP?

As part of the 2017 R RFP, the benchmark resource team will be developing and implementing their procurement schedule separately. Currently, this process is expected to be managed on somewhat the same schedule as the 2017 R RFP taking into account that benchmarks must be submitted one week prior to the other bids.

Is the wind be targeted as part of the 2017R RFP exclusive of the wind repowering sought under the IRP preferred portfolio?

The targeted wind resources under the 2017R RFP are in addition to the wind repowering capacity described in PacifiCorp's 2017 IRP preferred portfolio.

Can you explain the difference between final shortlist and winning bids as referenced in the 2017R RFP proposed schedule?

The final shortlist will be those bids PacifiCorp has selected for contract negotiation and will be proposing to the Utah Commission to initiate process of executing agreements.

Will only Wyoming sites be considered?

No, however PacifiCorp will require demonstration that the project can be delivered to our Wyoming transmission system on a firm basis.

Will there be a separate transmission EPC RFP for the new transmission line?

Procurement efforts associated with new transmission line will be a separate project driven under the direction of and managed by the PacifiCorp transmission function.

For more information on the Energy Gateway West sub-segment D2 process and vendor/contractor information, please use the following link:
<http://www.gatewaywestproject.com/>.

Will the Commission approved 14% wind capacity factor be applied in this RFP, and how will that impact PacifiCorp's capacity position in the future?

In PacifiCorp's 2017 Integrated Resource Plan (IRP) the summer peak capacity contribution for wind in PacifiCorp's east balancing authority area was determined to be 15.8%. This capacity contribution value is currently being proposed for application in evaluating the RFP bids and benchmark resources, subject to adjustments attributed to the project specific wind shape.

What is the timing of the new transmission line?

The new 140-mile, 500 kV transmission line is projected to be completed by December 31, 2020. This effort will be coordinated and managed by the PacifiCorp transmission function.

For more information on the Energy Gateway West sub-segment D2 process and vendor/contractor information, please use the following link:
<http://www.gatewaywestproject.com/>.

Will the benchmark resources be self-builds or an asset purchases?

The benchmark resources will be submitted as self-build.

Will the benchmarks be limited to the 860 MW as stated in this presentation?

The benchmark resources listed in the presentation are what are currently being proposed and may change prior to final submittal into the 2017R RFP.

Does PacifiCorp plan to consider their purchases of safe harbor wind turbine equipment for the benchmarks as a sunk cost?

PacifiCorp would not consider the purchases of safe harbor wind turbine equipment as a sunk cost.