



Ohio Public Sector Solar RFP

Request for Proposals – Solar Power Purchase Agreement

October 16, 2020

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INTRODUCTION

Palmer Energy Company (Palmer) is soliciting offers through this Request for Proposal (RFP) as a combined effort of numerous public sector organizations to secure pricing proposals for electricity produced by a utility scale solar array(s). Palmer, which has Letters of Intent (LOI) from the communities listed in this RFP, is acting as energy consultant for its customers and the Program Manager for the County Commissioners' Association of Ohio Service Corporation ("CCAOSC") Energy Program.

The RFP includes 59 Counties, Municipalities and Townships that would potentially contract for 491,500 MWH per year or approximately 244 MWac plus another 360,000 MWH and 179 MW of projected load where LOI's have not been received yet. The electricity sale would occur through a Power Purchase Agreement ("PPA") between the County/Community and the developer/owner-operator. The solar array will be installed, financed, and maintained by a developer on land either owned or leased by the developer/owner-operator.

Since the consumption described above represents only a portion of these communities' electricity requirements for their facilities and/or governmental aggregation participants (Load), the respondent to this RFP understands that each community would assign their obligation under the PPA to its Certified Retail Electric Service provider (CRES). The selected CRES will combine the production from the PPA with other purchases to arrange for delivery of the 100% of the electricity to the respective Electric Distribution Utility (EDU).

PROJECT BACKGROUND AND DESCRIPTION

Palmer acts as an energy consulting company for numerous Counties, Municipalities, Commercial, Industrial, and Educational customers throughout Ohio. The communities listed in this document have signed LOI's indicating their interest in participating in an Ohio utility scale solar array.

As electricity generated via solar PV has become more economical, the CCAOSC Energy Committee and various other individual communities are interested in combining their purchasing power to secure the savings potential available through a long term fixed price.

Each County/Community involved in this effort (see Appendix A for specific information) is interested in executing a solar PPA under the appropriate economic and legal terms and conditions. While a proposer can structure their offer in any way it chooses, the communities have indicated their interest in securing a fixed price per megawatt-hour (MWH) for electricity generated by the specified Ohio based utility scale solar array for a 10-year term with three customer options of an additional 10, 5 and 5 years respectively. During the potential PPA's term, the respondent will be responsible for any costs associated with planning, designing, financing, installing and maintaining the array(s).

The respondent selected for County/Communities will be able to claim any federal and local tax incentives and credits, investment tax credits, system depreciation, and other financial incentives associated with the project(s) as permitted by law and designated in their offer(s). Developer(s) should be aware that the array(s) constructed to supply these communities must be located in the State of Ohio.

BID REQUIREMENTS & SELECTION

The communities in this RFP have all executed nearly identical LOI'S and are seeking one wholesale price interconnected to a transmission system in Ohio that is overseen by PJM. Developers or owner-operators may choose to offer proposals in any structure they choose but the communities focus is on a fixed price per MWH for the entire term.

Proposals will be evaluated on a number of criteria including those outlined below. Respondents are asked to answer each criteria thoroughly and are required to respond to each item. Respondents and their proposals will be evaluated based upon these answers. The communities and Palmer Energy reserve the right to consider any other factors not listed as deemed relevant to the projects.

All bids submitted must have the ability to meet the requirements outlined in this document and the project description as well as do so in accordance to the project timeline outlined in this document.

A. RESPONDENT INFORMATION & EXPERIENCE

Respondents should provide background on their company in general and then regarding their renewable efforts. The information provided in any response should at least include the following:

1. History of company generally and in the renewables industry.
2. Corporate structure and 3 years of financials. If the respondent is a publicly traded company then a link to that information may be provided. If the financial information is confidential, Palmer is willing to execute a reasonable Non-Disclosure Agreement but the respondent should be aware that each community is subject to Ohio sunshine laws. So if the respondent is selected as a finalist such information may be required by the communities and therefore become publicly available.
3. MWac capacity of solar array projects already completed and/or under construction by location(s) in Ohio and then in the rest of the US.
4. MWac of capacity of solar arrays in the planning stages in Ohio and then in the rest of the US. Information should include any relevant data including land options, local or state permit status and interconnection queue status for transmission voltage interconnection.
5. Any supplemental documentation supporting the respondents' ability to perform as outlined.
6. References including a person to contact with appropriate email and phone number. By listing this information, you are giving the CCAOSC, Palmer Energy, and the participating communities' permission to contact these references.

B. PRICING OFFER(S)

The respondent has the option to offer any pricing structure or response to this RFP. However, the initial focus of the evaluation will be on a specific structure as described below. If a respondent offers an alternative it should clearly delineate the benefits and drawbacks of this alternative.

Term: 10 years with specific fixed price per MWH plus, at the community's sole determination, three options.

Option 1. A 10 year extension at the same fixed price per MWH.

Option 2. A specific payment for program development/construction/equipment costs cost after the initial term where the respondent maintains ownership of the array.

Option 3. A specific payment to purchase the array, land, and other equipment and rights in the facility(s).

The initial term is required for Ohio Counties pursuant to Ohio Revised Code section 307.04. To keep all communities on the same schedule in this RFP, the offer(s) must include this termination provision (see option to terminate).

In addition, if the community elects option 1 above (the 10 year extension) the respondent should offer two additional five year extension options with fixed pricing for the communities included in this RFP.

Pricing: Fixed price per MWH in alternating current (AC) delivered into a transmission line in Ohio. Pricing offer(s) should be specific on the anticipated location and provide information on any congestion price differences compared to the AEP-Dayton Hub. As described in more detail later in the RFP, the respondent is also asked to price out additional expected load (see Section C) and offer an explanation if the pricing for the additional load is different than the load where LOI's have already been received.

Location: The location(s) of the array(s) should be delineated in any respondent offer(s) along with any information on control of the site(s), local or state permit status, interconnection queue status for transmission voltage interconnection. This array must be in the State of Ohio.

Attributes: All environmental attributes from the each community's portion of the array's generation output in the form of REC's should be delivered to that community, their agent or their CRES throughout the PPA term. Deliveries should be made each month by the developer through the PJM GATS system so the community, their agent or their CRES can sell the REC's.

Capacity: The respondent's offer(s) should clearly indicate whether the generation capacity would be owned by the communities or whether the respondent will retain ownership of capacity.

Alternative Pricing Structures. The respondent may also submit other offers that have alternative pricing structure(s). Any alternative pricing structures should clearly state the commercial terms that deviate from what is requested in this RFP and provide information on the benefits and drawbacks of the alternative offered.

C. LOAD INFORMATION

Current LOI Load. Currently 59 communities representing 491,500 MWH per year have executed LOI's regarding this effort. At a 23% load factor this would represent 244 MW of installed solar capacity. See Appendix A for list of communities and Counties with loads. If respondent wants electronic versions of the Letters of Intent, please email aschenk@palmerenergy.com.

Expected Load. As part of the efforts to move this process forward, the CCAOSC and Palmer have spoken with a number of other communities. As of yet, these communities have not sent in their LOI's but much, if not all of that additional load is expected prior to execution of PPA's. Therefore, the respondent is also asked to offer pricing for additional Expected Load of 360,000 MWH per year which translates into 179 MW at a 23% annual load factor.

D. COMPLETION TIMELINE

Respondent should provide information on the timeline from the execution of the PPA's to power flow date with details on the anticipated duration of each step in the process. If the respondent has an existing location where the array(s) could be sited, it should indicate where the potential site is in the approval, permitting, PJM queue process.

E. FINANCIAL BACKGROUND & CAPABILITIES

All respondents shall submit financial details relevant to verifying its ability to complete the proposed project(s) for the full contract term. Proof of the ability to finance the project is required. Third-party financiers may be utilized but if the respondent intends to utilize a financier, it must be disclosed in the bid submission and information lending to the financiers' ability must be included. Respondents must also indicate if they are financially capable of bonding the array and/or if they can certify/financially guarantee the offer(s).

F. PROPOSED DESIGN & ESTIMATED PRODUCTION

Information on the array construction and estimated production is required.

1. Expected panel type (Cad-Tel, poly-silicon, bifacial etc.)
2. Type of inverters anticipated to be used and the expected life expectancy of the inverters
3. Racking system anticipated to be used
4. Security measures typically used by developer
5. Availability of real time production data available from the array for the communities
6. Expected production for each hour over 8,760 hours using historic weather data for the site(s). Also please include P50 and P90 annual production expectations.
7. Annual projected output degradation.
8. Respondent should designate space and describe where in the physical layout of the array(s) it could add battery storage in the future.
9. Information on why the respondent offered one location or split the array into multiple locations.

G. TECHNOLOGY CHANGES

The communities recognize that during the initial term of the PPA there may be technological changes in solar panel efficiency or other enhancements that justify a retrofit the array.

1. Does the respondent anticipate a retrofit may be economically justifiable during the initial agreement term?
2. If a retrofit becomes viable what shared benefit would the respondent offer the communities in the event such a retrofit was to occur?

H. POWER PURCHASE AGREEMENT

CCAOSC and Palmer understand that any potential respondent that is selected wants to avoid negotiating changes in its PPA with so many different parties. To streamline any PPA negotiation process, the CCAOSC and Palmer are working with the Ohio County Prosecuting Attorneys Association and outside legal counsel to assemble a team to negotiate the PPA to avoid negotiating with each community separately. Our intent is to have one PPA for all communities but it is important for the selected respondent to understand that each community has its own legal oversight so minor modifications in the PPA may be necessary from time to time.

A draft Power Purchase Agreement in Microsoft Word format must be submitted from each respondent.

I. PROVIDER PAYMENT

The respondent should include in its pricing offer(s) a one-time payment of \$2,000 per MWac of installed capacity to pay for the legal fees and expenses associated with this effort. This payment shall be to Palmer Energy and occur within 30 days after each PPA document is received by the respondent.

J. PROPOSAL SUBMITTALS

Care should be taken by the respondent to completely respond to this RFP and provide all documentation in and information as required. Proposals should include the following information and materials.

1. Information on respondent's history and experience per Section A.
2. Proposed pricing structure(s) and term in the offer(s) per Section B.
3. Array size and location(s) proposed for the communities.
4. Draft PPA for review.
5. Information requested in respondent profile section.
6. List of reference project(s) installed with contact name, email address and/or phone numbers.
7. The likely manufacturer(s) of the panels and annual panel output degradation.
8. Confirmation of the acceptance of each community's option to utilize any of the three options as described in "Pricing Offer. Term." after year 10.
9. Confirmation that the Provider Payment per Section I is included in the proposed offer(s).
10. Any discrepancies between the response(s) and the material requested in the RFP.
11. Information on developer's intention to follow prevailing wage rules.

RFP & PROJECT TIMELINE

The timeline below includes the deadline for proposals from this RFP as well as a tentative project timeline. To better serve the counties and respondents, the original RFP is open to any and all who wish to respond. Based upon the responses, five to eight respondents will be selected to move forward in the negotiation process, or “shortlisted”. This may include site visits, meetings, and any other requirements that will aide all parties in making the best decision for each county and party involved.

<u>RFP Issued:</u>	October 16 th 2020
<u>Question Submission Deadline:</u>	November 13 th , 2020. Submit questions to aschenk@palmerenergy.com
<u>RFP Responses Due:</u>	January 15 th , 2021 at 5:00 PM EST
<u>Interviews Scheduled By:</u>	January 29 th , 2021
<u>PPA Negotiations Ensur:</u>	February 15 th , 2021
<u>PPA Negotiations Completed:</u>	March 30 th , 2021
<u>PPA Signature Period:</u>	April & May 2021

The CCAOSC, communities and Palmer Energy reserve the right to the revise the above dates as necessary and appropriate.

All proposals MUST be submitted by 5:00 PM EST on January 15th, 2021.

Responses may be submitted in one of the following ways:

1. By Mail: Please address submissions in the following manner:

Palmer Energy Company
ATTN: Anne Schenk & Melissa Webne
5577 Airport Highway, Suite 101
Toledo, OH 43615

2. Electronically: Email to Anne Schenk at aschenk@palmerenergy.com and Melissa Webne at MWebne@palmerenergy.com.

Please submit any and all questions in writing to Anne Schenk at ASchenk@palmerenergy.com.

APPENDIX – A – COMMUNITY & LOAD PROJECTIONS

Entity	LOI Facilities	LOI Govt. Agg.	Solar Load Facilities (MWh)	Solar Load Govt. Agg. (MWh)	Total Solar Load (MWh)
Adams County	Yes	No	195	0	195
Allen County	Yes	Yes	1,364	35,000	36,364
Ashland County	Yes	Yes	679	5,575	6,254
Ashtabula County	Yes	Yes	2,443	33,500	35,943
Auglaize County	Yes	Yes	35	2,150	2,185
City of Oregon	Yes	Yes	2,825	16,000	18,825
City of Perrysburg	Yes	Yes	1,383	18,750	20,133
City of Sylvania	Yes	Yes	450	16,250	16,700
City of Waterville	Yes	Yes	140	4,500	4,640
Clark County	Yes	Yes	2,953	16,000	18,953
Clinton County	Yes	Yes	708	30,500	31,208
Columbiana County	Yes	Yes	481	0	481
Coshocton County	Yes	No	502	0	502
Darke County	Yes	Yes	582	0	582
Defiance County	Yes	Yes	558	6,650	7,208
Erie County	Yes	Yes	3,455	27,500	30,955
Fairfield County	Yes	No	1,510	0	1,510
Fayette County	Yes	No	825	0	825
Fulton County	Yes	No	438	0	438
Guernsey County	Yes	Yes	750	0	750
Hamilton County	Yes	No	15,444	0	15,444
Hancock County	Yes	No	860	0	860
Hardin County	Yes	Yes	538	1,125	1,663
Henry County	No	Yes	0	7,250	7,250
Highland County	Yes	No	50	0	50
Hocking County	Yes	Yes	174	5,100	5,274
Huron County	Yes	Yes	720	8,175	8,895
Jackson County	Yes	No	51	0	51
Knox County	Yes	No	1,207	0	1,207
Lake County	Yes	Yes	5,693	42,000	47,693
Lake Township	Yes	Yes	50	5,750	5,800
Licking County	Yes	No	1,769	0	1,769
Logan County	Yes	No	1,396	0	1,396
Lucas County	Yes	Yes	8,750	65,000	73,750
Marion County	Yes	No	1,446	0	1,446

Marion Township (Marion)	No	Yes	0	6,250	6,250
Mercer County	Yes	No	468	0	468
Miami County	Yes	No	1,343	0	1,343
Morrow County	Yes	No	499	0	499
Muskingum County	Yes	Yes	2,212	1,875	4,087
Paulding County	Yes	Yes	434	550	984
Perry County	Yes	No	381	0	381
Pike County	Yes	No	213	0	213
Preble County	Yes	Yes	492	3,250	3,742
Putnam County	Yes	Yes	347	3,050	3,397
Richland County	Yes	Yes	2,285	7,050	9,335
Ross County	Yes	No	751	0	751
Sandusky County	Yes	Yes	892	9,000	9,892
Scioto County	Yes	Yes	625	0	625
Seneca County	Yes	Yes	970	3,375	4,345
Shelby County	Yes	No	1,141	0	1,141
Union County	Yes	No	860	0	860
Van Wert County	Yes	Yes	676	20,250	20,926
Village of Holland	Yes	Yes	50	2,750	2,800
Village of Lyons	No	Yes	0	420	420
Wayne County	Yes	Yes	1,793	3,025	4,818
Williams County	No	Yes	0	925	925
Wood County	No	Yes	0	5,500	5,500
Wyandot County	Yes	No	614	0	614
Totals			77,461	414,045	491,506

Expected Additional Load	360,000
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