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4.Bidding Details
5.Q/A Session #1

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8.Best Value Employment Metrics
9.Q/A Session #3

Introductions

Xcel Energy

- Robert Kenney, President, Public Service Company of Colorado
- Jon Landrum, Director, Resource Planning-Colorado
- Jack Ihle, Regional Vice President, Regulatory Affairs

Accion Group

Harry Judd, Independent Evaluator (IE)

Leeds School of Business, University of Colorado

Brian Lewandowski, BVEM Consultant/Labor Economist

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Intro | Meeting Logistics

Presentation

- The presentation will be recorded and available through the webcast link on the All-Source website: https://www.xcelenergy.com/PSCo2022AllSource
 - The webcast is a broadcast, and there's no real-time chat interaction
- Email guestions during the presentation to: PSCo2022AllSource@XcelEnergy.com.
 - Questions will be answered today if possible, and all questions will be responded to in writing. Followup written response takes precedence over oral comments here

1800 Larimer

- Restrooms out the door and to the right
- If you leave the building, you must be escorted back upstairs by an Xcel employee
- 2nd Floor Terrace is closed due to construction

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Logistics | RFP Schedule

Activity	Date
RFP Issuance	December 1 st , 2022
Bidder's Conference	December 20 th , 2022
Notice of Intent to Respond	February 15 th , 2023, by 4:00 P.M. MT
Proposals Due	March 1 st , 2023, by 4:00 P.M. MT
30-Day RFP Response Report to PUC	March 31 st , 2023
45-Day Bidder Notification of Advancement to Computer Modeling	April 15 th , 2023
120-Day Report to the Commission	Q2/Q3 2023
Commission Phase II Decision	Q3 2023

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Logistics | Communications

- All communications will be through the RFP email:
 - PSCo2022AllSource@XcelEnergy.com
- Bidders and stakeholders are prohibited from initiating contact with Company personnel or the IE regarding the RFP
 - Internal Firewall in place between the bid evaluation team and Company self-build team
 - Company self-build proposals are due 1 day earlier on February 28th, 2023
- FAQ of relevant questions and answers will be posted on the RFP website

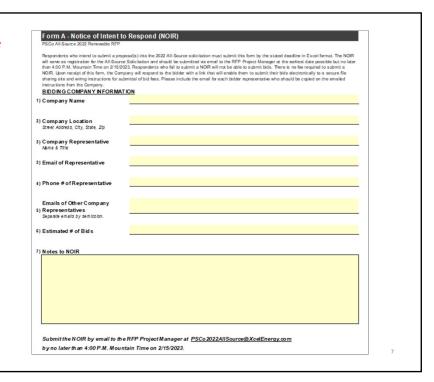
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Logistics | Notice of Intent to Respond (NOIR)

- <u>Mandatory</u> for Bid Participation
- Submit to RFP Project Manager email no later than 4:00 PM MT, February 15th, 2023

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Logistics | Bid and Bid Fee Submittal

- Upload link emailed upon receipt of NOIR
- Return email will include Bidder ID #, bid fee wiring instructions, and XpressDRIVE upload permit
- XpressDRIVE instructions for bid submission on the All-Source website
- Printed and mailed bids will not be accepted. Electronic upload only

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Logistics | Confidentiality

The Company will generally seek to protect all bid information as Highly Confidential under PUC rules. However, per PUC rules:

- Certain high-level bid information (including price) will be released publicly following the conclusion of the RFP
- The Company reserves the right to share the bid information with relevant internal subject matter experts (SMEs), consultants, and the IE
- All information is subject to review by the PUC and the PUC's staff
- May be subject to legal discovery
- See Sections 1.1 and 4.10 of the RFPs for details

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MW Range

>0.1 to 1 MW

>1 to 2 MW

>2 to 5 MW

>5 to 10 MW

>10 MW

Bid Fee

\$375

\$750

\$1,500

\$3,000

\$10,000

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Logistics | Bid Fees

- One fee per bid submitted as a general rule
 - Single physical project, COD, size, commercial arrangement
 - Some exceptions with interconnection location
- Wire transfer only, checks are not accepted
 - Info will be in the NOIR reply
- Projects selected to begin negotiations (PPA or PSA) will be required to submit a second bid fee of \$1/kW
 - Refunded or credited to obligations upon execution of PPA/PSA

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Logistics | Bid Fees (cont.)

Exceptions where multiple options will be considered with a single fee:

- Ownership and PPA versions (for projects over 2 MW)
- Multiple pricing options
 - Fixed and escalating pricing
 - With or without compensable PTC and/or curtailment costs
 - Solar + storage with energy payment only or energy + capacity payment
- Interconnection utilizing the CPP May Valley-Longhorn extension and a proposal to interconnect elsewhere
- Interconnection using a planned CPP substation and a proposal to interconnect at an unplanned new substation on the CPP system

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Introduction of Accion

- > Selected by the CPUC, OCC, PSCo
 - > 2013 Xcel/PSCo Dispatchable
 - > 2013 Xcel/PSCo Renewables
 - > 2013 Xcel/PSCo Semi-Dispatchable
 - 2017 Xcel/PSCo All Source
 - > 2022 Xcel/PSCo All Source
- Extensive Experience as Independent Evaluator
- Over 120 Solicitations in Past 18 Years
- > Evaluated Energy Supplies From 21 States
- > Evaluated Conventional & Renewable Technologies

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About the IE

Accion has conducted over 120 solicitations and is proud to have set the industry standard for transparency and fairness. Accion Group established the competitive procurement process in two states and one territory and has served regulatory commissions in several other jurisdictions.



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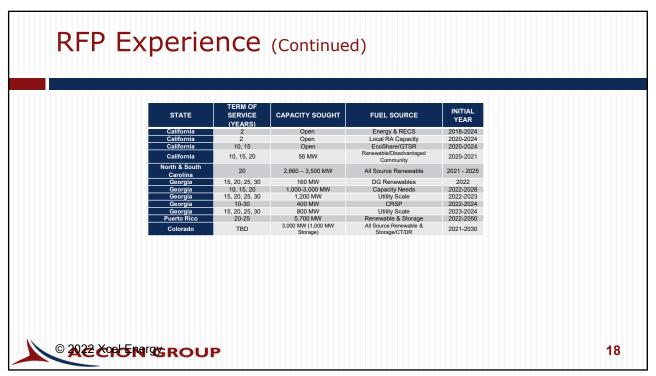
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About the IE - RFP Experience INITIAL YEAR SERVICE (YEARS) CAPACITY SOUGHT STATE **FUEL SOURCE** 2.800 MW All Source 2003 Arizona All Source Renewable Renewable All Source All Source Renewable Open 10 Open 175,000 MWh 2006 2007 90 MW 230 kW, 115 kW 250,000 kW 1, 2, 3, 5, 10, 15, 25 MW Increments 2008 2, 3, 5 10 MW Increments 20 – 25 MW All Source 2008 2008 Hawaii New Hampshire Florida Georgia 24 MW Wind 2008 All Source 500 MW 7, 15, 21, 30 1.200 MW All Source 2009 50 MW All Source 2009 50 MW 150,000 MWh 2,000 MW 80 MW 410 MW 2,000 MW Inter-Island Transmission 100,000 MWh Renewable All Source 7. 15. 30 Renewable Renewable All Source - No Coal 2010 2010 2010 2010 20 5 – open 5 – 20 Life cycle Wind Abandoned Wind 2011 518.8 MW/year 1,250 MW (self-build) 80,000 MWh 100,000 MWh 10, 15, 20 Renewable-RAM 2011 Natural Gas Renewable Wind 2011 10 – 20 20-30 15 © 2022 EPG NITUS ROUP 15

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	TERM OF				
STATE	SERVICE	CAPACITY SOUGHT	FUEL SOURCE	INITIAL	
	(YEARS)			YEAR	
Colorado	1-25	1800 MW	All Source -Renewable	2016	
Georgia	20	60 MW	Solar	2016	
Georgia	40	600 - 1,200 MW	All Source/Nuclear incl.	2016-17	
California	2, 3, 5	1,402 MW	Combined Heat and Power	2016-2020	
Arizona	20	100-150 MW	Solar	2017	
California	20	20 MW	Enhanced Community Resources	2017	
California	20	1MW min	Renewable-ERR	2017	
Georgia	15, 20, 25, 30, 35	100 MW	Solar	2017	
Georgia	15, 20, 25, 30, 35	50 MW	Distributed Generation Solar	2017	
Arizona	Open 20	340 MW/170 MW	Coal Retirement & Replacement	2018	
Arizona		100-150 MW 85 MW	Wind Renewable-FRR	2018 2018	
California California	10, 15, 20	20 MW	Renewable-ERR Biofuel-Renewable	2018	
California	10, 15, 20, 30	10.5-25 MW	GTSR	2018	
California	20	50 MW	Renewable- ES. DG	2018	
Colorado	25	60 MW	Eligible Energy Resources	2018	
Colorado	40	Up to 1 .114 MW	All Source	2018	
Georgia	15, 20, 25, 30, 35	20 MW	Distributed Generation Solar	2018	
Georgia	30-Oct	3 - 200 MW	Commercial & Industrial Renewable	2018	
Georgia	15, 20, 25, 30	3-525 MW	Renewable	2018	
Georgia	15, 20, 25, 30	3-525 MW	Renewable	2019	
Montana	Open	5-150 MW	Replacement or Renewable	2019	
New York	Open	Open	Wind/Solar/Hydro	2019	
New York	Open	Open	Wind/Solar/Hydro	2020	
Colorado	5-20	200 MW	Renewable & Storage	2020	
Arizona	Open	200 MW	Design/Build	2019-2020	
Arizona	RFI	Open 203 MW	BioMass Renewable-Auction Mechanisms	2020 2012-2022	
California	10, 15, 20				



Role of the IE

- Monitor the Standards of Conduct
 - > Ensure the RFP is not designed to advantage any Bidder
 - Including any Company bids
 - Monitor separation of the Company's Evaluation Team & Bidders
 - Supports clear and consistent Communications and Messaging
 - > Monitor & review all emails with Bidders
- Confirm identity & separation of Evaluation Team
- Review RFP Documents

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Role of the IE

- Monitor Entire Solicitation Process
 - Exchange of Information between the Company & Bidders
 - Monitor the Company's Bid Evaluations
 - Perform independent review of evaluation
 - Perform independent review of transmission cost determinations
- ➤ Monitor Post-bid Negotiations, if CPUC requests
- ➤ Provide Independent Assessment of Process to the CPUC

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Role of the IE

- ➤ Confirm Bids received via PSCo 'drop box'
- ➤ Confirm Bids released to Evaluation Team only after
 - Bid period closes
 - > The Evaluation model is "locked down"
- Confirm all Company Bids received at least 24 hours before other bids.

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Expectations of Bidders

- ➤ Submit a Conforming Bid
- ➤ Do not contact IE directly
 - ➤ IE may contact interested parties
- Conduct <u>all</u> Communications through the PSCo email
 - > Violation could result in disqualification

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Bidding Details

- All-Source RFP
- Eligible COD dates from 2023 through December 31st, 2028
- Resource Firm Capacity Need (cumulative)

<u>Year</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
CAPACITY NEED (MW)	183	388	398	433	840	1,556

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Bidding | Summary of RFPs

- 2x Ownerships Types
- 3x RFPs

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- 5x Model PPAs
- 5x Tech Requirements & Term Sheets

OWNER	SHIP TYPES								
PURCHASE		OWN							
Purchase Power	Build Own Transfer/	Company Self							
Agreement	Sale of Existing	Build							
(PPA)	(BOT)	(Self Build)							
RFPs (doc	s & bid forms)								
1. Dispatchable	3. C	ompany Ownership							
2. Renewable									
CON	TRACTS								
ODEL PPAs (with example gen types)	TECHNICAL REQUIR	EMENTS							
<u>1.</u>	<u>3.</u>								
i. Dispatchable	i. e	Gas CT							
- Gas Thermal	ii.	ii. Solar							
- Geothermal/Biomass/Recylced Energy	iii	iii. Stand-Alone Storage							
	iv.	Transmission							
ii. Stand-Alone Storage	v.	Wind							
- Battery Energy Storage Systems (BESS)									
- Aggerated Distributed Batteries	TERM SHEETS								
2.	<u>3.</u>								
iii. Renewable	i. e	Gas							
- Solar	ii.	Solar							
- Wind	iii	. Solar + Storage							
- Solar (under existing Wind)	iv	Stand-Alone Storage							
- Geothermal/Biomass/Recylced Energy	v.	Wind							
iv. Solar/Wind + Storage (energy only pmt)									
v. Solar/Wind + Storage (with capacity pmt)									

Bidding | Hybrid Projects

- A hybrid project is a combination of multiple generation and/or storage components
 - A hybrid project does not require a storage component
 - For example, a wind and solar facility is considered a hybrid proposal
- For a PPA if a bidder is seeking cost recovery of the storage component for a solar storage hybrid through a demand charge/capacity payment, the storage component of the project is limited to a maximum 18-year PPA term
 - Cost recovery of the renewable component can have a maximum PPA term of 25 years
 - If the bidder is seeking cost recovery of the entire storage hybrid project through an energy only payment rate, then the entire project is limited to a 25-year maximum term
 - Review the Model PPA documents for further information if the bidder proposes a demand/capacity payment construct with a solar term longer than a storage component term

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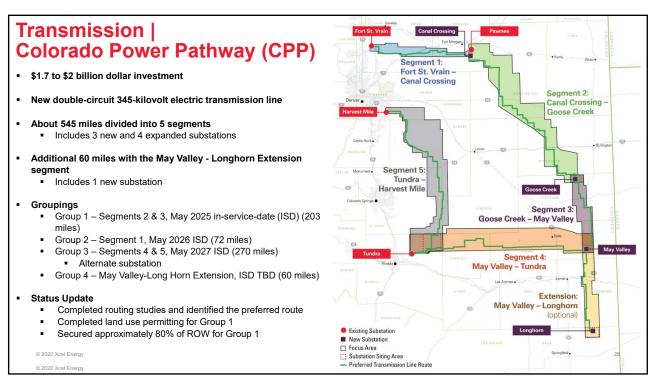
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Bidding | Other Issues

- Credit/benefit for Just Transition property taxes
- Disproportionately Impacted (DI) Community
- Bids utilizing Company interconnections at retiring facilities
- Pre-construction Development Asset (PCDA)
 - Thermal generation and Ownership & Dispatchable RFPs projects only
 - Bidder must indicate this option in bid form C3 and supply the relevant information in the bid narrative and bid form E2
 - PCDA eligible bids not selected may also be considered for submittal to the CPUC as a Pre-Construction Development Asset (PCDA)
- Bids eligible for other solicitations (e.g., Renewable*Connect 2.0)
 - In Accordance with Proceeding No. 21A-0625EG, bids submitted during this RFP may be considered for non-CEP acquisitions, such as a voluntary RE program
 - Projects selected would not have to be rebid

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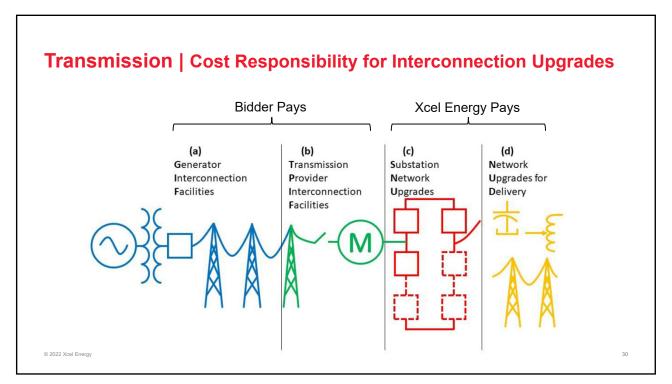
Transmission | Interconnection

- PSCo filed Queue Reform on December 14th, 2022, in Docket ER23-629-000
 - Increases the certainty that projects in the queue are ready to interconnect
 - Identifies unready projects cause multiple harms and are delaying the interconnection of ready projects
 - Current interconnection studies are on hold for at least 2 years
 - Proposed changes will improve interconnection
 - FERC comment deadline is January 11th, 2023

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Transmission | Resource Solicitation Cluster (RSC)

- Expect to begin an RSC in Q2 2023
- Likely to be several portfolios to capture primary and backup bids
- RSC bidders will be contacted in advance and must have completed, but not submitted, a Large Generator Interconnection Procedures (LGIP) application ready for submittal
- Shortened customer engagement window
- Will meet M1 milestone
- No withdrawal penalty risk if LGIP reform is approved by FERC

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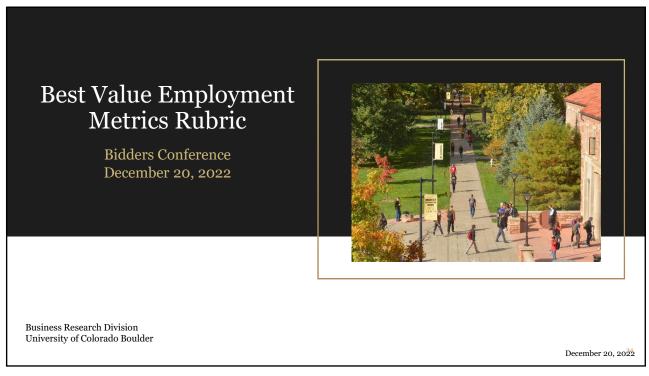
Transmission | Trx Provider Interconnection Facilities (TPIF)

- Dead-end, metering, relaying, etc.
- Paid by generator, owned/operated by PSCo

POI Voltage	TPIF Cost
69 kV	\$720,000
115 kV	\$850,000
230 kV	\$1,400,000
345 kV	\$2,400,000

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Introductions Leeds School of Business Boulder

Brian Lewandowski

Executive Director, Business Research Division



Sarah Quintanar

Senior Labor Economist



Adam Illig

Data Scientist



Richard L. Wobbekind

Associate Dean, Business & Government Relations Senior Economist



Leeds School of Business

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Methodology: General Rubric Design

Best practices include:

- Measuring success or quality objectively, which increases consistency (inter-rater agreement) and reliability of outcomes regardless of who is scoring
- Simplifying characteristics being scored in order to:
 - 1. Be specific enough to differentiate between proposals
 - 2. Be general enough that the rubric is functional and applicable
- Holistic rubrics provide a way to compare across "items"



Supported by data and literature within fields related to education, psychology, and business (e.g. ETS in conjunction with AP grading and Association to Advance the Collegiate Schools of Business (AACSB)).

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BVEM & Rubric Metrics

BVEM, or Best Value Employment Metrics- Since 2010 statute has required employment metrics to be a consideration when the CO Public Utilities Commission evaluates and approves utilities' electric resource acquisition projects

Rubric Purpose: Employing a <u>consistent</u> and <u>objective</u> rating system for proposals which aligns with the intent of the BVEM regulation(s).

Design of the rubric:

- Focused on macro-level perspective and avoid individual value judgements
- Informed by BVEM regulation
- Assumed quality of proposal is higher with more detail



Supported by data and literature within fields related to education, psychology, and business (e.g. ETS in conjunction with AP grading and Association to Advance the Collegiate Schools of Business (AACSB)).

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Four Buckets as defined by BVEM

Defined by craft and job classification.

Training Programs:

- Availability, duration, cost, total number of hours (on-the-job and classroom), licenses and certifications
 - For example, specifically reference training through apprenticeship programs registered with the United States Department of Labor, Office of Apprenticeship and Training

Wages and Benefits:

 Wages, compared to industry, healthcare benefits, comprehensive benefits, pension benefits, quality of benefits

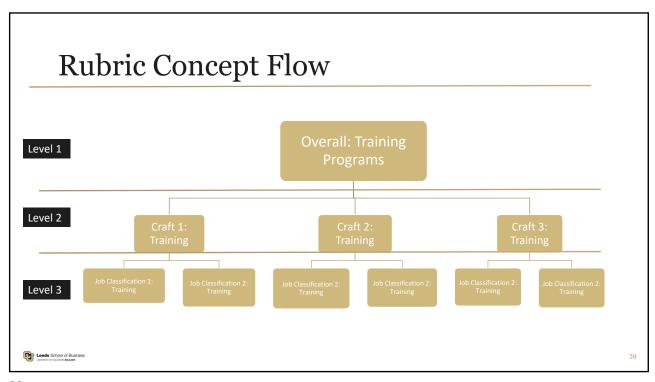
Career Opportunities:

 Jobs by job classification, opportunity to advance, skills, licenses and certifications

Local Workforce:

 Percent of Colorado workers, percent of Colorado man hours, total work years and work hours

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Excerpt from RFP

- (d) Industry-standard wages, health care, and pension benefits. The utility or bidder shall provide, for example and as applicable, the following information for each craft the utility anticipates will work on the project:
 - (I) range of wages by job classification;
 - (II) healthcare benefits by job classification;
 - (III) pension benefits by job classification;
 - (IV) prevailing wages and fringe benefits (healthcare benefits, pension benefits and other compensation) based on industry standards and the current Colorado labor agreements by job classification; and
 - (V) wages and fringe benefits (healthcare benefits, pension benefits and other compensation) by job classification.

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BVEM							-	Gene	ral -	Over	all					(Craft,	/Job	Clas	sifica	tions	1							C	raft	/Job	Class	sifica	tions	2		
Record	Company Name	Type of Project (Wind, Solar, Hydrogen, Hydro, Battery, Transmission, Coal, Natural Gas)	General Responses	General Completeness	Craft Responses	Craft Completeness	Number of Workers	Wages + Fringe Benefits	Midpoint of Wages	Industry Average	Completeness	Scored Responses	Job Name	Number of Workers	Range of Wages	Wages + Fringe Benefits	Midpoint of Wages	Occupation Average	Healthcare Benefits	Benefits Details	Pension Benefits	Pension Benefits Details	Completeness	WeightedJobs	Scored Responses	Job Name	Number of Workers	Range of Wages	Wages + Fringe Benefits	Midpoint of Wages	Occupation Average	Healthcare Benefits	Benefits Details	Pension Benefits	Pension Benefits Details	Completeness	Weighted Jobs
1	Eastern Plains Solar	Solar					Т																														
2	Mountain Town Wind	Wind																								i											
3	Bakersville Hydro	Hydro																																			
4	Walla Walla Lines	Transmission																																			
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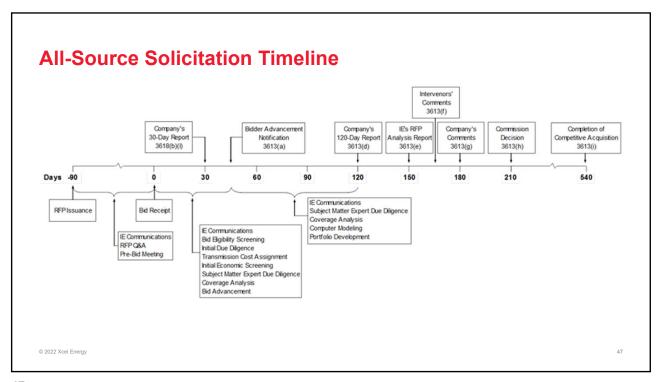
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BVEM				Trair	ning P	rograi	ms	١	Vages	and E	Benefi	ts	Ci	areer	Oppor	rtunit	ies		Lab	or Sou	ırce	
	Type of Project (Wind, Solar, Hydrogen, Hydro, Battery, Transmission, Coal,	Total Value	General Responses	General Completeness	Craft Responses	Craft Completeness	TOTAL	General Responses	General Completeness	Craft Responses	Craft Completeness	TOTAL	General Responses	General Completeness	Craft Responses	Craft Completeness	TOTAL	General Responses	General Completeness	Craft Responses	Craft Completeness	TOTAL
Record Company Name	Natural Gas)	100%	10000000	15%	30%	30%	25%	15%				25%	15%	15%		30%	25%	15%	15%	30%	30%	25%
1 Eastern Plains Solar	Solar	3.0		2	1	-	1.0	0		0		0.0	0.8	1		1	0.8	1.6	0.8	1.9	0.8	1.2
2 Mountain Town Wind	Wind	0.8		1.6	0	_	0.3	0		0		0.0	0.8	1		0	0.3	0.6	0.8	0	-	
3 Bakersville Hydro 4 Walla Walla Lines	Hydro Transmission	0.0	0	1.8	0.3	0	0.8	0	_	0		0.0	0.5	0.8		0	0.7	1.6	0.8	0		
5	Transmission	0.0	U	U	U	U	0.0	- 0	U	U	U	0.0	U	U	U	U	0.0	U	- 0	U	U	0.0
6																						
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	BESS	Battery Energy Storage System	
	вот	Build Own Transfer	
Acronyms	BVEM	Best Value Employment Metrics	
	COD	Commercial Operation Date	
	CPP	Colorado Power Pathway	
	CT	Gas Combustion Turbine	
	DI	Disproportionally Impacted Communities	
	ERP	Electric Resource Plan	
	FERC	Federal Energy Regulatory Commission	
	IE	Independent Evaluator	
	ISD	In-Service-Date	
	LGIP	Large Generator Interconnection Procedures	
	MVL	May Valley - Longhorn (possible extension of CPP)	
	NOIR	Notice of Intent to Respond	
	PCDA	Pre-Construction Development Asset	
	PLA	Project Labor Agreement	
	POI	Point of Interconnection	
	PPA	Power Purchase Agreement	
	PSA	Purchase and Sale Agreement	
	PSCo	Public Service Company of Colorado	
	PUC	Public Utilities Commission	
	RFP	Request for Proposal	
	RSC	Resource Solicitation Cluster	
	SME	Subject Matter Experts	
2022 Xcel Energy	TPIF	Transmission Provider Interconnection Facilities	