Northern States Power Company-Minnesota

2020 Solar Resource Solicitation

Request for Proposals

RFP Issue Date: June 15, 2020

Proposals Due: September 1, 2020

RFP Website: www.xcelenergy.com/NSPMSolarRFP
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**Northern States Power Company - Minnesota Solar Resource RFP**

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Notice of Disclaimer

The information contained in this Request for Proposals ("RFP") for energy and capacity resources has been prepared solely to assist bidders in deciding whether or not to submit a proposal. Northern States Power Company, a Minnesota corporation, ("NSPM" or "Company") does not represent this information to be comprehensive or to contain all of the information that a respondent may need to consider in order to submit a proposal. None of the Company, its affiliates, or their respective employees, directors, officers, customers, agents and consultants makes, or will be deemed to have made, any current or future representation, promise or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained herein, or in any document or information made available to a respondent, whether or not the aforementioned parties knew or should have known of any errors or omissions, or were responsible for their inclusion in, or omission from, this RFP.

The Company reserves the right to modify, supplement or withdraw this RFP at any time, whether due to changes in law or otherwise, and issue one or more addenda to this RFP during this solicitation. No part of this RFP and no part of any subsequent correspondence by the Company, its affiliates, or their respective employees, directors, officers, customers, agents or consultants shall be taken as providing legal, financial or other advice or as establishing a contract or contractual obligation. Contractual obligations on the part of the Company will arise only if and when definitive agreements have been approved and executed by the appropriate parties having the authority to approve and enter into such agreements. The Company reserves the right to request from a bidder information that is not explicitly detailed in this document, obtain clarification from bidders concerning proposals, conduct contract development discussions with selected bidders, conduct discussions with members of the evaluation team and other support resources as described in this RFP and in compliance with all FERC Code of Conduct rules.

The Company will, in its sole discretion and without limitation, evaluate proposals and proceed in the manner the Company deems appropriate, which may include deviation from the Company’s expected evaluation process, the waiver of any requirements and the request for additional information. The Company reserves the right to reject any, all or portions of any proposal received for failure to meet any criteria set forth in this RFP or otherwise and to accept proposals other than the lowest cost proposal. The Company also may decline to enter into any agreement with any bidder, terminate negotiations with any bidder or abandon the RFP process in its entirety at any time, for any reason and without notice thereof. Respondents who submit proposals agree to do so without legal recourse against the Company, its affiliates, or their respective employees, directors, officers, customers, agents or consultants for rejection of their proposals or for failure to execute an agreement for any reason. The Company and its affiliates shall not be liable to any respondent or other party in law or equity for any reason whatsoever for any acts or omissions arising out of or in connection with this RFP. Except as otherwise provided in the rules and orders of the Public Service Commission of the state of Wisconsin ("Commission"), by submitting its proposal, each respondent waives any right to challenge any valuation by the Company of its proposal. By submitting its proposal, each respondent waives any right to challenge any determination of the Company to select or reject its proposal. Each respondent, in submitting its proposal, irrevocably agrees and acknowledges that it is making its proposal subject to and in agreement with the terms of this RFP.

Each respondent shall be liable for all of its costs incurred to prepare, submit, respond or negotiate its proposal and any resulting agreement and for any other activity related thereto, and the Company shall not be responsible for any of the respondent’s costs.

Section 1. Introduction

Northern States Power Company, a Minnesota corporation ("NSPM" or the "Company"), is issuing this Request for Proposals ("RFP") seeking to acquire approximately 1 MW of Photovoltaic ("PV") solar generation resources from one project having a capacity of approximately 1 MW alternating current ("AC") at a designated location adjacent to the Ford Site development in St. Paul, Minnesota (the "RFP Project"). NSPM desires to fulfill this requirement via a Power Purchase Agreement ("PPA").

The Ford Site is an innovative brownfield redevelopment neighborhood being constructed by Ryan Companies\(^1\) in St. Paul, Minnesota. The mixed-use community incorporates cross-cutting sustainability, including a walkable, pedestrian, and bike-friendly built environment, energy efficient building designs, and clean energy technologies. Solar power is a highly visible and critical part of the development’s goal to provide 100% of site electricity from renewable sources. Solar developers of all sizes are encouraged to submit bids. The solar power will be bundled with other renewable resources and delivered to customers through a voluntary green tariff offering. While the renewable product is developed with the goals of this site in mind, other customers will also be able to participate.

1.1 Purpose and Regulatory Context

The solar generation solicited through this RFP is being sought to provide energy for a voluntary green tariff offering that NSPM plans to file for approval with the Minnesota Public Utility Commission (the “Commission”) at the start of 2021 or shortly after the PPA is signed. The PPA price awarded through this RFP might need to be made public as part of the green tariff program filing at the Commission should it be approved. If the Commission declines to approve the program or approves the program subject to conditions that are unacceptable to NSPM, in its sole discretion, then NSPM may terminate the PPA. NSPM believes it reasonable to expect the Commission to issue a decision on the application within 6 to 9 months of the filing date.

Through this RFP, NSPM is requesting proposals for one large-scale PV solar generation resource with anAC capacity of approximately 1 MW, located in its service territory on the site identified in Appendix A. NSPM will execute a PPA contingent on a favorable ruling from the Commission on NSPM’s filing.

With the pending launch of its voluntary green tariff offering, NSPM hopes to enable the creation of a subscription option for the properties within the Ford Site. The scope of this RFP does not include the design or implementation of the customer subscription option. If the design or implementation of the customer subscription is included within a response to this RFP it will not be scored as part of the bid selection.

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\(^1\) https://www.ryancompanies.com/
1.2 Contacts

The primary point of contact for all communications between the Company and potential bidders is the RFP Project Manager who may be contacted at:

NSPMSolarRFP@xcelenergy.com.

The NSPM 2020 Solar Solicitation webpage can be found at:
www.xcelenergy.com/NSPMSolarRFP

Section 2. Eligible Project Information

2.1 Eligible Project Structure

The Company will consider only PPAs as eligible project structure. The Company has a strong preference for an RFP Project that utilizes union labor for its construction and requests the bidders to provide pricing in the Pricing Forms that assumes the use of union labor.

PPAs will include rights to all energy, capacity, and environmental attributes for a specified $/MWh price.

All PPA proposals shall include a bid price that is fully compliant with NSPM’s Solar Model Power Purchase Agreement (Appendix B). PPAs must also include any desired written exceptions to the Solar Model Power Purchase Agreement if applicable and the corresponding price reduction for each written exception the bidder would like the Company to consider.

2.2 Product Description

**RFP Project Type:** A PPA proposal must be for a new, to-be-built solar resource facility only.

**Product:** The Company is seeking a PPA solar agreement that conveys all energy, capacity and environmental benefits generated from the proposed project.

**Contract Length:** Each proposal needs to include pricing for ten (10), fifteen (15) and twenty (20) year contract term lengths in Forms 4, 5 and 6 and respectively. Bidders can submit additional proposals with alternative contract term lengths, extending from twelve (12) to twenty-five (25) years by indicating the contract term on item 8 of Form 3 and the pricing on Form 7.

**Project Size and Location:** The RFP Project must be a PV solar resource with a nominal AC electrical output of approximately 1 MW, and must be a complete, commercially operable, solar powered electric generating plant, including all facilities necessary to generate and deliver energy at a single point of interconnection by the commercial operation date. The Company requests the potential bidders to prepare a design that maximizes the electrical output of the RFP Project given the characteristics of the Project Site.
The RFP Project must be located on a portion of the Ford Site called Area C, a 22-acre parcel of land located along the Mississippi River and up to the bluff edge of Mississippi River Boulevard, as identified in Appendix A ("Project Site"). This parcel of land is owned by Ford Motor Company and leased by Ryan Companies, the master developer for the Ford Site Master Plan, under a lease agreement with Ford Motor Company, an overview of associated costs of which are included in Appendix D. A separate sublease agreement will be executed between Ryan Companies and the RFP Project developer prior to the commencement of construction. The potential bidder must conduct all of its own due diligence with respect to the Project Site.


Prospective bidders are encouraged to contact the RFP Project Manager to schedule an on-site visit to the Project Site on or prior to the deadline set forth in the table in section 4.1 of this document.

**Interconnection:** The RFP Project must have a Point of Interconnection ("POI") location to the Company’s distribution system adjacent to the Project Site. Bidders are responsible for delivering the power from the RFP Project to this interconnection point ("Point of Delivery").

**Expected Online Date:** The Company has a target to procure approximately 1 MW from the RFP Project with an expected commercial operation date by December 31, 2022.

### 2.3 PPA Pricing

Forms 4-7 provide the pricing template for PPA proposals. All pricing must be in terms of current year United States dollars, also referred to as escalated or nominal dollars. For example, a $50 per megawatt-hour ("MWh") energy price proposal for 2022 means that in 2022 energy from the facility will be purchased at a rate of $50/MWh.

The Pricing Forms (4-7) request pricing with assumptions that: 1) the RFP Project will qualify for federal tax incentives applicable to the proposed technology and to the proposed in-service date and, 2) that existing federal tax incentives will be applicable to the RFP Project even if those incentives are due to expire or decline by the time of the proposed in-service date. Respondents should describe the federal tax incentive assumptions made in their Energy Payment Rates in the notes section in Forms 4-7.

All PPA proposals shall include a bid price that is fully compliant with NSPM's Solar Model Power Purchase Agreement (Appendix B).
The Company is requesting fixed price proposals that contain a fixed base price without a fixed annual escalator. Respondents may not submit proposals with variable base year pricing.

2.4 Relevant Bidder Experience

All proposals must describe the respondent's qualifications and experience in developing, constructing, commissioning and operating generation facilities similar to the proposed RFP Project, specifically:

1) PV systems constructed on brownfield sites or those with environmental testing considerations
2) PV systems with a design type similar to the one proposed in this RFP bid response. For example, if a ballasted system is proposed, please indicate qualifications and experience with installing ballasted systems.

Additionally, please include the experience, qualifications and safety record of key personnel who will manage development and an overview of utility scale project(s) the respondent has developed during the last 5 years. If a project team is in place, the proposal should identify the members of the team who will be responsible for design, siting, permitting, financing, construction, and operation of the facility; if such a group is not in place, the proposal must set forth the respondent's plan for assembling such team (including process and timing). If an EPC contractor or any other contractors will be utilized, the same level of information must also be provided for each separate entity, along with a clear description of their role in the RFP Project's development.

2.5 Environmental Approvals, Permitting, and Compliance

The Company will evaluate whether the bidder's proposal includes the required environmental approvals and permits for construction of the RFP Project and whether the appropriate timelines have been included in the project schedule. Because the Project Site for the solar installation involves a known brownfield site, the Company will also evaluate whether the proposed project will ensure the installed environmental protections for the brownfield site will be protected and maintained as part of the design and construction of the RFP Project. (Note: environmental information regarding the investigation, cleanup and ongoing monitoring of environmental contamination at the site can be found at https://www.stpaul.gov/departments/planning-economic-development/planning/ford-site-21st-century-community/site-cleanup. Information is also available at https://www.pca.state.mn.us/waste/saint-paul-ford-site#areac.)

The Company is committed to supporting pollinator friendly habitat at our solar facilities. We typically require bidders to provide a pollinator habitat scorecard assessment form with their proposed bid package. However for this RFP, the solar facility will be constructed on a concrete cap, limiting the feasibility of providing pollinator habitat. Therefore the Company is not requiring the submittal of the scorecard assessment form.
2.6 Regulatory Approvals

At the completion of the bid evaluation and contract negotiation process, the Company will file the signed transactional agreements with the necessary regulatory commissions in the states in which the Company operates for all necessary review and approvals.

2.7 ROFO

The NSPM Solar Model PPA includes a Right of First Offer (“ROFO”) that, subject to specific conditions, may be exercised by the Company. The Company is requiring bidders to agree to the ROFO as described in the NSPM Solar Model PPA (Appendix B).

2.8 Contract Accounting

All contracts proposed to be entered into as a result of this RFP will be assessed by the Company for appropriate accounting and/or tax treatment. Respondents shall be required to supply promptly to the Company any and all information that the Company requires in order to make such assessments.

The Company has specific concerns regarding PPA proposals received in response to this RFP that could result in either (i) a contract that must be accounted for by the Company as a finance lease or an operating lease pursuant to Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 842, or (ii) consolidation of the seller or assets owned by the seller onto the Company's balance sheet pursuant to the variable interest entity requirements of FASB ASC 810. The following shall therefore apply to any proposal submitted pursuant to this RFP:

- The Company is unwilling to be subject to any accounting or tax treatment that results from a PPA’s finance lease or consolidated variable interest entity classification. As a result, in their proposal(s), respondents shall (i) state that the respondent has considered applicable accounting standards in regard to finance leases and variable interest entities, (ii) summarize any changes that the respondent proposes to the PPA in order to attempt to address these issues, and (iii) state that, to the respondent’s knowledge and belief, the respondent’s proposal will not result in such treatment as of the date of the proposal.

- As applicable, the Company will not execute a PPA without confirmation from the Company's external auditors that the PPA will not be classified as a finance lease or a consolidated variable interest entity.

By submitting a proposal, each respondent agrees to make available to the Company at any point in the bid evaluation process any financial data associated with the respondent and its proposed RFP Project so the Company may independently verify the respondent's information in the above matters. Financial data may include, but shall not be limited to, data supporting the economic life (both initial and remaining) of the facility, the fair market value of the facility, and
any and all other costs (including debt specific to the asset being proposed) associated with the respondent’s proposal. The Company may also use financial data contained in the respondent’s financial statements (e.g. income statements, balance sheets, etc.) as may be necessary.

Section 3. Interconnection Requirements

3.1 General information

The Company will consider proposals that provide delivery of the RFP Project’s full nameplate output to the Company through an interconnection point on the Company’s distribution system near the the Project Site (see Appendix A).

3.2 Interconnection information

The proposed project will follow the Minnesota Distributed Energy Resource (DER) Interconnection Process, also known as the MN DIP. Details on the NSPM generating system interconnection process can be found at the following web link: https://www.xcelenergy.com/working_with_us/how_to_interconnect.

Proposals should include in their pricing any costs, along with cost breakdowns, for providing firm delivery to the Company’s native load. These costs include, but may not be limited to, Interconnection Facilities, Dedicated Facilities, Network Upgrades, System Protection Facilities, and Distribution Upgrades required for interconnection.

Bidders are requested not to submit a DER Interconnection Application. In addition, Bidders are requested not to contact the Company to determine the Point of Interconnection if not known.

Section 4. Content Requirements and Submission Procedure

4.1 Schedule Estimate

NSPM’s objective is to complete proposal evaluations, selections and contract negotiations as set forth below:\(^2\)

<table>
<thead>
<tr>
<th>NSPM 2020 SOLAR RFP SCHEDULE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity</strong></td>
</tr>
<tr>
<td>RFP Issued</td>
</tr>
<tr>
<td>Deadline for Project Site visit</td>
</tr>
<tr>
<td>Deadline for submitting questions from bidders</td>
</tr>
<tr>
<td>NSPM will post responses to bidder questions</td>
</tr>
</tbody>
</table>

\(^2\) The Company reserves the right to adjust this schedule appropriately in its sole discretion.
<table>
<thead>
<tr>
<th><strong>Proposal Due Date, 5:00 pm CT</strong></th>
<th>September 1, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSP bid evaluation and selection completed</td>
<td>November 1, 2020</td>
</tr>
<tr>
<td>Completion of contract negotiation</td>
<td>January 1, 2021</td>
</tr>
<tr>
<td>Anticipated Regulatory filing with the Minnesota Commission</td>
<td>Q1 2021</td>
</tr>
<tr>
<td>Anticipated Regulatory Approval</td>
<td>Q3 2021</td>
</tr>
</tbody>
</table>

### 4.2 Minimum Requirements for Proposals

This section describes the minimum requirements that all proposals must satisfy to be eligible for consideration in this solicitation. Unless the Company in its sole discretion elects otherwise, proposals that do not comply with these requirements will be deemed ineligible and will not be considered further. The Company reserves the right to reject any bid and all bids.

- Proposals must include all applicable content requirements described in Section 4.6, including clear and complete written descriptions of all information requested and completed forms.
- Proposals must clearly specify all pricing terms in accordance with Section 4.6.
- Proposals must demonstrate an acceptable level of development and technology risk, as determined by the Company's evaluation team.
- Bid respondents must demonstrate to the satisfaction of the Company that they can meet the security requirements contained in the NSPM Solar Model PPA (Appendix B).
- Proposals must clearly demonstrate any financing requirements and an indicative financing structure (construction and permanent) for any proposed resources that will be delivered under the proposals. Respondents should include a description of how current financial markets are likely to impact the respondent's ability to access the debt and tax equity markets.
- Each respondent must present clear and sufficient proof that it has or can secure an adequate and confirmed supply of generation equipment sufficient (at a minimum) to meet the required proposal.
- Respondents must provide the required bid fee (described in Section 4.5) for each proposal submitted.
- All respondents are expected to provide truthful and accurate statements as part of their bids. Any false statements will result in project disqualification.
- No respondent may act through partnership, joint venture, consortium, or other association or otherwise act in concert with any other person unless it provides written notification of such to the Company as part of its proposal.
• Proposals must clearly confirm that the respondent is expecting to use union labor for the construction of the RFP Project.

4.3 Proposal Submission Deadline

All proposals will be accepted until 5:00 P.M. Central Time on the date indicated in Section 4.1. All proposals must be transmitted by express, certified or registered mail, or hand delivered to the following address:

NSPM 2020 Solar RFP  
Attn: RFP Project Manager  
Xcel Energy Services Inc.  
414 Nicollet Mall, 401-8  
Minneapolis, MN 55401

Proposals received later than the due date and time indicated will be rejected and returned unopened unless the Company determines, at its sole discretion, to consider such proposals.

For each proposal submitted, bidders must provide a complete, signed original proposal, one (1) additional paper copy and two (2) separate USB flash drives that include all proposal documents in electronic format.

Proposals must be submitted in a sealed package with the following information shown on the package:

Response to NSPM 2020 Solar RFP  
Confidential Sealed Bid Proposal

The respondent's company name and address must be clearly indicated on the package containing the proposal and if a bidder submits multiple project proposals they must all be clearly marked and differentiated.

4.4 Information Policy

To obtain additional information about this RFP, potential respondents as well as all other parties may only submit inquires to the RFP Project Manager via email at:

NSPMSolarRFP@xcelenergy.com

Potential respondents as well as all other parties should not attempt to acquire information through any other means including telephone calls to the Company. The Company will maintain a log of all inquiries and coordinate the preparation of written responses. The Company will periodically post responses to questions on the RFP website and these responses will be filed
as addendums to the RFP. The deadline for submitting questions is indicated in Section 4.1. Questions will no longer be accepted after this deadline. All filed addendums will be posted by Company on the RFP website. Bidders are responsible for monitoring the RFP website for updated addendums. The Company has established this information policy to ensure that all respondents have the same timely access and knowledge about the bidding and evaluation process.

4.5 Bid Evaluation Fees

Each bidder shall pay by wire transfer on or before the Proposal Due Date a fee of $500 for each proposal submitted. A separate bid evaluation fee is required for projects with different COD, pricing, contract term (except for the separate 10-year, 15-year and 20-year contract term pricing) or MW size. Bid fees shall be paid by wire transfer to NSP. In response to a Bidder sending an email to the RFP email address, NSPMSolarRFP@xcelenergy.com, no earlier than 10 business days prior to the Proposal Due Date, the Company will email a response with wire transfer instructions. No cashier’s checks will be accepted.

The Company will not refund any bid fees associated with any bid, regardless of the success or failure of that bid.

4.6 Proposal Content Requirements

This section outlines the content and format requirements for all proposals submitted in response to this RFP. Unless the Company in its sole discretion elects otherwise, proposals that do not include the information requested in this section will be deemed ineligible for further consideration, unless the information requested is not applicable or relevant to a given proposal. The Company reserves the right to conduct any further due diligence it considers necessary to fully understand and evaluate proposals.

Bidders are encouraged to provide as much information as possible to assist in the evaluation of their proposals. A complete proposal will include a complete, signed original proposal, one (1) additional paper copy and two (2) separate USB flash drives assembled in the following format:

Section 1 – Executive Summary

Bidders shall provide an RFP Project summary and overview including narrative that addresses why their proposal provides value to NSPM and its customers. Bidder shall also provide detail on background and experience in developing similar projects as well as any applicable references (including contact name, contact number and project name) from projects where the Bidder has completed development and construction of a similar facility.
Section 2 – Standard Bidder Forms (Appendix C)

Bidders shall complete all forms in Appendix C (Forms 1-13) and provide all information that is applicable to bidders’ respective RFP Project(s). Standard Bidder Forms will be made available on the Company’s website at the following link:

http://www.xcelenergy.com/NSPMSolarRFP

Below is a list and brief description of each form:

**Form 1: Confidentiality Agreement:** All bidders will submit a Confidentiality Agreement and agree not to disclose or disseminate any highly confidential information and return all Highly Confidential Information to the Company at the conclusion of the solicitation process.

**Form 2: Bid Certification:** Bidders must certify that:

a. All statements and representations made in bidder’s proposal are true,

b. The bidder accepts as applicable NSPM’s Solar Model Power Purchase Agreement (Appendix B) except as specifically noted in writing,

c. The applicable accounting standards in regard to capital lease, finance lease, and variable interest entities have been considered and that, to the bidder’s knowledge, the bidder’s proposal will not result in capital lease, finance lease, or variable interest entities treatment to the Company, and that

d. The proposal pricing submitted in Forms 4-7 includes the full cost for the use of Union Labor for construction and all interconnection costs, except as specifically noted in Section (D) of the same Form

e. The bidder identifies and accepts all RFP addenda issued by NSPM.

**Form 3: Cover Sheet:** Bidders will provide basic RFP Project description and company information including contact information, RFP Project name, location, nameplate capacity, etc.

**Forms 4 – 7: Pricing:** For all proposals, bidders must complete Forms 4-6 (pricing for 10-year, 15-year and 20-year terms), and provide Estimated Annual Energy Production (MWh) for each year of the proposed PPA Terms, net of expected degradation impacts, if any, and Energy Payment Rates ($/MWh) for each year of the proposed PPA Terms. All dollar amounts should be entered in nominal United States dollars. Price proposals must contain a fixed base price. If Bidder proposes an alternative Term pricing option (Form 7), a separate bid and attendant bid fee must be submitted.

All pricing is expected to be fully compliant with NSPM’s Solar Model Power Purchase Agreement (Appendix B) unless otherwise noted. Estimated Annual Energy Production should be as delivered at the POD.
Bidders must offer firm pricing valid through November 1, 2020, the projected RFP completion date, or, if proposal is selected for negotiations, either the completion of negotiations or the issuance of an Order from the appropriate state regulatory commission approving the contract resulting from their proposal, whichever is later. Indicative pricing in a proposal will not be acceptable.

**Form 8: Construction:** Bidders are to provide proposed dates for each significant construction milestone, as shown on a detailed development schedule provided with the proposal. Milestones should be based on the requirements to achieve the proposed commercial operation date. The dates for the major milestones should also be indicated on Bidder Form 8. See NSPM’s Solar Model Power Purchase Agreement (Appendix B) for defined terms.

**Form 9: Technical Descriptions:** The proposal must include all pertinent technical information for the RFP Project including detailed equipment and facility information. Bidders are requested to attach or provide detail from any third party pre-construction energy production reports for proposed solar site.

- **Equipment Description**
  At a minimum, proposals should indicate for all major equipment, 1) the name of the manufacturer, 2) model, 3) key metrics and characteristics of the equipment, 4) performance history of the equipment, 5) terms of warranties and/or guarantees, 6) contracting status, and 7) availability of equipment and planned delivery dates. In addition, completion of Standard Proposal Form 9 - Technical Description is required.

- **Operations and Maintenance Plan**
  Respondents shall describe their operations and maintenance plans or services for the generation facilities associated with their proposals.

**Form 10: Energy Production Profile:** Assuming the Facility had been in commercial operation during 2017, 2018, and 2019, the proposal must provide an estimate of the annual energy production for each of these years utilizing whatever historical meteorological data are available for the site, or a nearby site with similar meteorological characteristics. Proposals must include the average expected hourly generation from the RFP Project for each month. Estimated Annual Energy Production should be as delivered to the POD and net of any expected plant degradation over time. Time is hour ending, Central Standard Time; do not adjust for daylight savings time. Explain fully the meteorological data, and source, used for the annual estimates.

**Form 11: Interconnection Details:** Proposals must include all pertinent bidder prepared studies for all interconnection related information. Bidders must also provide a summary of all anticipated interconnection costs included in their proposal pricing including financial analyses related to any costs expected to be incurred with regard to interconnection, including the cost of installing the interconnection facilities, the network upgrades, distribution upgrades, affected system upgrades, and system protection facilities that have been identified, and a discussion of any unknown or contingent network upgrades for which the RFP Project may be responsible.
Bidders are requested to attach third party studies on projected interconnection costs related to the RFP Project.

**Form 12: Creditworthiness:** Proposals must include detail and address all questions regarding financial aspects of all projects including financing information, credit history, and legal claims.

**Form 13: Siting Environmental:** Proposals must provide all requested details regarding site control, permitting, environmental studies, and legal claims.

Proposals must describe the impact of the project on wildlife including any direct or indirect impacts to State and Federal-listed species. Report on any reviews, assessments or studies performed by the DNR, USFWS, or other relevant agencies or consultants on wildlife or cultural resources impacted by the project. Proposals shall provide a characterization of the site and surrounding areas including proximity to nearby wetlands and endangered, threatened, or critical species.

Proposals must describe how the RFP Project will ensure ongoing integrity of the environmental cap over residual contamination in the Project Site.

The Company is committed to supporting pollinator friendly habitat at our solar facilities. We typically require bidders to provide a pollinator habitat scorecard assessment form with their proposed bid package. However for this RFP, the solar facility will be constructed on a concrete cap, limiting the feasibility of providing pollinator habitat. Therefore the Company is not requiring the submittal of the scorecard assessment form.

**Section 3 – Contract Exceptions (Appendix B)**

In this section, respondents are required to clearly document any exceptions to NSPM’s Solar Model Power Purchase Agreement (Appendix B) by providing a redline version of the agreement with their Proposal and reason for taking each exception(s). Bidders must also provide a cost reduction estimate for each noted exception.

**4.7 Clarification of Proposals**

While evaluating proposals, the Company may request clarification or additional information about any item in the proposal. Such requests will be sent via email to respondents identified on Form 3 by the RFP Project Manager, typically, and respondents are required to provide a written or electronic response back to the RFP Project Manager within two (2) business days, or the Company may deem the respondent to be non-responsive and either suspend or terminate evaluation of the associated proposal. Respondents are encouraged to provide an alternate point of contact to ensure a timely response to clarification questions.

Any amendment, modification, addenda, or clarification to a bid are binding and will be treated the same as any original RFP document. The Company will only accept amendments, modifications, or addenda to a bid in response to a request for clarification from the Company.
Bidders are responsible for carefully examining and understanding all RFP documents and requirements, nature of the work to be performed, and any other requirements listed in this RFP document. A lack of understanding or ignorance of these requirements will in no way relieve the bidder of obligations of their bid or of any resulting contract.

4.8 Confidentiality

Respondents are allowed to identify any information in their proposals that respondents claim should be considered to be confidential or proprietary. Nonetheless, the Company reserves the right to release all proposals to its affiliates and such affiliates’ agents, advisors, consultants for purposes of proposal evaluation. The Company will, to the extent required by law, advise each agent, advisor or consultant that receives such claimed confidential information of its obligations to protect such information. In addition, all information, regardless of its confidential or proprietary nature, will be subject to review by the MPUC and other governmental authorities and courts with jurisdiction, and may be subject to legal discovery. It is not the Company’s intent to enter into any separate confidentiality, non-disclosure, or similar agreements as a condition to receiving a respondent’s proposal.

Bidders should clearly identify each page and piece of information claimed by Bidder to be confidential, trade secret or non-public information. Bidders must provide written justification for any such claim(s). Bidders acknowledge and agree that notwithstanding its designation of certain materials as confidential, trade secret or non-public, NSPM will have the right in its sole discretion to disclose such materials provided to it by a Bidder in any regulatory proceeding or as required by law.

4.9 Addenda to RFP

Any additional responses required from respondents as a result of an Addendum to this RFP shall become part of each proposal. Respondents must list all Addenda issued by NSPM at the bottom of the Bid Certification Form (Form 2).

Section 5. Evaluation Objectives and Approach

The objective of the Company’s evaluation is to identify a proposal that meets the resource objectives identified in the solicitation in a reliable and cost-effective manner and which is likely to be successfully developed and ultimately placed into commercial operation.

An evaluation team, made up of various groups within the Company will evaluate proposals; however, the Company reserves the right to retain the services of outside experts to assist in the evaluation of proposals. The RFP Project Manager may contact respondents directly, via email, at any point during the evaluation process for the purposes of clarifying proposals.
The Company will use a three phased approach to evaluating bid proposals offered in the RFP. The three phases include:

a. Completeness review  
b. Threshold review  
c. Key parameters review and scoring

Based upon the results of the complete evaluation, the Company will determine which proposals will be included in the final selection. The Company may conclude that no offered resource meets the Company’s objectives of the solicitation and no proposal will be selected.

5.1 Completeness Review

The completeness review ensures compliance with all bid submittal requirements (fees, sufficient information provided in bid responses, submission of all required information and forms, etc.). The Company reserves the right to reject any, all or portions of any proposal received for failure to meet any criteria set forth in this RFP.

5.2 Threshold Review

The threshold review ensures the bidder and RFP Project complies with all specific bid requirements including:

a. RFP Project location  
b. RFP Project anticipated commercial operation date  
c. Interconnection in the Project Site  
d. Use of union labor for RFP Project construction

Any proposal that does not meet the above threshold requirements, based on an analysis of all supporting information and data in the bid forms, will be excluded from further evaluation.

5.3 Key Parameters Review and Scoring

The Company has identified the following key parameters to evaluate the RFP Projects with:

a. Pricing  
b. PPA Compliance  
c. Bidder Relevant Experience  
d. Bidder Financial Strength

a. Pricing: The Company will score proposals’ pricing using a Levelized Cost of Electricity (LCOE) methodology based on RFP project pricing and energy production projections. The proposal pricing score will constitute 75% of the overall evaluated value of each proposal.

b. PPA Compliance: The Company will provide a score to each proposal based on its Compliance with NSPM’s Model Power Purchase Agreement (Appendix B). The PPA Compliance score will constitute 5% of the overall evaluated value of each proposal.
c. **Bidder Relevant Experience**: The Company will provide a score to each proposal based on the level of relevance of the Bidder’s experience in terms of the development of similar projects to the RFP Project. The Bidder Relevant Experience score will constitute 10% of the overall evaluated value of each proposal.

d. **Bidder Financial Strength**: The Company will provide a score to each proposal based on the level of financial strength of the Bidder. The Bidder Financial Strength score will constitute 10% of the overall evaluated value of each proposal.

5.4 **Final Project Selection and Bidder Notification**

NSPM plans to complete the evaluation of bids and provide notification to bidders of the status of their proposal in November 2020.
Appendix A

Project Site

See file titled 2020 NSPM Solar RFP_Project Site Map.pdf
Appendix B

NSPM’s Solar Power Purchase Agreement

See file titled 2020 NSPM Solar RFP_Model PPA.docx
Appendix C

Proposal Forms and Instructions

See file titled 2020 NSPM Solar RFP_Bidder Forms.xlsx

As discussed in Section 4, the completed forms, attachments and narrative topic discussions, will comprise a complete proposal. The contents of each form and any special instructions for completing the forms are described in section 4.6. These forms can be downloaded from the RFP web site and are expected to be completed and submitted in Microsoft Excel format.

If additional space is needed to elaborate on information requested on any form, please attach additional sheets with the heading "Form [__] – Additional Information."

If certain information is requested that does not apply to the proposal, the respondent must indicate that the information is not applicable. If appropriate, the respondent should explain why the information is not applicable.

In addition to submitting a complete, signed original proposal and one (1) additional paper copy, respondents must also include two (2) separate USB flash drives with electronic copies of all completed Forms in executable format, i.e. not PDF.
Appendix D

Overview of Sublease Agreement Costs

See file titled 2020 NSPM Solar RFP_Overview of Sublease Agreement Costs.pdf