## FAQs from 2017-08-30

**Q: What do I do if I need more information?**
A: Check back with this FAQ page periodically. If your question is not here, contact the RFP manager:

**PSCo2017AllSource@xcelenergy.com**

**Q: I used to be able to access the All-Source Solicitation website, but it looks blank now. What do I do?**
A: Please ensure that the region you have selected in the top-left corner of the page is Colorado. If problems persist, contact the RFP manager and we will try to fix the problem as soon as possible.

**Q: Where we may have concerns regarding specific issues in the Model PPA, does PSCo wish to receive redline markups of the Model PPA document or just include discussion points for specific areas of concern including the proposed changes in the narrative document?**
A: Please provide both a red-lined PPA and a narrative discussion of the proposed changes.

**Q: What is the wire transfer information for this RFP?**
A: PSCo will not be accepting wire transfers as payment for this RFP.

**Q: What is the date by when proposals need to achieve commercial operation?**
A: PSCo is primarily seeking bids from wind, solar, and natural gas resources; however, will accept and evaluate any other resource variety (except coal).

**Q: Do the resources in Table 1 in the RFP documents constitute the exclusive list of resources PSCo will be considering in this solicitation?**
A: No, these are meant to be examples of resources that fit into these categories. If you are not certain which category your bid fits into and thus to which RFP to submit, contact the RFP Manager.

**Q: Is there an option to request an interconnection pre-screen in relation to this RFP?**
A: The Company does have an interconnection pre-screen for projects that would fall into the Small Generator Interconnection Process, under 20 MW. The pre-screen is on page 3 of the SGIP (page 690 of the OATT) at the link below:

http://www.transmission.xcelenergy.com/staticfiles/microsites/Transmission/Files/PDF/OASIS-OATT/9-6-2016_Xcel%20Energy%20OATT%20-%20Current%20Tariff.pdf

If you are interested in such a pre-screen, please send a requesting email to our Transmission Business Relations manager, Jennifer Bass, at Jennifer.L.Bass@xcelenergy.com.

The Company does not have a similar interconnection pre-screen process for projects greater than 20 MW.

**Q: With regard to Appendix C of the RFP and the PSCo-owned, generator-funded interconnection costs, would a portion of these costs be refundable and upon what terms and timing?**
A: PSCo-owned, generator-funded interconnection costs are non-refundable.

**Q: Will ELCCs for expiring and rebid PPAs be modeled with their existing ELCC value or the incremental ELCC value?**
A: Expiring PPAs will be assigned incremental ELCC and not the existing ELCC value for the period of the new contract.

## 2017-09-12

**Q: Is the Company making any of the 640 acres around the proposed Switching Station in Pueblo County, owned by the Colorado State Land Board and leased by the Company, available to bidders in this solicitation?**
A: No.

**Q: Will the Company consider Colorado State Land Board (SLB) Planning Leases a sufficient demonstration of site control?**
A: Yes.

**Q: Will the Company consider Colorado State Land Board Planning Leases with NO exclusivity provision a sufficient demonstration of site control?**
A: Yes

**Q: Will the Company make available for lease any Company-owned land to potential bidders in this RFP?**
A: No.

## 2017-10-05

**Q: What federal tax credit value should we assume for wind projects?**
A: The federal tax credit assumptions underlying a bid should be consistent with the proposed commercial operation date of the facility and the proposed construction timeline. To the extent a developer has begun construction at a level sufficient to claim safe harbor status for a specific PTC value (e.g. 100% of the PTC for projects that began construction by December 31, 2016) the bid should be consistent with that same PTC level. As indicated in the RFP documents, respondents should clearly state their tax credit assumptions in their proposals.

**Q: Are there expected hours of curtailment for wind or solar?**
A: For the Company's current portfolio of wind generators, higher levels of wind curtailment typically occur during high wind, low load conditions in particular overnight periods during spring

and fall; however, curtailment of the Company's wind generation portfolio can occur at any hour. For solar, curtailment would only occur during daylight hours; however, the Company does not currently curtail solar generation to balance load and generation.

**Q: How does PSCO define Capacity Resource?**
A: The Company does not define "Capacity Resource". On its loads and resources table used to calculate the level of needed capacity, the Company affords fossil generators 100% of their summer net dependable capability. Wind and solar generators are afforded capacity credit consistent with the Commission's Phase I Decision and with the study reports filed in that proceeding. Energy-limited devices such as storage devices receive less than 100% of their nameplate capacity based on the number of hours of full nameplate capacity storage. A summary of the updates of these study reports are available in the Updated Planning Assumptions document.

**Q: What is the stand-alone storage discharge duration that PSCo anticipates for Dispatchable Resources RFP?**
A: The Company has not set a minimum discharge duration for eligible stand-alone storage proposals. The Company affords generation capacity credit to energy storage bids consistent with the results published in an Institute of Electricity and Electronics Engineers ("IEEE") journal article titled "A Dynamic Programming Approach to Estimate the Capacity Value of Energy Storage." The ELCC values that the Company assigns to stand-alone storage projects based on the project's duration are shown in Table 1 below:

| Duration (hours) | ELCC (% of Nameplate MW) |
|---|---|
| 1 | 40% |
| 2 | 55% |
| 4 | 75% |
| 8 | 95% |
| 10 | 98% |

**Q: How does PSCo plan to evaluate interconnection and transmission costs for 2023 CODs given that the Mountain West Transmission Group participants (including PSCo) are in discussions with about SPP membership, with implementation expected sometime in 2019?**
A: For purposes of bid evaluation, the Company will assume that it is not part of the SPP. Interconnection costs and transmission upgrade costs for delivery will be evaluated consistent with the RFP documents.

**Q: Will information regarding bids which don’t survive past the initial 45 day screening period still be made public at the end of the process?**
A: Yes.

**Q: Will projects interconnecting at the new Rush Creek I substation be evaluated as if the Rush Creek I gen-tie line is a radial line or a networked line?**
A: The Rush Creek gen-tie line will be modeled as a radial line serving generation and not as a networked transmission line.

**Q: What situations could proposals be considered a single bid and what would they be considered to be multiple bids?**
A: Please see section 4.8 of the RFP. In summary, see the following (non-exclusive) table:

| Situation | Consideration |
|---|---|
| Multiple CODs | Multiple Bids |
| Multiple pricing schemes | Multiple Bids (except where price is adjusted according to one or more known, published, and widely recognized indices, see Section 2.3 of the RFP document) |
| Multiple interconnection locations | Multiple Bids (if the interconnection location is the new switching station discussed in Section 3.2 of the RFP, a backup location may be proposed with no incremental bid fee) |
| Multiple commercial options (PPA & BOT) | Multiple Bids that are mutually exclusive; however, only a single bid fee is required |
| Multiple PPA term lengths | Multiple Bids |
| Multiple Nameplate Capacity Options | Multiple Bids |

## 2017-10-17

**Q: How will renewable resource integration costs be evaluated with and without storage?**
A: The Company will employ the results of the wind and solar integration cost studies approved for application in this Solicitation regardless if storage is or is not included.  If storage is included, the nameplate generation of the wind or solar component will be utilized to apply the integration costs to the proposal.

**Q: Will the company be entertaining bids to extend existing PPAs? What about to uprate existing facilities? If so, how should I fill out bid forms – the full facility, or just the uprate?**
A: If an existing PPA expires prior to May 2023, please bid your proposal toward the new model PPA.

Existing facilities may bid to extend PPAs as well, but only in conjunction with an uprate, as all bids must help meet all or a portion of the Company's resource needs during the RAP. Bidders should fill out bid forms in the manner deemed most suitable by the bidder in these situations, but in order to provide the most accurate information, should indicate total facility and incremental values in the appropriate notes sections, and should discuss changes to the facility in the appropriate narrative topics sections. Upon receipt of bids, if the Company has questions, we will contact bidders for clarification in accordance with the procedures in Section 4.9 of the RFP document.

**Q: What are the estimated on-line date, configuration, and injection capacity of the new substation to be built 10 miles east of Comanche?**
A: The on-line date of the proposed switching station will be informed both by the bids received that utilize the switching station and how those bids can combine into cost-effective portfolios.

See Part H of David Eves' supporting testimony for the approval of the 2016 Resource plan: https://www.xcelenergy.com/staticfiles/xe-responsive/Company/Rates%20&%20Regulations/Resource%20Plans/CO-Supporting-Testimony-David-Eves.pdf

**Q: Can you provide more information about the location and layout of the Pronghorn (Rush Creek I) substation?**
A: The Rush Creek Gen Tie will connect the Rush Creek I and Rush Creek II wind sites to the Missile Site Substation. Be advised that there are no "substations" located at the Rush Creek I or Rush Creek II wind sites. The Rush Creek I wind site will interconnect to the Rush Creek Gen Tie via the to-be-built Pronghorn 345 kV switching station. The Rush Creek II wind site will interconnect to the Rush Creek Gen Tie via a to-be-built 345 kV GSU transformer. Once completed, the Pronghorn switching station will be located in Elbert County, T10S-R58W-Section 23. The terminus of the Rush Creek Gen Tie line at the Rush Creek II wind site will be in Lincoln County, T11S-R52W-Section 9. Pronghorn will be a 345 kV transmission switching station, and will be configured with a three-breaker ring.

**Q: What resources are considered to be Section 123?**
A: The Colorado PUC, not the Company, makes determinations of Section 123 resources. Through this point of the ERP process, the Colorado PUC has not pre-ordained any generation types to be Section 123 resources.

The Company will identify in its 30-Day Report to the Commission a listing of all bids that claim Section 123 status along with its opposition to any claimed Section 123 status and provide the Commission, under seal, a copy of the disputed bids. The Commission will determine whether the disputed bids qualify for further evaluation as a Section 123 resource, and the Company cannot opine as to a specific project's claims to Section 123 status until bids are received. See Section 1.5 of the RFP Document for details on Section 123 resources.

**Q: I missed the September 29th deadline to submit NOIRs – Can I still bid if I have not submitted one? Can I still submit an NOIR?**
A: Respondents can submit a bid even if they have not submitted an NOIR. Potential respondents can still submit an NOIR.

**Q: The 2016 Electric Resource Plan Modeling Assumptions Update says that Gas Transportation Costs and Firm Fuel Charges "will be based on gas generator location." Curt Dallinger filed testimony in the 2011 ERP Docket 11A-839E that described a concept of Core vs. Non-Core Areas on the CIG system. Is this distinction still applicable and what are the current gas transportation and firm fuel charges that are being applied by location?**

A: Public Service intends to follow a similar concept as was used during the 2011 ERP Docket 11A-839E for assigning gas transportation costs, whereby gas-fired generation bids will be assigned to a category, per the matrix below. Public Service will take advantage of existing gas supply contracts, where feasible, to supply firm gas to eligible bids. In these cases no demand charges will be assigned in the evaluation of such bids. In some cases however, due to a bids location, additional cost will be included in the evaluation of that bid to represent the cost of acquiring incremental firm gas capacity. The charges to be applied to bids by each category, as of October 1, 2017, are also included in the matrix below.

Specific charges at specific locations are not available since these charges would be dependent upon 1) the specific gas requirements (quantity and pressure) of any bids that might be submitted into the RFP for these locations, and 2) the availability of transportation on the upstream pipelines for each location at the time of the bid evaluation.

**Process for assigning gas transportation costs to bids**

| Generation | Location | Pipeline Connection Transport Cost for RFP Evaluation | Cost Components as of October 1, 2017 * |
|---|---|---|---|
| CIG core gas delivery area | Connected to the CIG High Plains pipeline or other CIG pipeline in the core gas delivery core area | CIG Firm commodity charges and FL&U and PSCo balancing charges. The balancing charges will not be used if the generation is connected to the CIG High Plains pipeline system | (CIG Mainline Firm Commodity Charges = $0.0166/MMBtu, and CIG Mainline Fuel Charges = 1.12% of MMBtu throughput), and PSCo Balancing Charge = $0.042 per MMBtu,<br>- or -<br>(CIG High Plains Firm Commodity Charges = $0.0002/MMBtu, and CIG High Plains Fuel Charges = 0.09% of MMBtu throughput), |
| Denver Metro area or in Northern Colorado | Connected to PSCo Gas LDC or other Gas LDC | CIG Firm commodity charges and FL&U, plus the full rate gas distribution IT commodity rate and FL&U, as well as the PSCO balancing charges. | PSCo LDC IT Commodity Charge = $0.695, and PSCo LDC Fuel Charge = 0.41% of MMBtu used, and PSCo Balancing Charge = $0.042 per MMBtu, and<br>- and -<br>(CIG Mainline Firm Commodity Charges = $0.0166/MMBtu, and CIG Mainline Fuel Charges = 1.12% of MMBtu used),<br>- or -<br>(CIG High Plains Firm Commodity Charges = $0.0002/MMBtu, and CIG High Plains Fuel Charges = 0.09% of MMBtu used) |
| Other Areas | Connected to CIG pipeline not in the core gas core delivery area. | If the CIG can provide IT transportation April through October and on Cold but not extremely cold days in the winter, then the charges will be full rate CIG IT commodity and FL&U | CIG Mainline IT Commodity Charges = $0.3128/MMBtu, and CIG Mainline Fuel Charges = 1.12% of MMBtu used |
| Denver Metro area or in Northern Colorado and Other Areas | Connected to the CIG pipeline not in the core gas delivery area where the IT services are limited in availability. Or to the PSCo or other gas LDC in an area with limited IT service. | If the CIG pipeline or the gas LDC cannot provide IT transportation April through October and on Cold but not extremely cold days in the winter, then we will work with CIG and / or the Gas LDC to determine what needs to be done to firm up the gas transport. This may require that the delta between the firm demand rate to provide service to a plant that meets these criteria versus the demand rate associated with providing firm deliveries to a plant in the core area be added to the cost of the gas transport. | Bid Specific, dependent on the project location |

* For the "CIG core gas delivery area" and "Denver Metro area or in Northern Colorado", use of CIG Mainline or High Plains rates is bid specific dependent on the project location/interconnections.

## 2017-10-27

**Q: Do we complete the Form-I for projects that have already filed for interconnection with the Company?**

A: No. As Appendix A of the RFP indicates, Form I need not be completed by a bidder who has already entered into a formal interconnection processes for their request. In lieu of a completed Form I, please attach your completed interconnection forms.

Please also use your interconnection queue number and associated cost estimates on Bid Form D2.

**Q: Does PSCo have a generalized transmission map I can use?**
A: A transmission map is available at PSCo's OASIS site:
http://www.oatioasis.com/PSCO/PSCOdocs/TransOwn-Serv_2014_T_-_24x36-CP_CURRENT_YEAR.PDF

## 2017-11-04

**Q: Where can I find the full ERP online?**
You can find the Direct Testimony and Exhibits here:

https://www.xcelenergy.com/company/rates_and_regulations/resource_plans/2016_psco_electric_resource_plan

On the "Testimony and Exhibits" tab. Other information, including additional testimony, Commission decisions, hearing transcripts and RRR can be found at the Commission's E-Filings repository:

https://www.dora.state.co.us/pls/efi/EFI_Search_UI.search

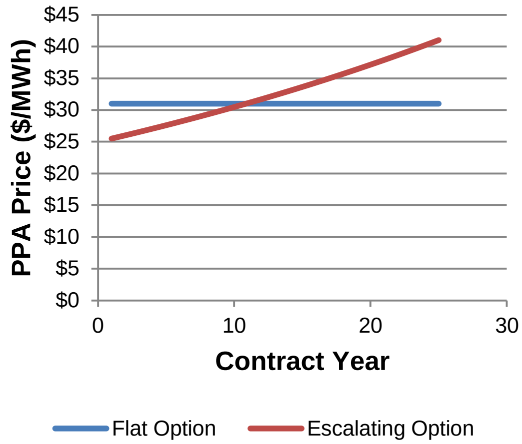
and search for docket number 16A-0396E.

**Q: What situations could proposals be considered a single bid and what would they be considered to be multiple bids? (Updated & Expanded from 2017-10-05)**
A: Please see section 4.8 of the RFP. In summary, see the following (non-exclusive) table:

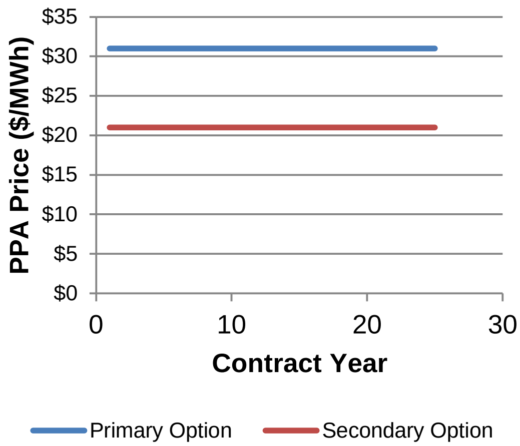
| **Situation** | **Consideration** |
|---|---|
| Multiple CODs | Multiple Bids |
| Multiple pricing schemes | See below |
| Multiple interconnection locations | Multiple Bids (if the interconnection location is the new switching station discussed in Section 3.2 of the RFP, a backup location may be proposed with no incremental bid fee) |
| Multiple commercial options (PPA & BOT) | Multiple Bids that are mutually exclusive; however, only a single bid fee is required |
| Multiple PPA term lengths | Multiple Bids |
| Multiple Nameplate Capacity Options | Multiple Bids |

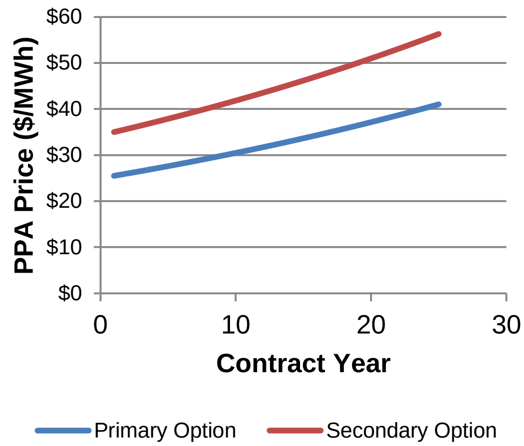
The Company would accept multiple options for price under a single bid fee, provided the intention is to reshape the revenue stream, for example by offering flat and escalating price options, and provided that the Present Value of these pricing options is approximately equal. The below graphics contain examples.

The Company would consider the options on this project to count under a single bid fee, since its options yield very similar Present Values,




but would likely consider these following proposals to count under separate bid fees,




as the Company would expect these differences in price to be reflective of some other material difference in these proposals, for example, differences in underlying technical configuration or equipment, difference in nameplate capacity, interconnection agreement, or possibly other factors.

One exception would be if the interconnection location is the new switching station discussed in Section 3.2 of the RFP, a backup location, along with an alternative nameplate capacity, may be proposed with no incremental bid fee. Another exception to this is indicated in Section 2.3 of the RFP document, where price is adjusted according to one or more known, published, and widely recognized indices.

These exceptions are not the only ones the Company would contemplate; neither would they necessarily be universally applied to every unique proposal. Furthermore, complete proposals will not be summarily thrown out on account of disputes over bid fees; bidders will have the opportunity to remedy any disputes regarding bid fees. However, in these cases, and any other cases where the proposed project would have, in essence, multiple options, even if the Company is not requiring multiple bid fees, the Company would still require multiple sets of bid forms.

**Q: If a single project is offered to 2 or 3 different RFPs (for example, Renewable & Semi-Dispatchable), should we send 2 physical copies and 2 electronic copies to each of these groups?**
A: Yes. Please see Section 4.6 of the relevant RFP documents for package and labeling requirements.

## 2017-11-17

**Q: What materials should I submit electronic copies of?**
A: Please provide an electronic copy of <u>all</u> relevant bid materials on CD, DVD, or flash drive. Please also include two hard copies of your complete proposal, including bid forms (but not including land acquisition contracts, surveys, title commitments, etc). See Appendix A of the RFP.

**Q: Regarding projects that intend to interconnect to the Rush Creek Gen Tie line, Appendix B of the RFP documents indicates that Public Service will treat the Tie Line in bid evaluation as a transmission project for which it has been granted a CPCN. Based on this statement, should bidders include any estimate of the annual costs to utilize the Gen Tie line to deliver energy to the Missile Site Substation in their Form D1 Pricing?**
A: No. Bidders proposing to utilize the Rush Creek Gen Tie line and deliver the project's full generation output to the Company at Missile Site Substation should not include any estimate of the annual costs to utilize the Gen Tie line to deliver to Missile Site in their proposed Form D1 Pricing. As indicated in Appendix B, the Company will also not allocate any such costs for bid evaluation purposes to such bids.

**Q: Regarding projects proposing to utilize the Rush Creek Gen Tie line in order to deliver generation to Missile Site Substation, what assumptions for Rush Creek Gen Tie line losses should bidders assume in their Form D1 Committed Energy and payment rates?**
A: The Company intends to file with FERC transmission tariff language that will assign transmission line losses to all generation projects interconnected to the Rush Creek Gen Tie line. These line loss calculations will impact the assumed levels of generation delivered to the Missile Site Substation and for which the Company will make payment under an executed PPA. Under the proposal that we intend to file with the FERC, all metered volume (measured where a generating facility connects to the Rush Creek Gen-Tie) will be grossed down using a static average loss factor to determine the delivered volume at the Missile Site Substation Point of Receipt. The volume of generation delivered to the Missile Site Substation will be equal to the metered volume of the generation at the generating facility's connection to the Rush Creek Gen-Tie times one minus the Rush Creek Gen-Tie Average Loss Factor.

<u>For bid evaluation purposes</u>, the Rush Creek Gen-Tie Average Loss Factor that should be assumed for an individual bid should be calculated utilizing the bid project's nameplate generation in MW and the expected annual energy capacity factor in the following equation: Rush Creek Gen-Tie Average Loss Factor = MW * NCF * 0.000025 + 0.0066. For example, a 400 MW project with an expected annual energy capacity factor of 0.45 should assume an average line loss of 1.11% for delivery to the Missile Site Substation; (400 MW * 0.45 NCF * 0.000025 + 0.0066 = 0.011 = 1.1%). Bidders proposing to interconnect to the Rush Creek Gen Tie line should clearly indicate the assumptions made in Form D1 Committed Energy and payment rates for Rush Creek Gen-Tie line losses in the Notes to Pricing text box on Form D1 and in cell C26 "Wheeling Losses" on Form D2.

The actual level of line losses that will be applied for actual generation projects interconnected to the Rush Creek Gen Tie line will be dependent upon FERC approval of the Company's proposal and the MW level and assumed annual energy capacity factors of generation ultimately interconnected to the line which can change over time.