

Q&A
Northern States Power Company
2019 Wind Resources RFP
April 16, 2019

1. Will Xcel Energy arrange to buy the RECs associated with the electricity as part of these power purchase agreements?

Please see [NSP 2019 Wind RFP Document \(PDF\)](#) section 2.2 on page 3: “The Company is seeking PPA wind agreements that convey all energy, capacity and environmental benefits generated from a proposed project”. The environmental benefits include the RECs associated with the electricity.

2. Section 4.3 states that bidders must submit “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”. Is NSP expecting print-outs (hard copies) of the Bidder Forms, or will those only be submitted electronically? Same question for a redline to the Model Wind PPA.

Bidder Forms must be submitted electronically, while all other documents contained in each proposal need to be submitted in hardcopy as well as electronically, including the redline Model Wind PPA. Bidder Forms 1, 2, and 10 must also be printed out, signed, and submitted in hardcopy form.

3. Does NSP have a preference for flat pricing vs a fixed annual escalator? If a fixed annual escalator is desirable, what escalator % is preferred?

Please see [NSP 2019 Wind RFP Document \(PDF\)](#) section 2.3 on page 4: “The Company’s preference is for fixed price proposals that contain a fixed base price and a fixed annual escalator. Respondents may not submit proposals with variable base year pricing”. There is a preference for a 2% escalator.

4. Is there any discussion around extending the deadline for proposal submittals? This is a tight turnaround.

At this moment, the RFP timeline is not being discussed nor negotiable.

5. The RFP document does not ask for any Notice of Intent. I am reaching out to re-confirm that a bidder is not required to submit a notice of intent or bidder qualification document before submitting its proposal on May 1, 2019.

Bidders are not required to submit a notice of intent prior to the bid due date of May 1, 2019.

6. Bidder Forms Tab 9-Production Profile asks for Maximum expected hourly generation (MWh) in row 15. Is NSP seeking output assuming a higher probability (e.g. P1) figure or the most generation produced in any given year when assuming a P50 NCF?

NSP is seeking the maximum expected hourly generation (MWh) assuming a P50 NCF.

7. Bidder Forms Tab 11-Interconnection Details; #7) Interconnection Upgrade Information: Can you please clarify what is meant by the following question “Does the upgrade cost estimate included in your proposal reflect the cost associated with Transmission Owner self-funding?” Is this referring to reimbursable network upgrades or something else?

The purpose of this question is to ensure that the Bidder takes into account all potential costs associated with interconnecting the project to the transmission system. In a somewhat recent FERC ruling, the transmission owners have been given the right to unilaterally elect to fund the capital (self-fund) for the Network Upgrades and Transmission Owner’s System Protection Facilities under Section 11.3 of the MISO pro-forma GIA and Section 3.2.1 of the MISO pro-forma FCA or MPFCA. While the ability to self-fund has been in the GIA for years, the ability for the transmission owner to unilaterally elect to self-fund is relatively new. As such, this provision could impact the interconnection costs associated with a project.

8. Our understanding is that projects sources for the Renewable*Connect program which this RFP is supporting does not get put into NSP’s base rates. If this is the case, is NSP planning to provide Purchaser Credit Support in PPA/s?

No, NSP does not provide Purchaser Credit Support in PPAs.

9. I understand we need MISO Zone 1. Would you be willing to analyze a project in another MISO Zone?

Please see [NSP 2019 Wind RFP Document \(PDF\)](#) section 2.2 on page 3: “The RFP Project must have a Point of Interconnection (“POI”) location within MISO in one of the following states where NSP customers or generation resources are located: Minnesota, North Dakota or South Dakota (“Project Region”).”