

**Request for Proposal
Solar Photovoltaic Pilot Program
Volumetric Bid Option**

Date: February 1, 2012

In accordance with procedures set forth in Oregon Public Utility Commission (“Commission”) Order No. 10-198, Oregon Administrative Rules (“OAR”) Chapter 860, Division 84 (“Solar Photovoltaic Pilot Programs Rules” or “Rules”), Pacific Power (the “Company”) is seeking to purchase the energy and environmental attributes from solar photovoltaic resources with nameplate capacities greater than 100 kilowatts direct current (“kW_{DC}”) but less than or equal to 500 kW_{DC}.¹ The Company will seek resources from Counterparties in this request for proposal “RFP” until a total installed nameplate capacity of 866 kW_{DC} is acquired. The Company may not solicit or accept capacity reservations that exceed 100 percent of its allocated annual capacity limit.

Winning bid(s) selection will be based on the lowest Bid Price only. In the event multiple bids are received with equal Bid Prices and the total Nameplate Capacity of the multiple bids exceed 866 kW_{DC}, the company reserves the right to request updated prices from Counterparties.

Counterparties’ Schedule Requirement

Capacity Reservation	Capacity Reservation begins when bidder receives notice of a successful bid.
Interconnection	Two months to file Interconnection Application from date of selection.
Expiration of Capacity Reservation	Capacity Reservation expires 6 months from the date an interconnection application is filed or within 12 months from the reservation start date whichever is longer if the system has not been installed. Once Capacity Reservation expires, bidder loses reservation and must reapply without preferential treatment.

¹The direct current (“DC”) rating is the total nameplate capacity of the power generation device(s) and does not include the effects caused by inefficiencies of power conversion.

Interested Counterparties must provide Pacific Power with the following information in this RFP on the attached Bid Response Form. The due date for bidder's response is April 2, 2012 by 5:00 p.m. Pacific Prevailing Time ("PPT") by e-mail or fax copy to:

Pacific Power- Oregon Solar Incentive Program
Attn: Jason Zappe
Fax: 503-331-4442
Phone: 503-813-5951
e-mail: oregonsolarrfp@pacificorp.com

It is the Counterparty's sole responsibility to confirm that their bid has been received by the Company prior to the due date and time. The Company will not accept bids after the due date and time regardless of reason, including, but not limited to, electronic transmission delays (regardless of who owns the equipment or the cause of the delay) or any other circumstance(s) beyond the control of the bidder. The Company strongly recommends that Counterparties submit bids sufficiently in advance of the due date and time to confirm receipt.

Pricing submitted by Counterparties shall be valid until midnight PPT fifteen (15) business days from the submittal due date.

Volumetric Bid Option RFP Terms:

Buyer: PacifiCorp doing business as Pacific Power

Seller: Counterparty (Resource does not have to self-certify as a PURPA Qualifying Facility ("QF") to participate)

Term: From the date both parties execute the definitive agreement to a date that is Fifteen (15) years following COD.

Product: All energy, net of system requirements, and Renewable Energy Certificates or "RECs"; "RECs" means all right, title and interest in and to Environmental Attributes, plus the REC Reporting Rights. "Environmental Attributes" means any and all credits, benefits, claims, emissions reductions, environmental air quality credits, and emissions reduction credits, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical, or other substance attributable to the generation of the Specified Energy by the Resource and the delivery of the Specified Energy to the electricity grid, and include without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur, or carbon, with particulate matter, soot, or mercury, or implementing the United

Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" with a view thereto, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator (collectively with any state or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, the "CAMD"), but specifically excluding only (i) the wind production tax credits, if any, and (ii) matters designated by Pacific Power as sources of liability or adverse wildlife or environmental impacts. "REC Reporting Rights" means the right to report to any agency, authority or other party, including without limitation under Section 1605(b) of the Energy Policy Act of 1992, or under any present or future domestic, international or foreign emissions trading program, exclusive ownership of the Environmental Attributes. "Specified Energy" means the number of megawatt-hours of electrical energy generated or to be generated by the Resource within the Vintage Period. One REC represents the Environmental Attributes attributable to the generation of 1 MWh of Specified Energy by the Resource and the delivery thereof to the electricity grid.

- Resource: Solar Photovoltaic
- Capacity: Resource Nameplate Capacity must be greater than 100 kW_{DC} but less than or equal to 500 kW_{DC}.
- COD: "COD" means the commercial operation date of associated Resource. The COD coincides with the first production of energy from the Resource. The Resource must be first operational and on-line after the launch of the Solar Photovoltaic Pilot Program pursuant to OAR 860-084-120(1)(e).
- Installation: The Resource must be permanently installed in the Oregon service territory of Pacific Power on the same property as the property where the Counterparty buys electricity from the electric company
- Ownership: The Counterparty must be a retail electricity consumer of Pacific Power. The Resource may be owned by the retail electricity consumer or a qualified third party pursuant to OAR 860-084-0130(4).

Interconnection: The Counterparty is responsible for compliance with all applicable standards, rules and codes required by the laws of Oregon, including interconnection. ***Interconnection shall take place at the primary voltage of the distribution feeder that services Counterparty's property.*** The Counterparty is responsible for all interconnection costs associated with Resources eligible for this RFP and should take into account the interconnection costs and timing of applying for and acquiring interconnection when submitting bid.

Volumetric Incentive Payment and Interconnection Agreement: The Counterparty is responsible for executing Pacific Power's Volumetric Incentive Payment and Interconnection Agreement upon successful bid. The standard contract is available at www.pacificcorp.com

Reservation Fee: \$20 per kW_{DC} of proposed system capacity, payable upon bid selection

Pacific Power reservation of rights and disclaimers:

Pacific Power reserves the right to reject as non responsive any or all bid proposals received for failure to meet any requirement of this RFP outlined here.

Counterparties who submit bid proposals do so without recourse against Pacific Power, its parent company, its affiliates and its subsidiaries, or against any director, officer, employee, agent or representative of any of them, for any modification or withdrawal of this RFP, rejection of any bid proposal, failure to enter into an agreement, or for any other reason relating to or arising out of this RFP.

Pacific Power may make bid amounts publicly available to the Oregon Public Utility Commission.

Contingencies:

These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of Pacific Power or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions. Neither party is obligated to enter into a transaction or definitive agreement with the other party and each party may cease discussions for any reason at any time.

Pacific Power Volumetric RFP - Bid Response Form

BIDDER INFORMATION

Counterparty Name _____

Contact Name _____

Phone Number _____

Address _____

Pacific Power Account Number _____

RESOURCE INFORMATION

Nameplate Capacity _____ kW_{DC}

Bid Price _____ per kWh

Resource Location if Different from
Contact Address _____

Point of Interconnection _____

Scheduled Commercial Operation Date _____

Return by e-mail or fax to:

It is the bidder's sole responsibility to confirm that their bid has been received by the Company prior to the due date and time. The Company will not accept bids after the due date and time regardless of reason, including, but not limited to, electronic transmission delays (regardless of who owns the equipment or the cause of the delay) or any other circumstance(s) beyond the control of the bidder. The Company strongly recommends that bidders submit bids sufficiently in advance of the due date and time to confirm receipt.
