

**City of Oberlin Municipal Light and Power System
(OMLPS)**

Request for Proposals

Totaling up to approximately

12 MW

Of name-plate rated

Base Load Renewable Energy Resources

Capable of being on-line no later than 12/31/2012

Proposal Issued Date

11-2-09

Proposal Due Date

12-2-09

1. Introduction

- 1.1 Oberlin Municipal Light and Power System (OMLPS), a municipal electric system of the City of Oberlin, Ohio is administering this Request for Proposals (RFP). OMLPS is requesting bids for up to approximately 12 MW of nameplate Renewable Energy Resources that can meet the City's base load (7x24) energy supply requirements.
- 1.2 OMLPS delivers electricity to more than 3,000 residential, small commercial and large commercial customers and has a peak load of approximately 22 megawatts.
- 1.3 With the retirement of a coal-fired generation resource and the expiration of several base load power supply contracts, OMLPS will have a base load energy need of approximately 12 megawatts beginning in January, 2013. OMLPS desires to acquire non-fossil fuel resources to meet its future base load energy requirements.
- 1.4 OMLPS is a full requirements wholesale electric member of American Municipal Power of Columbus, Ohio.

2. Purpose and Scope

The purpose of this solicitation is to fulfill a portion of OMLPS's baseload (7 x 24) energy and capacity requirements via Renewable Energy Resources. This RFP document solicits proposals to acquire energy and all associated capacity, ancillary services (if any) and environmental attributes including renewable energy credits (RECs) from Renewable Energy Resources that are capable of meeting the conditions of the RFP.

2.2 Product Description:

This RFP seeks to acquire up to approximately 12 MW of nameplate rated Renewable Energy Resources which are or will be interconnected to PJM or MISO, delivered to the First Energy Zone, capable of base load operation and capable of being operational by December 31, 2012. OMLPS expects to contract for the output of Renewable Energy Resources acquired pursuant to this RFP by means of one or more, 5 to 25 year, long-term power purchase agreements with a power delivery commencement date of January 1, 2013.

- 2.2.1 Renewable Energy Resources: OMLPS seeks proposals from Renewable Energy Resource facilities that can provide non-intermittent firm generation to the system at the nameplate rating of the facility. Non-exclusive examples of potential Renewable Energy non-intermittent firm generation technologies include biologically derived methane gas, and biomass energy, including non-treated woody waste from pulping or wood manufacturing process.

2.2.2 Bid Price Structure:

Renewable Energy Price: The renewable energy price shall be indicated for both capacity and energy and any other costs associated with delivering the full contracted energy output of the facility to the First Energy Zone in the MISO footprint. The capacity price shall be indicated on a per kw-month basis. The energy price shall be broken down into three pricing periods – Period 1, Period 2 and Period 3. Period 1 shall be the hours between Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) and HE 2300 EPT Monday through Saturday (excluding Holidays) during January 1 through February 28th

or (29th), May 15th through September 14 and December 1 and December 31. Period 2 shall be the hours between HE 0800 EPT and HE 2300 EPT Monday through Friday (excluding Holidays) during March 1 through May 14 and September 15 through November 30. Period 3 shall be all hours not included in Period 1 or Period 2. The following dates shall be considered Holidays for calculating energy payments:

- New Years Day (January 1 or January 2 if January 1 is a Sunday)
- Memorial Day
- Independence Day (July 4 or July 5 if July 4 is a Sunday)
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day (December 25 or December 26 if December 25 is a Sunday)

All-In Price: As an alternative, bidders may provide an all-in energy price on a \$ per mwh basis. Pricing must include all capital costs, fixed and variable O & M costs, and any other costs associated with delivering the full contracted energy output of the facility to the First Energy Zone in the MISO footprint.

2.2.3 Energy Price Escalation: Pricing proposals shall include escalation rates per year commencing one year after the execution of a purchase power agreement and thereafter on the anniversary date.

2.2.4 Delivery and Location: This RFP requests proposals from Renewable Energy Resources in which the interconnection point will be the PJM or MISO bus to which the generator is electrically connected. Information submitted to this RFP must include identification of proposed transmission and proposed interconnection points, identifying the transmission provider, the control area and the PJM or MISO queue number. For new projects, proposals should indicate the current status of interconnection studies and agreements.

2.2.5 Associated Attributes: For purposes of this solicitation, the sale of renewable energy to OMLPS includes the transfer of all capacity, ancillary services (if any) and environmental attributes including associated renewable energy certificates (RECs) and any other future environmental attributes, including any greenhouse gas emission reductions associated with the quantity contracted from the facility. Bidder may retain any production tax credits.

2.2.6 Guaranteed Availability: This RFP requests proposals from Renewable Energy Resources which can guarantee availability of 85% or better at nameplate rated capacity. Bidders shall provide explanation of how OMLPS will be compensated if guarantee is not met. OMLPS will require any final contract to contain appropriate penalty or liquidated damage provisions to address situations where the actual availability of power falls below the availability guarantee proposed by the bidder.

3. **Bidder's Responsibilities**

3.1 Timely Submission of Bids

It is the bidder's responsibility to submit all requested material by the deadline specified in this RFP.

3.2 Valid Proposal Duration

Bid pricing must be valid for minimum of sixty (60) days after the Proposal Due Date. Bidders who can provide valid pricing for longer than 60 days shall indicate the expiration date of the proposal on (Appendix C).

3.3 Compliance with Federal and State Regulations

Upon request, bidders must provide documentation that will enable OMLPS to assess the bidder's ability to comply with all federal and state regulation, and to obtain all permits, licenses and approvals necessary to construct and operate the project.

3.4 Clarification of Proposals

While evaluating proposals, OMLPS may request additional information about any item in the proposal. All requests will be made in writing, and the bidder will be required to respond to the request within five (5) business days of receipt of such request.

4. **Proposal Content Requirements**

4.1 Bidder's Information

Proposals must provide the name of company, its address, and any company representative(s) (name, phone number and email address). (Appendix A)

4.1.1 No Proposal Information - OMLPS is interested in hearing back from all potential renewable energy providers, even though you may not be able to provide a proposal at this time. If you are not providing a complete response, please complete and return Appendix A only for our information.

4.2 Facility Information

In addition to completing (Appendix B) – Bid Summary, proposals must also include narratives containing adequate detail to allow OMLPS to evaluate the merits and credibility of the proposed resources. Respondents must address the following topics:

4.2.1 Size – Proposals must provide the project acreage and nameplate rating (Appendix B)

For Biomass Energy / Biologically Derived Methane Gas / Energy Derived from non-treated by-products of the pulping process or wood manufacturing process including bark, wood chips, sawdust and in spent pulp liquors.

Proposals shall include information describing applicable fuel types, fuel sources, fuel contracts, fuel procurement/transportation plans, fuel price risk and availability risk issues. Proposals involving combustion type resources shall also include combustion process by-product emission rates, including SO_x, NO_x, CO₂, methane, nitrous oxide, CFCs, HCFCs, heavy metals, halides, unburned hydrocarbons and other emissions in gaseous or liquid form, dissolved in another liquid or mixed with a solid for offsite disposal. Describe the quantity and type of all environmental permits for air and water compliance required to develop the project, and if such permits and approvals are not already in the bidder's possession, provide information regarding the plan and schedule to acquire such permits and associated approvals. Proposals should also include gas production forecast for resources identified, including decay rate of gas production from landfill or digester processes for closed or active sources, and forecast for future sources planned.

- 4.2.2 Energy Production Profile – All proposals must provide an 8,760 hourly energy production profile for a typical calendar year.
- 4.2.3 Location – Proposals must include project location, the merits of the selected site, and the proposed land rights (including permitting issues). Provide copies or summaries of leases, easements, and/or other ownership documents that demonstrate that the bidder has control of the intended project properties and the legal right to construct, interconnect and operate the project as described.
- 4.2.4 Project Layout – Proposals must show anticipated placement of project facilities, including transmission layouts and the Point of Delivery.
- 4.2.5 Reliability of Proposed Technology – Proposals must provide the description, size, number and manufacturer of the generation equipment that will be used, including a summary of the commercial operating experience of the equipment chosen. For existing plants, bidders should provide 5 years of historical performance data including availability, capacity factor, output, heat rate, forced outage rate, scheduled outage rate, and other similar data.
- 4.2.6 Interconnection – Proposals must include copies of all studies prepared or required by PJM or MISO.
- 4.2.7 Project and Construction Schedule – Schedules must include major milestones such as completion of permitting, financing, regulatory requirements, major construction, testing, Commercial Operation Date, etc.
- 4.2.8 Financing Plan – Bidders must provide a proposed financing plan, including any letters of support, previous correspondence with bank/lenders intending to provide financing for the project. Also provide the proposed on-going debt-equity ratio to be carried by the project during construction and during operation. For existing projects, bidders should provide 3 years of historical debt service coverage ratios.
- 4.3 Proposal Pricing - Bidder shall complete (Appendix C) – Bid Price Input Sheet as described in sections' 2.2.2 and 2.2.3. Bidder shall also indicate the proposed contract term for the output of the Renewable Energy Resources on Appendix C.
- 4.3 Experience and References
Provide a general description of the bidder's background and experience in utility scale renewable energy power projects similar to its proposal, including any affiliated companies, holding companies, subsidiaries or predecessor companies presently or in the past engaged in developing renewable energy power supply projects. In addition, provide three (3) or more references from projects where the bidder, or any of its affiliates, has completed the development and construction of a power project similar to the one proposed to OMLPS. If the bidder has fewer than three similar projects, it shall provide as many references as possible. (Appendix D)
- 4.4 Creditworthiness
OMLPS prefers bidders that can reasonably demonstrate the ability to obtain credit support in the future from credit support providers (banks, parent companies, financial institutions). These credit support providers should demonstrate a high level of creditworthiness, as gauged from the Credit Application in (Appendix E).

5. **Minimum Bid Eligibility Requirements**

This section outlines the minimum requirements that all proposals must meet to be eligible to participate in this RFP. Proposals unable to meet the following criteria will be deemed to be ineligible and not be considered for further evaluation.

- 5.1 Proposals must include all applicable content requirements described in Section 4, including all requested information and completed appendices.
- 5.2 Proposals must offer documentation that shows an acceptable level of development, credit, and technology risk, as determined by OMLPS' bid evaluation team.
- 5.3 Proposals must demonstrate that the bidder's project development members have successfully completed the development, financing and commissioning of at least one project in North America with characteristics similar to the proposed project, and that it intends to use experienced suppliers and contractors to construct the project.

6. **Bid Evaluation**

The objective of the OMLPS bid evaluation is to identify the proposal or proposals which best meet the needs identified in this solicitation. The evaluation process will include an assessment of both economic and non-economic criteria. Non-economic factors will be assessed through a due diligence process that will gauge the relative risks and benefits of the proposal. A bid evaluation team will evaluate and select bids, and subject matter experts may directly contact bidders during the bid evaluation stage. OMLPS reserves the right not to engage in any post-bid negotiations with any bidder who submits a proposal under this RFP solicitation.

7. **Submittal of Proposals**

Two (2) original hardcopies and one (1) electronic copy of the proposals must be submitted at the following address no later than 12:00pm EST on by November 30, 2009.

Oberlin Municipal Light and Power System
Attn: Steve Dupee, Electric Director
289 South Professor Street
Oberlin OH 44074
sdupee@omlps.org
(440) 775-7261

The preparation and submission of all project proposals will be at the expense of the bidder. All proposals shall remain sealed until expiration of the solicitation period. Proposals must be signed by an authorized representative. Questions regarding this RFP shall be submitted via email to sdupee@omlps.org.

Appendix A

Part A: Expression of Interest Form

Note that completion of all information is required.

This response is an indication of our interest in the OMLPS Request for nameplate renewable energy facilities capable of being operational by December 31, 2012. This response also establishes contact information for future communications regarding this RFP.

Company: _____
(Legal name of entity of intended signatory to a contract)

Contact Name: _____

Contact Title: _____

Address: _____

City: _____

Phone Number: _____

Fax Number: _____

E-mail address: _____

Interconnected to MISO _____ PJM _____

Resource Type: _____

Authorized Signature and Date _____

Part B: No Proposal Form

(Complete only if not submitting a bid on subsequent sections.)

This response is an indication of our interest in the OMLPS, however due to the following reasons, our firm is not responding at this time. (Please check any of the following that apply.) Thank you!

- ☐ Insufficient time to complete/submit bid
- ☐ Cannot supply baseload renewable power on the terms outlined
- ☐ Baseload renewable power will not be available until after 2013
- ☐ Other: _____

Appendix B

Bid Summary

Project Name _____

Commercial Operation Date (mm/dd/yy) _____

Estimated Commercial Operation Date (complete only if facility is not currently operational) (mm/dd/yy)

Name Plate (MW) _____

Expected Annual Availability (%) _____

Expected Annual Production (MWh) _____

Site Information:

Site Address/Legal Description _____

County: _____ City: _____ State: _____ Zip: _____

Site Control: _____ Already Own Site

_____ Site Purchase Pending

_____ Currently lease site % (acres) leased _____

Is there potential for expansion? Y _____ N _____

Transmission Interconnection:

Point of Delivery: _____

Please provide the following information for project facilities proposed in this RFP that are not currently in commercial operation.

Has a PJM or MISO feasibility study been performed for the proposed project?

Y _____ N _____

Please attach a copy of all PJM or MISO interconnection studies and / or the expected completion date

PJM or MISO Interconnection queue # : _____

Permits:

Have you contacted permitting agencies regarding this project, and identified the necessary permits?

City: Yes: ___ No: ___ County: Yes: ___ No: ___ State: Yes: ___ No: ___

Federal: Yes: ___ No: ___

On an additional sheet, list and describe all city, county, state and federal permits required for this project. Include: status, duration, planned steps, critical milestones and acquisition timeline.

Reliability of Proposed Technology:

Has a final equipment selection been made? Y___ N___

If yes, provide the major equipment information:

Quantity _____ Size _____ Manufacturer _____

Please attach a summary of the equipment warranty terms.

If no, please provide the major equipment manufacturer candidates:

1. _____

2. _____

Please attach a description of the status and scheduled selection process.

Appendix C

Bid Price Input Sheet

Capacity	\$_____per Kw month
Period 1	\$_____/MWh
Period 2	\$_____/MWh
Period 3	\$_____/MWh
Escalation Factor	_____% or proposed indices
Contract Term	_____ years

Period 1 - hours between Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) and HE 2300 EPT Monday through Saturday (excluding Holidays) during January 1 through February 28th or (29th), May 15th through September 14 and December 1 and December 31.

Period 2 - hours between HE 0800 EPT and HE 2300 EPT Monday through Friday (excluding Holidays) during March 1 through May 14 and September 15 through November 30.

Period 3 - hours not included in Period 1 or Period 2.

The following dates shall be considered Holidays for calculating energy payments:

- New Years Day (January 1 or January 2 if January 1 is a Sunday)
- Memorial Day
- Independence Day (July 4 or July 5 if July 4 is a Sunday)
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day (December 25 or December 26 if December 25 is a Sunday)

Alternate "All-in Price"

Energy Price	\$_____per MWH
Escalation Factor Energy Price	_____% or proposed indices
Contract Term	_____ years

Prices will be binding 60 days after Proposal Due Date unless noted otherwise below.

Expiration Date of Pricing (if longer than 60 days from proposal due date)

Appendix D

Bidder Profile

Please list Bidder's Affiliate companies:

Please attach a summary of Bidder's background and experience in Renewable Energy Resource projects.

References:

1. Company

Contact Name:

Contact Number:

Project:

2. Company

Contact Name:

Contact Number:

Project:

3. Company

Contact Name:

Contact Number:

Project:

Appendix E

Bidder's Credit-Related Information

Provide the following data to enable OMLPS to assess the financial viability of the bidder as well as the entity providing the credit support on behalf of the bidder (if applicable). Include any additional sheets and materials with this Appendix as necessary. As necessary, please specify whether the information provided is for the bidder, its parent or the entity providing the credit support on behalf of the bidder.

Full Legal Name of the Bidder: _____

Type of Organization: (Corporation, Partnership, etc.) _____

Bidder's Percent Ownership in Proposed Project: _____

Full Legal Name(s) of Parent Corporation _____

Entity Providing Credit Support on Behalf of Bidder (if applicable) _____

Address for each entity referenced (provide additional sheets, if necessary) _____

Type of Relationship _____

Current Senior Unsecured Debt Rating from each of S & P and Moody's Rating _____

Agencies (specify the entity these ratings are for) _____

Bank References & Name of Institution: _____

Bank Contact: Name, Title, Address and Phone Number: _____

Pending Legal Disputes, if any (describe): _____

Financial Statements: (Please provide copies of the Annual Reports for the three most recent fiscal years and quarterly report for the most recent quarter ended, if available. If available electronically, please provide link. _____