

EPE 2017 All Source RFP for Electric Power Supply and Load Management Resources

Bidder Questions and Responses

9/20/2017

	Question	Submitted Date	Response
1	Is there any value in attending in person versus via the teleconference / web conference?	7/6/2017	EPE will open the Pre Bid Conference to both in person and teleconference/web conference at the bidder option. Both in person and teleconference/web conference will have access to the same material and discussions therefore should be of equal value. EPE will post all material to be handed out at the meeting on its Resource Planning web page per the RFP document.
2	Could you advise on how to register to attend the Pre-Bid conference via the web?	7/6/2017	Potential bidders who anticipate participating in the Pre Bid Meeting can RSVP by email to epe_resource_planning@epelectric.com, to notify of attendance. For those who plan to participate in the Pre-Bid Meeting via web conference, please refer to EPE's Resource Planning web page for instructions on how to join the web conference.
3	Is EPE looking to do a combination or did you have a preference for any particular source	7/6/2017	EPE's preference is for firm, long-term, cost effective, dispatchable and reliable electric resources to commence operations by EPE's 2022-2023 summer peak season, which can provide high availability, guarantee generation output during its peak hours (May through September) as well as guarantee a minimum annual generation output. EPE will consider acquiring a single resource or a combination of supply-side and/or demand-side resources that will provide the best portfolio mix to reliably meet its customer demand in the most economical manner.
4	Is the plan for the EPE proposal to go through a similar evaluation as listed in the RFP? (i.e. threshold evaluation, economic evaluation, shortlist, etc.)	7/6/2017	EPE's self-bid into any of its RFP processes have been and will continue to be treated in an unbiased manner. Therefore, the EPE self-bid is obligated to follow the RFP requirements spelled out in the RFP document and will be subject to the exact evaluation criteria as all other Bidders who respond to the RFP. In addition, EPE hires an Independent Evaluator to ensure that EPE's self-bid does not receive any preferential treatment and that the process is conducted in a fair and transparent manner.
5	If waste heat recovery technology will be creating baseload, non-intermittent generation, will it be classified as a non-intermittent renewable resource?	7/7/2017	Not knowing the specifics of the project to be proposed and answering solely on the basis of a waste heat recovery system, this "technology" has not typically been categorized as a renewable resource. The project would have to be evaluated based on its overall operational characteristics in order for EPE to be able to categorize it appropriately. However, EPE will first assess the project's viability regardless of its category.
6	Should bidders submit a Notice of Intent to Bid each proposal if anticipating to submit multiple bids?	7/14/2017	One Notice of Intent to Bid is sufficient from each bidding company. Please include a description of intended submitted proposals in the one Notice of Intent to Bid.
7	Would EPE consider proposals for delivery at Palo Verde, A2?	7/14/2017	Please reference Section 4.2 of the RFP: EPE's requirement for delivery to "EPE's transmission system". EPE defines that as an EPE transmission point that is contiguously connected to EPE's local transmission system serving native load. The Palo Verde transmission assets that EPE owns are not contiguous to the EPE local system and would therefore require proposals to address the requirement for delivery to EPE's local system.
10	Bid fee of \$2,500 and "\$500 per option" is listed in RFP. Can you define the word "option" in detail please?	7/17/2017	A "proposal option" is to be defined by resource type and site location. The first "proposal option" is at a submittal fee of \$2,500. Any variations in commercial structure, capacity increments, pricing options or delivery dates will be considered within that first option. Any change in resource type or site location will be considered an additional option, subject to a submittal fee of \$2,500. The initial \$2,500 fee will cover a total of four options (the initial option plus three additional options). Any additional options above four will be at a cost of \$500 each. If a bidder has a specific option or alternative to propose and is not sure of the appropriate fee structure, the bidder should submit a description of the option to EPE for clarification. Resource type examples: Combustion Turbine, Combined Cycle, Recirculating Engines, Photovoltaic (with or without storage)
14	Is there a preferred PPA term or PPA price escalator for EPE?	7/17/2017	EPE's preference is a fixed energy cost for PPA proposals with a 20 year term. However EPE is open to review proposals with different commercial terms.
15	EPE is allowed to propose into the RFP directly as a bidder as the RFP states. Is it safe to assume EPE would be required to meet its NMPRC allowed rate of return for any proposed project/s? Is that rate of return public information and will EPE share it?	7/17/2017	EPE will be evaluating proposals from a rate payers perspective. EPE will take into consideration rate of return for all projects in which EPE has ownership. The rate of return will be equally applied to those scenarios where applicable in comparing proposals. EPE's regulatory orders that allow for a rate of return are public information and are made available through the regulatory entities.
16	Is there a particular discount rate EPE uses to evaluate escalators and/or cash flows when reviewing pricing and related variables?	7/17/2017	EPE's discount rate is internally developed for use to evaluate alternative projects and for other financial purposes. EPE's discount rate is not publicly provided.
19	Is this the first time EPE is taking an all-source approach to address future electric capacity resource needs? If not, when was this approach used in the past and what was the outcome?	7/17/2017	EPE issued a peaking RFP in 2011 that was open to various peaking resources and resulted in 50 MW solar PPA and 4 combustion turbines. The eligible resources allowed in the RFP essentially led to an all-source type solicitation.
20	Are there circumstances under which EPE may decide not to enter into a contract for additional electric resources? If so please explain. Does EPE intend to procure the full 370 MW of capacity with this RFP and under what circumstances may it decide to procure less?	7/17/2017	Any significant changes in our Load & Resources and ability to get regulatory approvals could impact the determination to enter into contract. This RFP will be running in parallel with the 2018 IRP process and EPE will be reviewing its planned retirement dates for existing units. Yes, EPE's intention is to procure the 370 MW. Issuance of the RFP is a listed action item in the four year action plan of EPE's 2015 IRP.
21	Please define a bid option. Is it a combination of capacity, product attributes, online date, price, and contract duration?	7/17/2017	Please refer to the response in Question-10. A "proposal option" is to be defined by resource type and site location. The first "proposal option" is at a submittal fee of \$2,500. Any variations

22	Is EPE seeking or will it attribute higher value to resources that are available during specific summer peak hours (ex. 5 to 8 pm)? If so what are those hours?	7/17/2017	Yes, please refer to Section 1 Introduction of the RFP.
23	Is EPE open to contracting for a solution that employs a combination of customer sited resources? For example solar + storage or storage + demand response. Are energy efficiency resources allowed?	7/17/2017	Yes, EPE will consider all source supply and demand side resources in addition to energy storage.
24	Load management resources. The RFP states that load management projects with current customers will be preferred. Please provide more detail on how EPE defines projects with current customers? Must these current projects be located in EPE service area?	7/17/2017	The reference of "current customers" is with regard to programs which may already have agreements with national or regional chains that happen to have sites in EPE's service territory.
25	Valuation questions a. Are there areas within EPE's transmission or distribution grid whereby local resources could provide higher value than in other locations? If so will EPE attribute additional value to resources that offer such locational benefits and flexibility? b. Will EPE attribute additional value to fast responding (ex. 1 min vs. 10 min vs 1 hr vs day ahead), dispatchable resources? If so how? c. Will EPE attribute option value that more modular resources offer. Specifically such resources	7/17/2017	A) Yes, please refer to Section 4.2 Location and Transmission Requirements. EPE will review proposals to include costs associated with System Upgrade Costs. B) EPE requires proposals with dispatchability capability, however the amount of responsiveness required will be influenced by the resource mix of the proposals being considered. C) We will evaluate modular resources as part of a resource portfolio to meet our load requirements, however we do not currently place a higher value to modularity. D) EPE is primarily looking to meet peak load with firm dispatchable resources in the most cost effective manner. All things being equal these aspects may become
28	For customer sited resources does EPE have a preference to co-brand and/or offer and sell such resources as a joint EPE/vendor offered solution? Or would EPE prefer that contracted third party vendors offer the solution without EPE branding.	7/17/2017	EPE has not made that determination at this time. Will do when applicable and dependent on the characteristics of the program.
29	For load management resources, does EPE have a desired daily time window for summer dispatch? Is there a minimum number of hours and preferred number of required per dispatch? Is there a minimum or preferred number of days per month of availability and consecutive dispatch days? Is there value to load management resources in the winter months?	7/17/2017	As Per Section 1 Introduction of the RFP the preference is May-Sep hours 1:00 pm to 6:00 pm MST. The proposals output characteristics will be taken into account for those times. Any proposals output yearly profile will be taken into consideration for modeling.
30	Please describe the current EPE and joint EPE/third party programs offered to EPE's C&I customers.	7/17/2017	Please refer to EPE's website for public information on such programs.
31	I've looked through the available resources on EPE's website and couldn't find anything super helpful in terms of mapping the transmission grid for the purposes of serving this RFP. Have I missed something or are there other materials you might be able to point me towards? Even a higher quality version of the map provided in the RFP would be helpful.	7/17/2017	EPE's Service Territory Transmission Map is located at the following link https://www.epelectric.com/transmission/documents .
32	I'm also interested in knowing if there are there intermediate voltages (between the 69kV transmission lines and 13.8kV distribution lines) that would be able to support more than the 10MW cap on the 13.8kV lines? If so where can I find a map of/more info on that system?	7/17/2017	EPE's Service Territory Transmission Map is located at the following link https://www.epelectric.com/transmission/documents . As per the RFP any additional questions related to EPE's transmission system or services must be directed to EPE's System Planning Group, Mr. David Tovar at dtovar@epelectric.com .
33	Please clarify the meaning of alternative options. Is the intent for alternative options to mean different types of technology or the options within a technology offering? Or will the same technology offering with phased commercial dates be considered alternate offerings. Or will EPE advise at the point of the RFP response?	7/18/2017	A "proposal option" is to be defined by resource type and site location. The first "proposal option" is at a submittal fee of \$2,500. Any variations in commercial structure, capacity increments, pricing options or delivery dates will be considered within that first option. Any change in resource type or site location will be considered an additional option, subject to a submittal fee of \$2,500. The initial \$2,500 fee will cover a total of four options (the initial option plus three additional options). Any additional options above four will be at a cost of \$500 each. If
34	Please provide additional requirements for the ancillary services in section 4.3 (last paragraph)? Please provide requirements for a conventional combined cycle and distributed generation.	7/18/2017	Ancillary Services is referred as type of grid support characteristics typical of conventional generations such as voltage support, frequency response, governor control, load following and reserves.
35	Please provide additional guidance or specification on the NERC Critical Infrastructure Compliant ("CIP") requirement?	7/18/2017	EPE requests bidders to reference the NERC CIP Standards for their proposal consideration.
36	Please provide the combined cycle option emission requirements for a proposed facility site in El Paso (TX.) and/or Doña Ana (NM.) County?	7/18/2017	Bidders are required to research the permitted emissions requirements for the site locations being considered. Bidder's are responsible for ensuring proposals being submitted will be compliant and can be permitted as proposed. As defined in the RFP, bidders are to supply a listing of all identified permits that will be required along with lead-times for acquisition. (Verify Environmental-Jessica)
37	Please confirm the high temperature is 98 degrees Fahrenheit in intended by the statement "1% summer design case - identify those conditions" or advise if the temperature is different.	7/18/2017	For proposal purposes with El Paso, TX consideration please use 105 degree Fahrenheit with 25 % relative humidity and approximately 3,800 feet elevation with a design 1% tolerance. For proposals outside the El Paso area, bidders are to specify the assumed conditions when specifying resource operational capability.
38	Please indicate the target number of operation hours for liquid fuel storage.	7/18/2017	For conventional generation, fuel oil is to be used for emergency purposes related to a natural gas interruption. Specific fuel oil capacities required for a future resource are contingent upon EPE's generation portfolio as a whole and have not been defined. For proposal purposes please size fuel oil facilities for which oil storage facilities along with storage refueling allow for a 7-day supply to cover an interruption of natural gas at a 100 % capacity factor and a separate option at 70 % capacity factor.
39	Please provide estimated intermediate starts and hours for the simple and combined cycle configuration.	7/18/2017	Bidders are to provide in their proposals the assumptions for number of startup and run hours on which they base any cost numbers. Proposals should include balance of plant that can ensure full availability. Number of starts and run hours will be contingent on the resource mix that is being evaluated as part of the RFP. The RFP states that EPE is interesting is interested in dispatchability and flexibility to include the ability for daily cycling.
40	For the 50 MW request by 2022 for conventional generation with peaking capabilities what is the expected number of starts per year and capacity factor	7/20/2017	Bidders are to provide in their proposals the assumptions for number of startup and run hours on which they base any cost numbers. Proposals should include balance of plant that can ensure full availability. Number of starts and run hours will be contingent on the resource mix that is being evaluated as part of the RFP. The RFP states that EPE is interesting is interested in dispatchability and flexibility to include the ability for daily cycling.

41	For the 320-370 MW request for a one-on-one combined cycle operating in combined cycle mode what is the expected number of starts per year and capacity factor?	7/20/2017	Bidders are to provide in their proposals the assumptions for number of startup and run hours on which they base any cost numbers. Proposals should include balance of plant that can ensure full availability. Number of starts and run hours will be contingent on the resource mix that is being evaluated as part of the RFP. The RFP states that EPE is interested in dispatchability and flexibility to include the ability for daily cycling.
42	For the 320-370 MW request for a one-on-one combined cycle operating in simple cycle mode what is the expected number of starts per year and capacity factor?	7/20/2017	Bidders are to provide in their proposals the assumptions for number of startup and run hours on which they base any cost numbers. Proposals should include balance of plant that can ensure full availability. Number of starts and run hours will be contingent on the resource mix that is being evaluated as part of the RFP. The RFP states that EPE is interested in dispatchability and flexibility to include the ability for daily cycling.
43	How will EPE account for / factor in the fact that Storage technology will be far greater developed in 2022 – 2023 ?	7/24/2017	EPE expects that bidders will incorporate the expected improvements and cost implications in their proposals.
44	Will EPE-initiated curtailment still require EPE to pay for energy that would have otherwise been produced ?	7/24/2017	EPE is open to commercial structuring options of bidder proposals to take curtailment into consideration.
45	For the Levelized Cost evaluation, particularly for thermal assets, how will dispatch (run hours, number of starts, etc.) be estimated if that is to be included?	7/19/2017	EPE would use a similar capacity factor by resource type to evaluate a levelized cost of energy.
46	If we submit 4 sites as part of our Proposal Package, does this constitute the 4 Option limit and therefore the \$2500 fee?	7/19/2017	Yes, 4 different sites is considered 4 proposals. Please see the response to Questions 10 and 12.
47	For the purpose of analyzing capacity values for intermittent resources and storage values, will EPE provide us historical summer peak load data (average or daily) etc. at 15 minute interval data levels so we can model, customize and quantify better for our proposal/s?	7/19/2017	Load Profiles for a summer peak and low load month can be seen on the New Mexico Intergated Resource Plan presentations at the following link https://www.epelectric.com/files/html/IRP_PP_Final_5-25-17.pdf .
48	1. EPE is allowed to propose into the RFP directly as a bidder as the RFP states. Is it safe to assume EPE would be required to meet its NMPRC allowed rate of return for any proposed	7/19/2017	1. EPE will be evaluating proposals from a rate payers perspective. EPE will take into consideration rate of return for all projects in which EPE has ownership. The rate of return will be
49	Will you consider equity participation in proposed project not existing	7/19/2017	EPE will evaluate proposals that are currently not existing.
50	What is self build and affiliate option? Is that related to on-grid off grid?	7/19/2017	Self Build is an industry reference for when a utility will submit its own proposal as part of the competing RFP process.
51	During the open question forum at the Bidder's Pre-Bid Meeting, a question was asked regarding EPE's on-peak hours for which it is requesting firm capacity and energy. In the response, it was specified that these are HE 1:00 pm to 6:00pm and this includes a full six hours. The RFP (pg. 13) states on peak hours are between 1:00PM to 6:00PM MST and Section 9.3 of Attachments specifies 5 hours for "on-peak". Should we assume HE 14-18 (1:00pm-6:00pm)?	7/19/2017	This is considered 6 hours.
52	Regarding the evaluation process, it was stated that EPE would group according to resource type and evaluate based on a levelized cost analysis. For renewable resources paired with energy storage, will the renewables + storage offering will be evaluated within a separate group?	7/19/2017	EPE understands Solar and Solar plus Energy Storage proposals have diverse operating characteristics and costs. EPE currently has not made this determination at this stage of the RFP, but will appropriately take into consideration the differences.
54	It was mentioned during the presentation that Merrimak will serve as an independent Evaluator. How independent will this company be?	7/19/2017	EPE contracted Merrimak to be an independent evaluator to ensure there is a fair and unbiased evaluation.
55	Can EPE describe its appetite for true renewables such as solar?	7/19/2017	EPE has not pre-determined amounts or caps on the amount of renewables it will consider awarding. EPE is open to renewable resources; however, EPE will evaluate proposals while taking
56	How is EPE going to evaluate proposals across resource type?	7/19/2017	The initial comparisons will be done within resource type categories. EPE has not predefined resource type categories. EPE will make that determination upon review of the proposals and variety of proposals submitted. The identified top bids across the various resource categories will be analyzed via a capacity expansion model which will help identify the resources that result in the most cost effective resource portfolio.
57	Does battery storage behind the meter considered a demand side resource?	7/19/2017	EPE has currently not determine how battery storage behind the meter will be evaluated. Each resource proposal is required to complete the input table spreadsheet for EPE to review. When submitting your proposal, utilize the spreadsheet which you feel most closely fits your resource type and characteristics. Bidders may provide any clarifying comments if they feel the need to further explain the information they provide in the templates.
58	What timeframe do you expect for regulatory approvals?	7/19/2017	Sources selected from this RFP are to serve peak load and are considered system resources and would require approval from TX and NM state regulators. The regulatory process is typically 12 months but may be up to 15 months from the initial submission.

59	Is the self-build option submitting the entire capacity?	7/19/2017	EPE is not aware what the power generation side of EPE will be submitting. EPE's Resource Planning has dissociated itself from self-bid discussions or preparations to ensure a fair and transparent process for all bidders.
60	Is the self-build option going to be evaluated on a 30 year or 20 year economics?	7/19/2017	Term evaluation will be dependent on the type of proposal and expected life of the asset.
61	The RFP states holding the price fixed for a term of 365 days. Would EPE consider certain portions of a proposal to be at an index?	7/19/2017	General preference is to holding price firm. EPE does allow for some indices consideration. EPE would have to research on specific resource type pricing risks and any proposed indices.
62	Would EPE consider a resource that is available earlier than the requested in the RFP?	7/19/2017	EPE does have interest in reviewing projects with an earlier delivery date as alternative options. The RFP does request bidders to submit an alternative option if their proposals have the ability to be available earlier. However, bidders should submit the primary proposal within the 2022 to 2023 dates defined.
63	Clarification on seeking regulatory approval: Is the process for a contract to be executed first prior to seeking regulatory approval?	7/19/2017	Yes, EPE requires an executed contract defining pricing and terms in order to be able to seek regulatory approval. The executed contract will have clauses stating the contract is contingent on obtaining regulatory approval prior to taking effect.
64	RFP states preference is for summer peaking hours 1- 6 pm. Is this Inclusive, is that 6 or 5 hours?	7/19/2017	This is considered 6 hours (hour ending 1 to hour ending 6).
65	Demand and energy can be evaluated at 100 % demand response vs.100% energy what is EPE's approach for demand response proposals?	7/19/2017	EPE will review demand response capacity and duration and number of times can then equate into an energy profile for evaluation purposes.
66	On the supply side resources how many hours will it be evaluated on per year?	7/19/2017	The initial levelized cost of energy comparison within resource type categories may be performed with uniform capacity factor assumptions for each category type. However, the capacity expansion model will review all proposals on their year round output profile and/or availability to determine the most cost effective portfolio. The capacity expansion model will determine the most cost effective dispatch of resources.
67	Will you provide guidance on how evaluation for energy vs demand side proposals will be evaluated.	7/19/2017	EPE recognizes there are different characteristics for these type of proposals and EPE will review. However, ultimately EPE is looking to identify the most cost effective portfolio resources to reliably meet peak load.
68	Will EPE attribute higher value to resources with locational benefits to EPE such as a resource that provides voltage support, faster in responding then compared to other resources, ancillary services?	7/19/2017	EPE will take into consideration and analyze required system network upgrade costs which will in part evaluate the locational aspects of competing proposals. Additionally, EPE will take into consideration reliability risk associated with EPE's remote location relative to WECC and existing transmission import constraints. EPE recognizes the benefits of a flexible resource portfolio, consideration on a resource's response time will be evaluated within a portfolio based on the various proposals received.
69	Will EPE take into consideration Green House Gas economic impact?	7/19/2017	EPE will take into consideration GHG implications where there are economic impacts such as with carbon or NOx credits. If there are competing proposals where economics and operating characteristics are equal, more consideration may be given to environmental and GHG impacts.
70	Will there be consideration for government entities such as city of El Paso entities for demand response rates?	7/19/2017	EPE may look into that as part of a general resource planning process, however not part of this competitive RFP. Potentially can be considered through IRP for an interruptible rate.
71	If EPE determines interruptible rates are a better way to go how will EPE cancel contracts related to this RFP?	7/19/2017	This RFP is being issued in accordance with the 4 year action plan of the 2015 New Mexico Integrated Resource Plan ("IRP"). The New Mexico IRP has a 3 year cycle requirement and EPE is presently in its next IRP cycle with the IRP filing due in July 2018. EPE will evaluate the results and impact of the IRP to determine if any impact to this RFP or if the impact is to subsequent resource needs. Ultimately, contracts will be contingent on regulatory approval.

72	<p>For the items requested to be provided with the proposal, please clarify what is being requested for the "Emission control systems" issues and non-compliance" item. Does the statement refer to any of the following:</p> <ul style="list-style-type: none"> o SCR/CO catalyst in the HRSG not performing to expectations? o Emissions deviations from permit levels? o In general to control system issues and non-compliance (NERC CIP)? o The CT emissions not meeting guarantees? 	7/25/2017	We request for bidders to identify in their proposal any issues pertaining to their ability to provide Emission Control Systems as part of their proposed project. In addition we request bidders to identify issues that can potentially have implications on meeting mandated emission standards and acquisition of permits.
73	Regarding interconnection, it appears that a proposed project does not require an interconnection application to already be submitted when submitting a bid in October. Rather, an awarded project will need to secure Network Resource Interconnection Service by the time the project is operational at a later date (2022-2023). Is this correct?	8/1/2017	Yes. A submitted proposal does not require an interconnection application. An awarded project will be required to secure a Network Resource Interconnection by the time the project is in service.
74	Would it be possible to arrange a meeting in El Paso this month to discuss a bit more EPE's needs from the RFP?	8/1/2017	At this current timing of the RFP process we request that all RFP questions be submitted in writing via email. As indicated in the RFP, EPE will host Individual Meetings with shortlisted bidders on March 2018.
75	If we intend to bid, do we simply E-mail this intent over?	8/1/2017	As per the RFP document, please submit Attachment 9.1 Notice of Intent to Bid by this Friday August, 4th to the emails provided in Section 1.3 RFP Communication
78	section 4.7 of the All Source RFP which states, "At EPE's sole discretion, it may or may not consider proposals based on projects built on leased land." In the past, we have built projects on both leased and purchased land, but traditionally we choose to lease the land with an option to extend the lease term for the entire life of the project. Would you mind elaborating on this section and whether leasing the land will affect the bid?	8/8/2017	All proposals will be reviewed to determine EPE's potential risk exposure to any land related risks. EPE's preference for a build transfer is land ownership. Also, EPE will consider PPA proposals under leased land without penalty, with the preference for a lease agreement for the term of the PPA.
79	We understand that Intermittent Renewable Resources can be submitted, but they will likely be only awarded in combination with other projects that can provide firm capacity (such as peaking gas or battery storage projects). Is this assumption correct? In any case, we understand that a solar PV plant in EPE Service Territory is very likely to be producing electricity all the time from 12:00 to 18:00 from May through September.	8/11/2017	As stated in the RFP, EPE seeks firm resources during its peak months. EPE is familiar with intermittent renewable resources and will review its operational capability in conjunction with existing resources and/or in combination of other RFP proposals in order to identify a portfolio resource mix that ensures being able to reliably meet peak load requirements.
80	Is it possible to submit mutually exclusive proposals? For example, submit a solar PV proposal with storage and another solar PV proposal without storage, both referring to the same project site. So, they should not be both awarded, it should be only one or the other.	8/11/2017	Yes, bidders can submit mutually exclusive projects that can be evaluated each separately by EPE.
81	Is it possible to submit two proposals linked together, so that if one is awarded the other must be awarded as well? For example, two different project sites, one without storage and the other with battery storage. the storage could be sized for both projects together, so that the overall economics are improved.	8/11/2017	Yes, bidders can submit multiple projects and be classified as one proposal that can be evaluated jointly by EPE.
82	Could you please elaborate on the minimum site control requirements? the RFP mentions "a Letter of Intent For site control with land owner(s) and other stakeholders that may impact the execution of the land purchase". Is a LOI For land rental also acceptable?	8/11/2017	EPE seeks to understand the bidder's status with regard to having site control of proposal related land needs. Letter of Intent for anticipated leased land may be a sufficient indication of the bidders status with regard to land procurement.
83	Who are the stakeholders to be included in the LOI For site control?	8/11/2017	Stakeholders include land owners, state entities such as the Bureau of Land Management and or any entity with contractual rights over the stated property.
84	should the LOI For site control include exclusivity?	8/11/2017	EPE is not proposing to specifically define the bidder's terms for site control with the landowners. Instead EPE seeks to be aware at what stage in the land procurement process the bidder is at to be able to assess any risks associated with land acquisition if awarded. If awarded a contract, bidder will have to identify exclusive site control for the term of the contract.
85	How long should the LOI For site control be valid for?	8/11/2017	EPE is not proposing to define the bidder's terms for site control with the landowners. Instead EPE seeks to be aware at what stage in the land procurement process the bidder is at when it submits its proposal. However, if a bidder is awarded a contract for its proposal, the bidder will have to demonstrate firm site control (lease or ownership) for the term of the contract prior to contract execution.
86	We understand that the proposal submission needs to specify the project site and the connection point. can the project site in October proposal submission be changed to a different project site in the Best and Final proposal in April, as long as the connection point is not changed?	8/11/2017	EPE requires that the proposal location remain unchanged leading up to the Best and Final stage of the RFP.

87	Can both the site and the connection point be changed from October proposal to April Best and Final Proposal?	8/11/2017	EPE requires that the proposal location and connection point remain unchanged leading up to the Best and Final stage of the RFP.
94	The RFP mentions in Section 1.0 that the EPE peak hours are the hours from 1pm – 6pm in May through September. I would like to confirm that the peak hours are for all days during May-September (including weekends), and not just only the weekdays?	8/22/2017	EPE's peak hours given ambient temperatures occur during May-Sep 1:00 pm -6:00 pm MST. Peak hours referenced in the RFP include both weekdays and weekends.
97	What availability percentage (e.g. 90%) is required for the six-hour May through September peak hours? Also, is this availability required for each hour separately within the peak hour window?	8/23/2017	EPE's preference is firm resources which can provide high availability, guarantee generation output during peak hours in the months of May through September as well as guarantee a minimum annual generation output. The percentage availability during peak is not defined at this stage of the RFP and will be contingent on existing resources in combination of considered RFP proposal resource mix.
98	Is an LOI on 100% of the required land for a solar project necessary for a submittal, or is there a minimum portion required?	8/23/2017	EPE is not specifying the percentage of land to be under the Letter of Intent. Instead EPE seeks to be aware at what stage in the land procurement process the bidder is at when it submits its proposal. However, proposals with firmer site control will be evaluated more highly. If a bidder is awarded a contract for its proposal, the bidder will have to demonstrate firm site control (lease or ownership) for the entire site and term of the contract prior to contract execution.
99	Under a renewable resource + storage PPA scenario where the total annual MWh contribution is being used as a valuation metric, can EPE provide guidance in regards to the months January-April and October-December as what hours they would want dispatchable generation output?	8/24/2017	During October to April, EPE's typical load profile has an early evening peak (the hours following sunset). Please reference EPE's IRP presentation on our website that has March 2016 load profile.
100	If a Bidder is proposing a solar + storage solution, is it necessary to populate tabs 10.4 and 10.4.1 of the EPE 2017 All Source RFP Table and Input Templates workbook?	8/24/2017	Please complete information as applicable. There may be entries required under tabs 10.2 and 10.2.1 that may not be necessary to re-input under section 10.4 and 10.4.1.
102	Regarding a lease option or lease on that land, is the intention that a) the bidder and EPE would discuss and execute a Lease Option or an LOI prior to the bids being due on October 4th, or b) that the bidder would indicate the land required in the proposal and state that we will finalize lease terms upon shortlist/contract negotiation?	8/25/2017	For proposals considering EPE substation land please proceed with b) bidder would indicate the land required in the proposal and state that lease terms would be finalized during shortlisted/contract negotiations. Include detail in your proposal as to what the expected terms of a lease agreement would be on EPE property.
103	Regarding a lease option on EPE land, would the intention be that Enel pays EPE for this, or that we would simply receive the land which would allow for a lower overall capacity/energy price on the PPA. We could do it either way, but the closer the lease rate is to \$0/year, the lower the cost of the PPA.	8/25/2017	Bidder land lease cost for EPE land has currently not been reviewed. However, for RFP evaluation purposes consider a lease rate at \$0/year. All project related costs will be reviewed.
104	We've noticed that your peak hours are 1-6 PM (5 hours), but that the requirements for an energy storage project are a minimum of a 4 hour duration. Is there any preference between a 4 or 5 hour battery storage project?	8/25/2017	There is currently no preference between 4 or 5 hour battery output.
105	Will EPE consider the ownership of wind generation facilities?	8/25/2017	EPE may consider ownership of wind project, however EPE does not have any significant experience with operating and maintaining wind generation facilities. EPE will review ownership proposals with consideration of O&M requirements and what the proposal may include in terms of O&M service agreements.
106	Will EPE consider ownership of transmission facilities under development that will connect generation resources to the EPE transmission system?	8/25/2017	EPE may consider ownership of transmission facilities under development that will connect generation resources to the EPE transmission system under very limited circumstances. Also, include if possible an option where EPE is not to obtain ownership of the transmission facilities.
107	Can you please elaborate on the requirement for renewable energy projects to provide proposals in 50 MW increments? For example, would a renewable energy product with a nameplate capacity of 300 MW be required to submit six separate proposals for 50 MW each?	8/25/2017	EPE requests renewable energy projects to be in increments of 50 MW as to allow for EPE option consideration of various capacities potentially in conjunction with other proposal. A proposal of 300 MW, given the bidder allows for 50 MW increments would require six options within that proposal.
108	Please elaborate on Question 1 of Attachment 9.4, which requests "For wind resources, provide historical wind data to aid in EPE's evaluation." What format would EPE like to receive this data? For proposed facilities, would 8760 and 12x24 profiles in Excel spreadsheet format be sufficient?	8/25/2017	Please provide a typical 12X24 production profile for the resource being proposed, use the Excel spreadsheet "EPE 2017 All Source RFP Tables and Input Template", tabs 10.2 and 10.2.1 provided on our website. https://www.epelectric.com/doing-business-with-epe/resource-planning

109	Would it be possible to obtain a breakout of number of customers and total peak demand by customer segment?	8/25/2017	In EPE's publicly available Annual Report you will find EPE's Operating Statistics showing number of customers and breakdown including average annual KWh use per residential customer, however total peak demand is not available. http://ir.epelectric.com/annuals.cfm
110	If we provide an alternative price and schedule that would provide services prior to 2022, can that still be part of the original bid; and thus, subject to the original \$2,500 fee?	8/25/2017	Yes, as per EPE's definition of a "Proposal Option" a Any variations in commercial structure, capacity increments, pricing options or delivery dates will be considered within that first option. A "proposal option" is to be defined by resource type and site location. The first "proposal option" is at a submittal fee of \$2,500. Any change in resource type or site location will be considered an additional option, subject to a submittal fee of \$2,500. The initial \$2,500 fee will cover a total of four options (the initial option plus three additional options). Any additional options above four will be at a cost of \$500 each. If a bidder has a specific option or alternative to propose and is not sure of the appropriate fee structure, the bidder should submit a description of the option to EPE for clarification.
111	What is the required/preferred format for this alternative bid? Can we include this as an Appendix to the main proposal (i.e. include in the same delivery of the hardcopy and hardware containing the electronic copies of the proposal), or do we need separate shipping?	8/25/2017	Include as an appendix to the main proposal (same delivery of the hardcopy and hardware containing the electronic copies)
114	For stand alone energy storage, is energy to charge the system considers "fuel" (Per Section 4 - Fuel Supply)? On Section 9.2, what should be listed as Primary and Secondary Fuel type?	8/25/2017	For stand alone storage, energy to charge the system would be based on EPE's system cost that is relative to fuel costs. For stand alone storage Primary and Secondary Fuel types can be listed as Not Applicable.
115	Will EPE consider a stand alone energy storage agreement with a fixed monthly price for capacity and energy (full tolling agreement)?	8/25/2017	Yes, EPE will consider stand alone energy storage agreements with a fixed monthly price for capacity and energy (full tolling agreement).
116	Does EPE publish the heat rates, ramp rates, or # of start/stops for it's existing NG generators?	8/25/2017	Average plant heat rates can be seen in EPE's publicly available documents such as its FERC Form 1. Ramp Rates, and # of startups is not listed as public information.
117	Information on run time/dispatch requirements would be helpful: a. For SC How many starts per day are "preferred" for combustion turbine (CT) units for the summer (May-September) peak season? b. For SC how many hours of operation per Start? Starts per Week during summer (May-September peak season)? c. Assumptions during off peak months?	8/25/2017	Number of starts and run hours will be contingent on the resource mix that is being evaluated as part of the RFP. The RFP states that EPE is interested in dispatchability and flexibility to include the ability for daily cycling. Bidders are to provide in their proposals the assumptions for number of startup and run hours on which they base any cost numbers. Proposals should include balance of plant that can ensure full availability.
122	Generators must be dual fuel ready and proposals include all required facilities i.e. storage tank etc. at COD. How many hours of "operation" for fuel storage is best? Can El Paso please provide some forecast of expected fuel oil run hours?	8/25/2017	For conventional generation, fuel oil is to be used for emergency purposes related to a natural gas interruption. Specific fuel oil capacities required for a future resource are contingent upon EPE's generation portfolio as a whole and have not been defined. For proposal purposes please size fuel oil facilities for which oil storage facilities along with storage refueling allow for a 7-day supply to cover an interruption of natural gas at a 100 % capacity factor and a separate option at 70 % capacity factor.
124	Are they any specific Performance Guarantees and Warranties required?	8/25/2017	Proposals should include a description of any performance guarantees or warranties. EPE is not defining at this point of the RFP process the specifics, however listed performance guarantees and warranties will be considered as part of the proposal evaluation process.
125	Is regarding the following portion of Section 9.5 in the RFP: Our typical 12x24 charts are a sum of the energy of each month in each hour. We would like to understand what "a typical day in each month" means exactly. It's a term we are not familiar with.	8/25/2017	The 12X24 Tables as seen in the Excel spreadsheet "EPE 2017 All Source RFP Table and Input Template" tab 10.2.1. are for bidders to input the typical 24 hour output profile for an average week for each of the 12 months. This will give EPE an indication of what output and profile to expect from the resource.
126	Are Load Management Tables (10.3.1) required to be filed out for SC or CC options? Our ability to complete these is dependent on El Paso providing: 1. Information on run time/dispatch requirements: a. For SC How many starts per day are "preferred" for combustion turbine (CT) units for the summer (May-September) peak season? b. For SC how many hours of operation per Start? Starts per Week during summer (May-September peak season)?	8/25/2017	No, conventional generation are not to complete tables 10.3.1 that pertain to demand side resources.
127	Does EPE intend to publish the list of bidders that have submitted a Notice of Intent to Bid? Or whether the bidders list will remain confidential throughout the RFP process? We appreciate any insight you can share here.	8/25/2017	Participating bidders will remain confidential throughout the RFP process.
129	Per RFP Section 4.3, EPE reserves the right to control the dispatch levels of the proposed generation via AGC. Does EPE have a maximum curtailment risk that the Bidder should consider?	8/27/2017	EPE desires to have capability to dispatch and curtail a resources via AGC or at a minimum have dispatch rights and have the ability for pre-defined schedules. The specific capacity curtailments are not defined since they are dependent on EPE's resource portfolio and/or selected resources from this RFP. Bidders are to provide the resource capability in their proposal for EPE consideration.

130	Per RFP Section 4.3, EPE expresses the desire for ancillary services – can EPE specify what ancillary services are desired so Bidder can disclose what is included and not included?	8/27/2017	Ancillary Services in the RFP is referred as type of grid support characteristics typical of conventional generations such as voltage support, frequency response, governor control, load following and reserves.
132	Should we include the estimated cost of EPE's interconnection facilities or network upgrades in our pricing, or will the cost be estimated and applied by EPE?	8/27/2017	The Bidder should identify in its proposal the total cost to have its resource delivered to the boundary of EPE's transmission system and include interconnection costs. Following the interconnection point, EPE will determine its system upgrade costs as part of the proposal's total cost consideration.
133	Can EPE share its 10 and 20 yr forecast for natural gas prices that it will use to evaluate natural gas generation offers?	9/1/2017	EPE will not provide the forecasted gas prices used during its RFP proposal evaluation. However, EPE will use forecasted natural gas prices for gas supplies out of the Permian/Waha and San Juan hubs.
134	Typical EPE load profiles. EPE answered a question about EPE system load profiles by referring the question to EPE's IRP presentation made on 5-25-17. This presentation shows system load profiles for a typical day July and March days. Can EPE provide typical load profiles for all other months of the year.	9/1/2017	EPE's most recent IRP presentation provides a surface chart for EPE's 2016 load profile.
135	Does EPE have any net energy metering tariffs today for commercial or industrial customers	9/1/2017	Yes EPE has Net Metering tariffs. In Texas it is TXRT48 "Non-Firm Purchased Power Service". In New Mexico its NMRT16 "Purchased Power Service". These Tariffs are in the EPE website https://www.epelectric.com/tx/business/rate-tariffs-2
136	Guidance for submitting solar proposals is that beyond 50MWac capacity, bidder must submit in increments of 50MWac (i.e. 50, then 100, 150, ... MWac). When pairing with energy storage, how does the storage system's power (MW) factor into this calculation? I.e. is this power & storage capacity treated separately or must the solar bidder ensure that the combined solar+storage capacity is 50MWac, 100MWac, etc. and size both resources accordingly?	9/6/2017	The increments of 50 MW will allow for EPE to evaluate capacity options in consideration of the impact that increasing intermittent resources can have on EPE's system. The incremental 50 MW for the solar output are to be treated separately to the storage capacity.
137	The guidance on storage characteristics (min. of 15MW for 4 hours of output) is under section 5.3 Energy Storage of the main RFP file. Are these minimum requirements applicable for storage paired with solar? Can we meet this minimum power (15 MW) requirement during peak hours, May-Sept. with a combination of solar output and storage discharge? For example, if the PV system will always produce a minimum of 4MW during this time window, is sizing the battery for 11MW peak discharge compliant with RFP requirements? And similarly, does the 4 hour discharge minimum apply for storage paired with solar too?	9/6/2017	For stand alone storage the minimum requested capacity output for discharge is 15 MW with a 4 hour discharge. The minimum of 15 MW storage does not apply to storage coupled with solar, please specify at what capacity output would the battery discharge occur over 4 hours.
138	Related to question #51 in the Q&A PDF, for solar+storage the expected firm output is the 6-hour time window from noon to 5:59pm, May to Sept. or, given what is said in section 5.3 Energy Storage with respect to a 4 hour output, only a continuous 4 hour subset of this 6-hour window (i.e. 12pm-3:59pm, 1pm-4:49pm, 2pm-5:59pm)?	9/6/2017	EPE will be evaluating the capability to reliably meet load during the six hour window. For any solar project, the expected solar output profile for the six hours should be provided in the 12x24 matrix. If the proposal includes storage to firm up output, it should clearly denote what capacity and hours are firm output given the storage capability. The four hour duration is a minimum requirement, not a maximum requirement.
139	The RFP states that for a project size over 50 MW, Bidders should provide proposals in 50 MW increments. Can the battery size factor into this 50 MW? I.e. if we had an 80 MW solar field with a 20 MW battery, could this hit the 100 MW requirement?	9/8/2017	The 50 MW increment requirement applies for intermittent resources such as solar. If anticipating to submit a solar proposal with 80 MW capacity, your proposal should include the 80 MW proposal as well as a 50 MW proposal.