EL PASO ELECTRIC COMPANY
Request for Proposals

New Mexico Residential Distributed Energy Storage Pilot Program (DESPP)

RFP# 2152

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Issue Date: November 16, 2026
Proposal Due Date: January 13, 2027
Estimated Selection Date: April 23, 2027

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1.0 OVERVIEW

El Paso Electric Company ("EPE") is requesting proposals from qualified bidders who can provide a proposal for installation of residential battery storage systems with associated hardware and software, and include customer marketing and acquisition services, interconnection services, and ongoing operations and maintenance support that will enable the implementation of the New Mexico Residential Distributed Energy Storage Pilot Program (the "Program" or "DESPP") within certain areas of EPE's New Mexico distribution grid. The Program is intended to evaluate the operational, economic, and customer benefits of aggregated residential battery energy storage systems as grid-connected distributed energy resources.

The proposed solution shall provide EPE with a minimum of 36 MW of firm, dispatchable capacity available continuously for four (4) consecutive hours, equivalent to 144 MWh of dispatchable energy available to EPE. EPE shall have the ability to directly initiate, schedule, and control dispatch events for this capacity.

Bidders may reserve a portion of battery capacity for customer backup power, resiliency, or other customer benefits. However, if a bidder proposes that only a percentage of each battery's total capacity will be available to EPE (for example, 80% available to EPE and 20% reserved for the customer), the bidder shall size and deploy sufficient battery capacity such that at least 144 MWh of aggregate usable energy remains available for EPE dispatch at all times, together with the ability to deliver 36 MW continuously for four (4) hours.

Bidders shall clearly identify:

- Total installed battery power capacity (MW);
- Total installed battery energy capacity (MWh);
- Percentage of battery capacity reserved for customers;
- Percentage of battery capacity available to EPE; and
- The net MW and MWh available to EPE under normal operating conditions and during dispatch events.

Example: If a Bidder proposes to reserve 20% of battery energy capacity for customer use and make 80% available to EPE, the total installed battery fleet must contain at least 180 MWh of usable energy capacity so that 144 MWh (80%) remains available for EPE dispatch. The proposed resource shall be operational and available for dispatch no later than June 1, 2029, with deployment starting in Q2 2028, after EPE received approval from the New Mexico Public Regulation Commission ("NMPRC").

EPE is looking for batteries to be deployed in Front-of-The Meter (FTM) at residential customer locations to provide feeder-level capacity relief in certain areas of EPE' distribution system in its New Mexico service territory. The goal of the Program is to evaluate capabilities of battery storage systems to:

- Provide feeder-level capacity relief;
- Enable peak shaving and load shifting;

- Improve grid reliability and resiliency;
- Support renewable energy integration;
- Defer or avoid distribution infrastructure upgrades;
- Improve customer resiliency during power outages;
- Evaluate customer acceptance of utility-controlled distributed energy resources; and
- Establish a scalable foundation for future Advanced Distribution Management System (“ADMS”), Virtual Power Plant ("VPP") and Distributed Energy Resource Management System ("DERMS") integrations .

This Request for Proposal ("RFP") requires Bidders to describe their proposed Program in detail, including battery technology, software platform, communications architecture, installation approach, customer marketing and enrollment strategy, operations and maintenance services, cybersecurity protections, utility integration capabilities, and reporting functionality. Bidders shall provide estimates of available dispatchable capacity, annual energy delivery, expected battery degradation rate, customer participation assumptions, and any anticipated system limitations. Bidders should also describe how their proposed solution supports utility dispatch, aggregation, monitoring, and control of battery assets individually, as groups (by feeders) or as a coordinated fleet.

The Program may incorporate either utility-owned or third party-owned battery energy storage systems. Accordingly, EPE invites proposals under one or both of the following ownership models:

Option A – EPE-Owned Model
Under this model, EPE shall own the battery system assets. The selected Bidder shall provide customer acquisition, system design, interconnection applications, permitting, installation, commissioning, software and communications platforms, monitoring, operations and maintenance services, warranty administration, and customer support necessary for successful implementation and operation of the Program.

Option B – Third Party-Owned Model
Under this model, the Bidder shall own, operate, and maintain the battery system assets and provide EPE with dispatchable capacity, energy, and associated grid services. Bidders shall clearly identify their proposed commercial structure, pricing methodology, performance guarantees, service level agreements, and any minimum participation requirements necessary to deliver the proposed capacity and energy commitments.

Regardless of ownership structure, EPE must retain operational control of the distributed battery fleet, including the ability to dispatch battery resources, schedule charging and discharging events, monitor system performance, and manage customer participation settings.

1.1 PURPOSE

EPE seeks competitive proposals for the deployment and operation of a Program that provides measurable benefits to both EPE and its customers.

The Program is intended to evaluate the use of residential battery storage systems as a flexible grid resource capable of supporting distribution system reliability and operational efficiency. Through this pilot, EPE seeks to better understand how customer-sited energy storage can be leveraged to address evolving system needs, including peak demand management, increasing distributed energy resource penetration, renewable energy integration, and future grid modernization initiatives.

Bidders' proposals should focus on solutions that maximize dispatchable capacity while maintaining meaningful resiliency benefits for participating customers. EPE seeks a program that enables utility control of distributed battery resources without negatively impacting customer experience, while also providing customers with valuable benefits such as backup power, outage resiliency, and potential participation incentives.

The selected Bidder(s) shall provide a utility dashboard and associated services that enable EPE to:

- Monitor battery fleet availability and performance;
- Forecast dispatchable capacity;
- Create a schedule of dispatchable events for groups of batteries (by feeder) or as a total fleet;
- Dispatch batteries on demand;
- Respond to feeder-specific grid constraints;
- Evaluate program effectiveness using performance reporting and analytics; and
- Support future ADMS, DERMS and VPP integration initiatives.

Bidders shall describe how their proposed solution will support participation by customers with and without existing solar photovoltaic systems.

The proposed solution should be scalable and capable of supporting future expansion beyond the initial deployment. EPE is particularly interested in solutions that leverage open architecture, interoperability standards, and modern communications platforms to support future grid modernization and distributed energy resource management objectives.

EPE may elect to select one proposal or a combination of proposals from multiple Bidders to support different ownership models, deployment strategies, customer segments, or technology approaches. EPE will consider overall program value, operational flexibility, customer benefits, implementation schedule, cybersecurity protections, bidder experience, and project economics during the evaluation process.

1.2 COMMUNICATIONS

All communications from Bidders to EPE, including questions regarding this RFP, must be submitted via electronic mail. Based upon the nature and frequency of the questions EPE receives, EPE will choose to respond to individual Bidders either directly, post a response to the question on EPE’s website, or address the question through a conference call.

All submittals, inquiries, and communications related to this RFP should be directed solely to the following EPE point of contact:

Bruce Miller
Senior Director, Supply Chain Management
El Paso Electric Company
Email: bruce.miller@epelectric.com

The **Program RFP** solicitation webpage can be found at:
https://www.epelectric.com/company/request-for-proposals

All communication between Bidders and EPE shall be conducted via email. Oral communications are discouraged and shall not be binding upon EPE.

1.3 CONFIDENTIALITY OF RESPONSES

EPE will consider proposals and associated information submitted by Bidders to be confidential. It is the Bidders' responsibility to clearly indicate in its proposal what information it deems to be confidential. Bidders may not mark an entire proposal as confidential, but instead must mark specific information on individual pages to be confidential in order to receive confidential treatment. Except as required by regulatory reviews, EPE will use reasonable efforts to avoid disclosure of information designated as confidential to persons other than those involved with the evaluation, selection and any subsequent negotiations. To the extent that Bidders receive information from EPE, Bidders shall maintain the confidentiality of such information and such information shall not be available to any entity before, during or after this RFP process unless required by law or regulatory order.

Bidders shall be aware that information received in response to this RFP will be subject to the review of applicable local, state and/or federal regulatory agencies, specifically including, but not limited to NMPRC and the Public Utility Commission of Texas ("PUCT"). All Bidders shall cooperate with EPE in making technological descriptions, pricing and other contract terms available for review as part of any regulatory approval process as EPE deems necessary or appropriate.

EPE will follow applicable orders and rules of the NMPRC, PUCT and/or other applicable agency, including any protective orders issued, such as disclosure of price, terms or other information as required; therefore, EPE cannot promise that information marked as confidential will not be publicly disclosed, and, as such, EPE cannot be held liable for any information that is ordered to be released or that is inadvertently released.

Moreover, information submitted in response to this RFP may become subject to federal or state laws pertaining to public access to information as a result of any reviews conducted by the aforementioned agencies. EPE shall not be liable for the release of any information subject to disclosure under any laws pertaining to public access to information.

2.0 EL PASO ELECTRIC COMPANY SYSTEM DESCRIPTION

2.1 ABOUT EPE

EPE is an investor-owned utility engaged in the generation, transmission, and distribution of electricity across an approximately 10,000-square-mile service territory located in West Texas and southern New Mexico. EPE provides retail electric service to residential, commercial, industrial, and wholesale customers and owns and operates a diverse portfolio of generation, transmission, and distribution assets necessary to reliably serve its customers. EPE serves approximately 465,000 customers and is committed to delivering safe, reliable, affordable, and increasingly sustainable electric service throughout its service territory.

For additional information regarding EPE, its operations, and service territory, please visit EPE's website: www.epelectric.com

As customer adoption of distributed energy resources ("DERs"), including rooftop solar, battery energy storage systems, electric vehicles, and smart home technologies continue to increase, EPE is evaluating innovative approaches to integrate customer-sited resources into grid operations while maintaining reliability and affordability. Residential battery energy storage systems represent a significant opportunity to provide both customer and grid value through coordinated management of DERs.

The Program is intended to evaluate the technical and economic feasibility of aggregating customer-sited battery systems into a dispatchable grid resource capable of providing peak demand reduction, load shifting, distribution capacity support, renewable energy integration, and resiliency benefits.

2.2 EPE'S SERVICE TERRITORY

EPE's New Mexico service territory starts in Anthony, runs through the City of Las Cruces, includes Dona Ana County, and ends near the City of Hatch. Please refer to **Figure 1**.



Figure 1. EPE's Service Territory

2.3 FEEDER-CONSTRAINT AREAS

EPE prioritizes the following substation areas for battery deployment, in the order listed, starting with the Phase 1 Priority Areas:

Phase 1:
Priority 1: Picacho Substation area
Priority 2: Las Cruces Substation area
Priority 3: Arroyo Substation area

Phase 2:
Priority 4: Moongate and Jornada Substation area.

The Program is intended to create an aggregated battery resource that is fully dispatchable by EPE and geographically located within the priority areas identified in **Figure 2**.

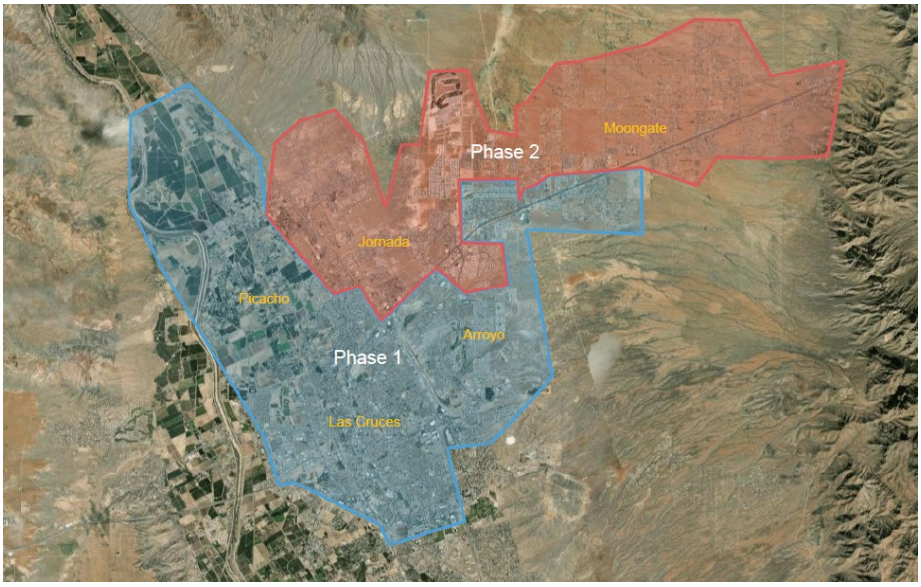


Figure 2. Priority areas

Bidders shall estimate and clearly identify the aggregate battery capacity (MW) and energy (MWh) that can reasonably be deployed within each priority area. Proposals should maximize deployment within the Phase 1 priority areas before considering deployment within Phase 2 areas.

EPE's preference is to satisfy the Program's resource requirements within the Picacho, Las Cruces, and Arroyo substation areas. If sufficient battery capacity and energy can be deployed within these Phase 1 areas to meet the Program's resource objectives, EPE does not anticipate expanding deployment into the Phase 2 areas.

At this time, EPE is not seeking battery storage deployments outside of the substation areas identified above.

The following table provides the approximate number of single-phase residential customers served from each substation area:

Table 1. Approximate Number of Single-Phase Residential Customers

Substation	Number of Single-Phase Customers
Moongate (MOO)	4,500
Jornada (JOR)	11,000
Arroyo (ARR)	8,900
Las Cruces (LAC)	10,400
Picacho (PIC)	22,000

2.4 PROGRAM BACKGROUND

EPE has identified residential battery storage as a potential tool to alleviate pressure on existing distribution feeders to potentially defer or avoid traditional distribution investments while improving customer resiliency and affordability.

2.5 PROGRAM OBJECTIVES

The Program will deploy a fleet of aggregated residential battery storage systems totaling 36 MW of dispatchable capacity per hour, to be consistently available for a period of four hours within areas of the grid where grid constraints are becoming more prevalent.

Specific Program objectives include:

Grid Benefits

- Feeder-level capacity relief;
- Peak demand reduction;
- Load shifting capability;
- Distribution system reliability improvements;
- Renewable energy optimization;
- Grid emergency support capabilities; and
- Demand management effectiveness.

Customer Benefits

- Backup power during outages;
- No upfront cost;
- Potential upfront and/or participation incentives;
- Improved customer engagement and satisfaction;

- Enhanced visibility into energy usage; and
- Initial phase of customers' participation in future distributed energy resource programs.

EPE's Learning Objectives

Through implementation and operation of the Program, EPE intends to develop practical experience and data necessary to evaluate the role of aggregated residential battery storage within EPE's distribution system and inform future distributed energy resource programs, distribution planning, and grid modernization investments.

Key learning objectives include:

Grid Operations and Distribution System Value

- Validate EPE's ability to reliably dispatch distributed battery resources individually, by feeder or substation area, and as an aggregated fleet;
- Quantify actual feeder-level peak demand reduction and capacity relief resulting from battery dispatch;
- Evaluate the effectiveness of batteries in addressing localized distribution constraints and determine the extent to which battery deployment can defer, reduce, or avoid traditional distribution infrastructure investments;
- Evaluate the ability of distributed batteries to support peak shaving, load shifting, emergency grid operations, renewable energy integration, and other distribution system needs;
- Determine optimal charging and dispatch strategies; and
- Evaluate the predictability, availability, reliability, and persistence of distributed battery capacity as a utility planning and operational resource.

Battery Performance and Fleet Management

- Evaluate actual battery performance under repeated utility dispatch, including usable capacity, discharge duration, round-trip efficiency, availability, response time, and state-of-charge management;
- Measure battery degradation over time and determine the impact of dispatch frequency, depth of discharge, charging patterns, environmental conditions, and customer-reserved capacity on long-term performance;
- Evaluate the ability of an aggregated fleet to consistently provide EPE with the required 36 MW of firm dispatchable capacity for four consecutive hours and at least 144 MWh of usable dispatchable energy;
- Identify appropriate performance standards, availability requirements, service-level agreements, and performance guarantees for future distributed battery procurements.

Customer Participation and Experience

- Evaluate customer interest, enrollment rates, participation, retention, and satisfaction;
- Identify the most effective customer acquisition, marketing, education, and enrollment strategies;
- Evaluate customer willingness to allow utility control of customer-sited energy resources and determine how dispatch frequency and operating strategies affect customer acceptance;
- Evaluate customer preferences regarding the percentage of battery capacity reserved for backup power compared with capacity made available to EPE;
- Evaluate the effectiveness and appropriate structure of participation incentives and other customer value propositions;
- Assess customer resiliency benefits, including the availability and duration of backup power during outages; and
- Identify differences in participation, system configuration, operational capability, and customer value between customers with and without rooftop solar.

Deployment, Interconnection, and Program Administration

- Identify opportunities to streamline customer eligibility screening, site assessment, permitting, interconnection, installation, commissioning, inspection, and activation processes;
- Evaluate timelines to deploy distributed batteries at scale;

Cybersecurity and Data Management

- Evaluate cybersecurity, access control, authentication, communications security, remote-control, and data protection requirements associated with utility dispatch of customer-sited battery resources;
- Identify cybersecurity and operational risks associated with aggregating and remotely controlling large numbers of distributed assets;

Economic and Commercial Evaluation

- Evaluate the total cost and benefits of residential distributed batteries as a distribution system resource compared with traditional infrastructure solutions and other non-wires alternatives;

Program Scalability and Future DER Strategy

- Determine the technical, operational, customer and organizational requirements necessary to scale aggregated residential battery deployment beyond the initial Program; and
- Evaluate the potential for batteries to participate in multiple grid services while maintaining required customer resiliency and battery performance.

2.6 PROGRAM SIZE AND SCOPE

EPE seeks solutions capable of supporting approximately:

Program Attribute	Target
Service Territory	New Mexico (only areas defined in Section 2.3)
Capacity dispatchable by EPE for grid support	36 MW of firm, dispatchable capacity for four (4) consecutive hours
Customer Segment	Residential
Deployment Type	Customer-Sited
Ownership Models	EPE-Owned and/or Third-Party Owned
Dispatch Control	EPE-Controlled
Program Duration/Battery Life	Min of 10 years* (at a min of 121 cycles per year or max of 365 cycles per year)

*The proposed solution shall support a minimum operating life of 10 years. Bidders are encouraged to propose technologies capable of longer operating lives and shall specify the expected useful life of the battery systems (based on a min number of 121 cycles per year, and max of 365 cycles per year), warranty term, annual degradation rates, augmentation requirements, replacement assumptions, and the number of years the proposed solution can continue to provide EPE with the required dispatchable capacity and energy commitments).

The actual number of residential batteries will vary depending on system size proposed by each Bidder. Bidders shall identify the number of residential batteries required to achieve the proposed aggregate capacity and describe assumptions regarding participation levels, installed battery capacity, reserved backup energy for the customer, and available dispatchable capacity to EPE.

EPE may consider export limiting through the use of power control systems as an alternative to using nameplate ratings for some technical interconnection requirements. The bidder must describe in detail how export limits will be applied.

The bidder shall provide and maintain a customer service call center, help desk or equivalent customer support function throughout the program term. Customer support shall be available to assist participating customers with questions related to programs enrollment, incentives and rebates, dispatch events, backup power functionality mobile applications and general program participation. The bidder shall ensure that knowledgeable representatives are available through multiple communication channels including telephone, email and web-based support when available to promptly address customer inquiries, resolve issues and maintain positive customer experience. Bidders shall describe their customer support capabilities, operating hours, staffing approach, response times, and escalation procedures and part of their proposal.

2.7 SYSTEM CAPABILITIES

The proposed solution shall support utility-directed dispatch and the ability to control or schedule battery charging and discharging output at the individual asset, feeder circuit, substation or program level as necessary to maintain system reliability, comply with distribution system constraints, and support utility operational objectives.

The Bidder shall describe:

- Available dispatch and control capabilities;
- Response times for dispatch commands;
- Methods used to implement charging and discharging limits;
- Fleet aggregation and geographic targeting capabilities;
- Customer override functionality, if applicable; and
- Any operational constraints or limitations associated with dispatch control functionality.

2.8 FUTURE PROGRAM EXPANSION

A key objective of this solicitation is to identify solutions that can support future expansion beyond the initial Program deployment.

EPE is particularly interested in solutions that:

- Scale efficiently to larger deployment sizes;
- Support future expansion throughout EPE's New Mexico service territory;
- May integrate with customer-sited solar resources;
- Utilize open communications standards;
- Support future ADMS, DERMS integration;
- Enable future VPP functionality; and
- Facilitate future participation in wholesale market, distribution grid services, or other value streams as permitted by applicable regulations.

Bidders should describe how their proposed solution architecture, operational platform, communications infrastructure, and customer engagement approach support future scalability and long-term deployment objectives.

2.9 EXISTING EPE INFRASTRUCTURE AND TECHNOLOGY ENVIRONMENT

EPE is currently implementing the GE Vernova S3 ADMS and transitioning its electric distribution GIS from ESRI Geometric Network (GN) to ESRI Utility Network (UN). EPE has completed

deployment of its Itron Advanced Metering Infrastructure (AMI) head-end and does not currently have an enterprise-level VPP or DERMS in place.

The requirements below identify the minimum functional, interoperability, data, and integration capabilities expected of the proposed solution. Except where expressly identified as preferred or optional, the proposed solution shall satisfy these requirements. Bidders may propose different technical architectures or implementation approaches, provided the proposed approach satisfies the applicable EPE requirement.

The proposed solution shall support possible future integration, as applicable, with EPE's current and future technology environment, including:

- GE Vernova S3 ADMS
- Future DERMS and VPP capabilities
- GIS ESRI Utility Network
- EPE's distribution SCADA (“D-SCADA”) environment
- Oracle Customer Cloud Service (“CCS”) as our customer information system
- Enterprise data reporting and analytics platforms

Integration and Interoperability Requirements

The proposed solution shall support standards-based integration with the Institute of Electrical and Electronics Engineers ("IEEE") Standard 2030.5-2023, IEEE Standard for Smart Energy Profile Application Protocol ("IEEE 2030.5"), commonly associated with Smart Energy Profile 2.0 ("SEP 2.0"), as the preferred primary interoperability standard for future integration of aggregated "DERs" with the utility's DERMS environment. IEEE 2030.5 provides a standardized, secure, bidirectional communication framework for exchanging DER operating status, availability, capabilities, monitoring data, and control or dispatch instructions between DER aggregation platforms and utility systems, subject to supported protocol functions and interoperability profiles. Open Automated Demand Response ("OpenADR") may be proposed as a supplemental integration method where appropriate, particularly for demand response, load flexibility, and grid event coordination. Vendors shall identify supported protocol versions, applicable interoperability profiles, integration capabilities, and any additional gateways, adapters, application programming interfaces ("APIs"), or third-party components required to support future DERMS integration, including any limitations or dependencies associated with proprietary communication methods.

The Bidder shall identify:

- Native IEEE 2030.5 support, including supported version and implementation profile
- Supported telemetry, scheduling, dispatch, and control functions
- Security, authentication, and certificate-management requirements
- Applicable certification or conformance testing
- Supplemental protocols or APIs and their intended purpose

- Any gateways, adapters, third-party components, software, or additional licenses required for integration

Operational Data and System Integration

Individual customer-sited battery resources are not required to interface directly with EPE's D-SCADA system. The proposed solution shall support aggregation of participating resources and secure exchange of operational information with EPE's future DERMS, GE Vernova S3 ADMS, and D-SCADA environment, as applicable.

The proposed solution shall make operational information available to EPE, at appropriate individual and aggregated levels including:

- Resource connectivity and operating status
- State of charge
- Customer reserve or minimum state-of-charge constraint
- Available charging and discharging capacity (MW)
- Available dispatchable energy (MWh)
- Current charge/discharge output
- Battery and inverter status and alarms
- Communications status
- Dispatch availability
- Requested and actual delivered output
- Remaining available energy and sustainable dispatch duration
- Data-quality indicators and timestamps

The Bidder shall describe how the proposed solution will provide each required operational-data element, identify applicable data-update frequency, expected latency, communications-loss behavior, and historical-data availability, and the interface or method through which the information will be made available to EPE.

Distribution Network Association

The proposed solution shall support association of participating resources with EPE's electric distribution network, including, as applicable, customer or service point, service transformer, feeder, substation, program priority area, and DERMS/VPP operational group.
The Bidder shall describe the identifiers, interfaces, and synchronization methods used to maintain these associations with ESRI Utility Network, GE Vernova S3 ADMS, and future DERMS capabilities.

EPE shall remain authoritative for its electric distribution network topology and utility-defined network associations. The proposed solution shall support receipt and maintenance of EPE-defined network and operational-group assignments. **Example:** If EPE assigns a battery to the Picacho area and a specific feeder, the vendor must keep that battery in the correct operational group so EPE can monitor and dispatch capacity for that location. If EPE later changes the assignment, the vendor’s system must support updating it.

Integration Capability Disclosure

For each proposed integration, the Bidder shall identify:

- Interface purpose and data exchanged
- Direction of data flow
- Protocol or API and supported version/profile
- Authentication and security method
- Required gateway, adapter, software, license, or third-party component
- Implementation responsibility
- One-time and recurring integration costs
- Relevant production utility references
- Known limitations or dependencies

Each capability shall be identified as generally available functionality, configuration/professional services required, additional license required, third-party or gateway dependent, custom development, planned/roadmap, or not supported.

Planned or roadmap functionality shall be clearly identified and shall not be represented as currently available production functionality.

Bidder Response Requirements

The Bidder shall complete and submit **Attachment A – Section 2.9 Technology Integration and Interoperability Response Matrix** as part of its proposal.

Attachment A shall be used to document the Bidder's:

- Proposed integration approach;
- IEEE 2030.5 and other supported interoperability methods;
- Integration capabilities with EPE systems;
- Operational-data capabilities;
- Distribution-network association capabilities;
- Required additional software, licenses, gateways, adapters, or third-party components; and
- Known limitations or dependencies.

The Bidder shall clearly distinguish functionality that is:

- Native to the proposed solution;
- Supported through configuration or professional services;
- Dependent on additional software or licensing;
- Dependent on a third-party component or gateway;

- Dependent on custom development;
- Planned or roadmap functionality; or
- Not supported.

The Bidder shall also provide a high-level integration architecture diagram and description identifying the proposed interfaces among participating battery resources, the Bidder's aggregation platform, and EPE's current and future utility systems.

Supporting technical documentation may be submitted with Attachment A. References shall identify the applicable document, section, and page.

3.0 BIDDER TERMS

Program Details

Bidders shall specify the following details about the program:

- Number of residential batteries
- Battery kW/kWh rating
- Total aggregated installed capacity (MW/MWh) and total aggregated capacity by Priority Areas
- % of battery capacity reserved for customer vs. EPE
- Battery life (cycles and years), any limitations on the number of cycles per year and over the life of the asset
  - State expected useful life, cycle life, throughput limitations, degradation profile, and end-of-life capacity assumptions
- Battery warranty
- Number of targeted customers

3.1 PRICING

Proposals shall include all costs required to design, procure, install, interconnect, commission, operate, maintain, monitor, and support the Program. Proposals shall clearly identify dispatchable capacity available to EPE, performance guarantees, customer enrollment/incentives, and all recurring fees.

Pricing shall be provided separately for each ownership model proposed.

EPE-OWNED MODEL

Bidders shall provide itemized pricing for:

- All hardware costs (may include battery storage systems, inverters and associated equipment);
- Installation, interconnection and commissioning costs
- Software and communications
- Customer acquisition and enrollment costs (marketing, enrollment portals)
- Customer incentives (if applicable): Bidders shall propose customer incentive structures, which may include enrollment incentives, participation payments, backup power benefits, or other customer compensation mechanisms. Proposals shall indicate whether incentives are funded by EPE, the Bidder, or both. Proposals shall also indicate if incentives are proposed to be issued on or off bill.
- Operations and maintenance costs (per year)
- Reporting and cybersecurity services
- Battery removal costs
- Any other fees

Pricing shall identify one-time implementation costs, annual recurring costs, and any optional services.

Third Party-Owned Model

Bidders shall provide pricing based on one or more of the following structures:

- $/kW-year
- $/MW-year
- Fixed monthly capacity payments
- Performance-based compensation
- Shared savings arrangements
- Any mobilization or other fees

3.2 TAX CREDITS AND INCENTIVES

Bidders shall identify whether the proposed battery energy storage systems are expected to qualify for applicable federal Investment Tax Credits ("ITC"), including Section 48E or any successor provisions, if the batteries are placed in service in 2028- 2029, based on laws, regulations, guidance, and interpretations available at the time of proposal submission.

Describe all assumptions used in determining ITC eligibility, including but not limited to:

- Ownership structure;
- Project configuration;
- Customer participation model;
- Interconnection arrangements;
- Prevailing wage and apprenticeship requirements;

- Domestic content requirements;
- Energy community eligibility;
- Foreign Entity of Concern ("FEOC") requirements; and
- Any other applicable federal requirements.

Identify the entity expected to claim the ITC, including whether:

- The Bidder or an affiliate would claim the credit;
- EPE would claim the credit;
- Participating customers would claim the credit; or
- Another ownership or financing structure would be required.

Clearly describe any limitations, risks, uncertainties, or circumstances that could:

- Reduce the value of the available tax credits;
- Prevent the project from qualifying for tax credits;
- Delay realization of tax benefits;
- Trigger recapture events; or
- Otherwise adversely affect the expected economic value of the tax credits.

Provide a description of any actions, contractual provisions, project design requirements, procurement requirements, ownership structures, or compliance measures necessary to maximize or preserve ITC eligibility.

Quantify, to the extent reasonably possible, the estimated value of available tax credits and incentives and identify how such benefits are reflected in Bidder's proposed pricing.

State whether the Bidder is willing to provide representations, warranties, indemnities, guarantees, or other contractual commitments regarding tax credit eligibility and compliance.

3.3 PRICING VALIDITY

Bidder pricing shall remain firm and valid through July 8, 2027, which is the EPE's anticipated contract execution date. EPE currently expects to select a preferred bidder on or about April 23, 2027 and complete contract negotiations and execute an agreement by July 8, 2027. No price increases, escalation adjustments, or other changes to proposed pricing shall be permitted during this period unless specifically requested and approved by EPE in writing.

3.4 COLLUSION

By submitting a proposal to EPE in response to this RFP, the Bidder certifies that the Bidder has not divulged, discussed or compared its Proposal with any other Bidder(s) and has not colluded whatsoever with any other Bidder or third parties with respect to this or other Proposals.

4.0 RFP SCHEDULE

The following schedule and deadlines apply to this solicitation:

RFP Issuance Date	**November 16, 2026**
Bidder's Conference Call	November 20, 2026
Notice of Intent to Bid/ Submission of Bidder Questions	December 11, 2026
Response to Bidder Questions	December 31, 2026
Proposal Due Date	**January 13, 2027**
EPE Initial Screening and Bidders Short List	February 12, 2027
Short Listed Bidder Presentations	Week of March 1-5, 2027
EPE Selection of Bidder - Tentative Date	**April 23, 2027**
Contract Negotiations and execution of agreements - Tentative Date	July 8, 2027
Development of regulatory program filing	July-September 2027
Tentative program filing date with NMPRC	September 2027
Tentative Program approval date	Q2 2028
Tentative Program Launch date	Q2-Q3 2028
Completion of batteries deployment, interconnection and energization	**June 1, 2029**

EPE anticipates shortlisting one or more bidders capable of supporting the objectives of the Program. Selection of a Bidder does not guarantee contract award, and any resulting agreement may be subject to internal approvals, regulatory approvals, and successful completion of contract negotiations.

EPE reserves the right to modify, cancel or withdraw this RFP and to revise the schedule specified above if, in the sole discretion of EPE, such changes are necessary. To the extent reasonably possible, EPE will inform Bidders that have filed a Notice of Intent to Bid of any schedule change.

4.1 RFP ISSUANCE

EPE will extend an electronic invitation to companies and entities that EPE identified while conducting market research on available battery storage systems/solutions. In addition, EPE will post the RFP on its website at https://www.epelectric.com/company/request-for-proposals to allow other entities to participate in the RFP process.

Receipt of the RFP invitation must be confirmed via email response from Bidders with EPE's point of contact, Bruce Miller, at the following email address: **bruce.miller@epelectric.com**

4.2 NOTICE OF INTENT TO BID

Bidders must submit a Notice of Intent to Bid, included in Section 8.0, by 5:00 pm Mountain Time on **December 11, 2026**. The Notice of Intent to Bid must be submitted via email to Bruce Miller at bruce.miller@epelectric.com . Failure to submit a Notice of Intent to Bid may result in exclusion from participation in the bidding process.

It is the sole responsibility of the Bidder to make certain that the Notice of Intent to Bid is received by EPE prior to the date and time specified.

Receipt of the Notice of Intent to Bid will be confirmed via email response from EPE to the Bidder.

4.3 SUBMISSION OF BIDDER QUESTIONS

The deadline for submission of written RFP related questions will be December 11th, 2026 at 5:00 p.m. Mountain Time to EPE's point of contact:

bruce.miller@epelectric.com

Any questions submitted after that deadline will NOT be addressed.

EPE will prepare written responses to questions received and distribute the questions and responses to Bidders. Responses will be distributed to such Bidders with the question included but will not identify who originally submitted the question.

4.4 PROPOSAL DUE DATE

All proposals must be submitted electronically to Bruce Miller, Sr. Director, Supply Chain Management at Bruce.miller@epelectric.com by 5:00 p.m. Mountain Time on **January 13th, 2027.** Any proposal submitted after the due date will be excluded from consideration. Proposals shall be as complete as possible.

Bidders are solely responsible for ensuring the proposals are received by EPE in accordance with the RFP instructions prior to the date and time specified, and at the place specified. EPE shall not be responsible for any delays in email, by transmitting errors, delays, or mislabeling.

4.5 TENTATIVE DATE FOR SELECTION OF PROJECTS

Following a review of technical information, Bidders' experience and feedback obtained from references, EPE will determine which, if any, of the proposals best meets EPE's objectives, and may initiate negotiations with those applicable Bidders. EPE will notify the selected Bidder/s on or before **April 23, 2027.** EPE may choose to initiate negotiations with one or more Bidders**.**

4.6 TENTATIVE DATE FOR CONTRACT DISCUSSIONS

Should EPE choose to initiate negotiations with any Bidders, the tentative date for contract execution with the selected Bidder(s) is **July 8, 2027.** Any contract between EPE and a Bidder will be conditioned upon regulatory approval by the applicable governmental agencies. EPE, at its sole discretion, reserves the right to reject any proposed contract(s) that result from this RFP for any reason including if subsequently issued regulatory approvals or authorizations are subject to conditions, including ratemaking treatments, which are unacceptable to EPE.

4.7 PROPOSAL VALIDITY

Each Bidder must hold its proposal open and valid through July 8, 2027.

4.8 DIVISION OF RESPONSIBILITIES

El Paso Electric Company Responsibilities

EPE's primary responsibilities will include, but are not limited to, the following:

- Develop and administer the Program.
- Obtain all required regulatory approvals and cost recovery authorizations.
- Identify targeted distribution circuits, geographic areas, or customer segments for program participation.
- Establish program objectives, performance metrics, dispatch requirements, and operational parameters.
- Review and approve customer outreach, marketing, and education plan provided by the bidder.
- Provide program oversight and contract administration.
- Coordinate interconnection review and approval processes.
- Validate program performance and evaluate benefits including peak reduction, load shifting, resiliency, reliability, and customer participation.
- Provide system load forecasts, planning assumptions, and operational requirements necessary for program implementation.
- Monitor compliance with applicable utility, regulatory, cybersecurity, and data privacy requirements.
- Evaluate program results and submit any necessary reports to regulatory entities.

Bidder Responsibilities

The selected Bidder shall be responsible for the design, implementation, operation, and maintenance of the proposed solution and shall:

- Provide all residential battery systems, hardware, software, communications equipment, one-line diagrams, and associated services necessary to implement the program.
- Recruit, enroll, and retain participating customers.
- Conduct site assessments and confirm customer eligibility.
- Design, procure, install, commission, operate, maintain, and decommission battery systems as required under the proposed program structure.
- Obtain all permits, inspections, and third-party approvals required for installation.
- Ensure all equipment complies with applicable codes, standards, and EPE's requirements.
- Provide a customer-facing platform or mobile application that allows customers to monitor battery performance and program participation.
- Provide a utility-facing platform that enables EPE visibility and control of battery systems.
- Operate and maintain all installed equipment throughout the term of the program.
- Provide customer support, warranty administration, and issue resolution.
- Provide EPE with battery dispatch functions in accordance with EPE-approved operating parameters.
- Measure, record, and report battery operational data, including charging, discharging, availability, state of charge, and customer participation metrics.
- Provide monthly and annual performance reports to EPE.
- Comply with EPE cybersecurity, data privacy, and information security requirements, including but not limited to Attachment C and D.

In addition, the selected Bidder shall be responsible for:

- Executing all required participation agreements with customers.
- Ensuring customers provide reasonable access to property for installation, inspection, maintenance, and removal activities.
- Ensuring internet connectivity, if required for system communications.
- Ensuring customers do not modify or tamper with installed equipment.
- Administering periodic surveys or other program evaluation activities for participating customers as requested by EPE.
- Ensuring customers notify EPE of changes in property ownership, occupancy, or electrical service.

Ownership-Specific Responsibilities

EPE-Owned Option

For proposals involving EPE ownership of battery assets:

- EPE shall own the battery systems and associated equipment.

- The Bidder shall provide turnkey engineering, procurement, construction, commissioning, operation, and maintenance services.
- The Bidder may provide asset management services under contract to EPE.
- The Bidder shall be responsible for customer acquisition, enrollment and addressing any customer concerns related to installed equipment.
- EPE shall be responsible for filing for ITC benefits, with information provided by the Bidder.

Third-Party-Owned Option

For proposals involving third-party ownership of battery assets:

- The Bidder shall own, operate, and maintain the battery systems.
- The Bidder shall be responsible for customer acquisition, equipment replacement, warranty compliance, and ongoing operational performance.
- EPE shall have contractual rights to dispatch, schedule, or otherwise control available battery capacity in accordance with program requirements.

Data and Performance Reporting

The Bidder shall provide EPE with access to granular system and portfolio-level data sufficient to evaluate:

- Aggregate fleet, feeder-level, and individual residential battery performance, including charging and discharging power (kW), energy (kWh), site loads (kW), state of charge (%), voltage (V), current (A), and frequency (Hz), where available.
- Customer participation and retention.
- System availability and reliability, including dispatch frequency, accuracy, and performance
- Outage backup and resiliency performance, including backup event counts, duration, and avoided customer outage minutes, where measurable.
- Greenhouse gas and emissions reduction impacts, if applicable.
- Data reporting frequency, collection intervals, and availability of historical data.

5.0 SUBMITTAL PREPARATION INSTRUCTIONS

General Information

a. Schedule
Proposals shall be submitted in strict accordance with the RFP schedule.

b. Extensions
EPE will not grant any extensions to the RFP schedule and will not accept late proposals. Any proposal received after the scheduled date will not be considered and the Bidder will be notified of its elimination.

c. Reservation of Rights

EPE reserves the right to accept or reject in its sole discretion any or all proposals for any reason at any time after submittal. EPE also reserves the right to select an offer that is not the lowest price, if EPE determines that to do so would result in the greatest value to EPE's customers.

d. Failure to Comply
Failure to comply with all requirements of this RFP may result in the rejection of the applicable proposal in EPE's sole discretion.

e. No Liability
Bidders that submit proposals do so without legal recourse against EPE or its directors, management, employees, agents, contractors or independent monitor based on EPE's rejection of any proposal or for failure to execute any agreement in connection with this RFP in law or equity, for any reason whatsoever relating to EPE's acts or omissions arising out of or in connection with this RFP. EPE shall not be liable to any Bidder or to any other party in law or equity. EPE further declares that it will incur no financial liability or obligation for Bidder's costs in preparing proposals.

f. Return of Documents
None of the materials received by EPE from Bidders in response to this RFP will be returned. All proposals and exhibits will become the property of EPE, subject to the provisions for confidentiality described in this document.

5.1 PROPOSAL CONTENT REQUIREMENTS

This section outlines the content and format requirements for proposals submitted in response to this RFP. Unless EPE in its sole discretion elects otherwise, proposals that do not include the information requested in this section will be ineligible for further evaluation, unless the information requested is not applicable or relevant to a given proposal. EPE reserves the right to conduct any further due diligence it considers necessary to fully understand and evaluate proposals.

5.2 PROPOSAL FORMAT

A complete proposal shall include a thorough written discussion of the Bidder's proposed Program and shall be organized in the format described below. Proposals should be concise, well-organized, and provide sufficient detail for EPE to evaluate the technical, operational, financial, and cybersecurity merits of the proposed solution.

Each proposal page shall include the following information in the upper right-hand corner:

- NM Residential Distributed Energy Storage Pilot Program ("DESPP")
  - RFP Number: 2152
  - Bidder Name

A complete proposal will include a thorough written discussion about the proposed Program, assembled in the following format:

Tab 1 – Executive Summary
Tab 2 – Program Description and Technical Requirements
Tab 3 – Project Development and Implementation Schedule
Tab 4 – Pricing Proposal
Tab 5 – Bidder Experience and Qualifications
Tab 6 – Cybersecurity and Data Protection
Tab 7 – Financial Information
Tab 8 – Exceptions and Contractual Considerations
Tab 9 – Appendices

Tab 1 – Executive Summary

The Executive Summary shall provide a comprehensive overview of the proposed Program, including:

- Net firm dispatchable capacity and energy available to EPE, including ability to provide 36 MW for four consecutive hours
- Ownership model(s) proposed (EPE-owned, third-party-owned, or both)
- Total aggregated capacity and energy (MW and MWh)
- Proposed allocation of battery capacity between EPE dispatch and customer backup
- Total number of customers to be targeted for this program
- Battery technology chemistry and key differentiators
- Expected battery useful life, annual degradation and ability to maintain required dispatchable capacity over the duration of the program
- Summary of proposed customer benefits and participation incentives
- Expected grid benefits, including peak reduction, load shifting, reliability, and resiliency
- A brief description of utility dispatch capabilities
- Estimated project deployment timeline
- Brief experience implementing similar projects

Tab 2 – Program Description and Technical Requirements

The Bidder shall provide a detailed description of the proposed residential battery storage solution, including:

- Program design and administration
- Customer enrollment and participation process
- Battery and inverter specifications, including battery chemistry, usable energy capacity (kWh), continuous and peak power ratings (kW), charge and discharge ratings, round-trip efficiency, operating temperature range, rated capacity, fault current contribution and duration, enclosure rating.

- Applicable UL or other certifications (please specify if certifications have been obtained and are currently pending)
- Battery operating parameters, including allowable state-of-charge range, minimum reserve requirements, charging and discharging limits, ramp rates, response times, and recharge requirements following dispatch events.
- Battery cycling and throughput limitations, including maximum recommended and warranted equivalent cycles per day and per year, lifetime cycle limitations, applicable energy throughput limitations, and any dispatch frequency or duration restrictions that may affect the life of the equipment or warranty coverage
- Expected degradation and capacity retention over the proposed program term, including annual degradation assumptions, end of life capacity, replacement requirements, and the Bidder's strategy for maintaining the required firm dispatchable capacity and energy available to EPE.
- Communications architecture (network controls)
- Aggregation capabilities
- Dispatch and control functionality
- Integration and interoperability with applicable EPE systems and future DERMS/VPP capabilities, in accordance with Section 2.9
- Customer facing web portals and mobile applications
- Screenshots of customer app/utility dashboard (if applicable)
- Backup power functionality and resilience features
- Monitoring, analytics, measurement, verification, and reporting capabilities
- Equipment warranties and replacement requirements, performance guarantees and expected system life
- Scalability of the proposed solution
- Please specify if your proposed software can limit output of the battery systems (PCS limit), until EPE completes necessary transformer upgrades

Tab 3 – Project Development and Implementation Schedule

The Bidder shall provide a high-level implementation plan and schedule that includes:

- Program startup activities
- Customer acquisition and enrollment milestones
- Site evaluation and engineering process
- Equipment procurement schedule
- Permitting and interconnection activities: installation, and commissioning activities including compliance with EPE's New Mexico Technical Interconnection and Interoperability Requirements (TIIR). Please refer to Attachment E.
- Systems integration, communications, and operational testing activities
- Deployment milestones by EPE priority areas
- Schedule dependencies, critical path activities, and potential schedule risks

Tab 4 – Pricing Proposal

The Pricing Proposal shall clearly identify all costs associated with the proposed solution. At a minimum, pricing shall include items specified in Section 3.1 and 3.2

Pricing shall be provided separately for EPE-owned and third-party ownership structures, if both are proposed.

Tab 5 – Bidder Experience and Qualifications

The Bidder shall demonstrate its experience, capabilities, and qualifications to successfully deliver the proposed solution. At a minimum, the Bidder shall include:

- Company overview and history
- Experience deploying DER programs and residential battery storage programs in particular:
  - Please specify if you have experience in turnkey deployment of utility-owned or third-party owned batteries or in Bring Your Own Battery ("BYOD") solutions
- Experience aggregating batteries and operating VPPs
- Experience integrating with utility operational systems and DERMS platforms
- Experience managing customer marketing, enrollment and incentive processes, with quantifiable success metrics
- Key project personnel and organizational structure
- Relevant licenses and certifications
- References for at least three comparable projects

Tab 6 – Cybersecurity and Data Protection

The Bidder shall provide a detailed description of its cybersecurity, privacy, and data protection practices and complete the New Vendor Cybersecurity Questions (**Attachment B**). Attachment B is an initial vendor screening and does not replace compliance with EPE's mandatory OT architecture, network, remote-access, logging, hardening, and vendor-integration requirements. At a minimum, the response shall address the following:

Cybersecurity Program

- Information security governance framework
- Compliance with applicable cybersecurity standards, including NIST, ISO 27001, SOC 2, or equivalent
- Independent cybersecurity assessments, audits, or certifications

System and Network Security

- Network architecture and security controls
- Encryption methods for data at rest and in transit
- Multi-factor authentication capabilities
- Role-based access controls
- Logging, monitoring, and audit capabilities

Device and Operational Security

- Security controls protecting battery systems, inverters, gateways, communications equipment, and cloud platforms
- Secure firmware and software update procedures

- Vulnerability management and patch management processes
- Controls preventing unauthorized system access or battery dispatch

Data Privacy and Ownership

- Types of customer and operational data collected
- Data ownership structure
- Data retention and destruction policies
- Customer consent process
- Compliance with applicable privacy regulations

Incident Response and Recovery

- Cybersecurity incident response procedures
- Security event detection capabilities
- Data breach notification procedures
- Disaster recovery and business continuity plans

Third-Party and Supply Chain Security

- Cybersecurity requirements for subcontractors and bidders
- Cloud provider security controls
- Software Bill of Materials (SBOM) provided.

Utility Integration Security

- Security controls associated with integration to EPE systems
- Network segmentation methods
- Protection of utility operational technology ("OT") environments
- Security approach for future DERMS, SCADA, AMI, and other utility system integrations
- Describe how the proposed architecture complies with the EPE OT Cyber Architecture Guidelines and EPE Network Architecture Standards (Attachment C and Attachment D).

Tab 7 – Financial Information

The Bidder shall provide information demonstrating financial capability and stability, including:

- Corporate ownership structure
- Financial statements for the previous three years
- Credit ratings, if available
- Dun & Bradstreet (DUNS) number
- Proof of insurance coverage
- Litigation, regulatory actions, or bankruptcy disclosures

Tab 8 – Exceptions and Contractual Considerations

The Bidder shall identify any:

- Technical exceptions
- Commercial exceptions
- Contractual exceptions
- Alternate approaches

- Assumptions or dependencies that could impact project execution
- Cybersecurity exceptions to the Guidelines (Attachment C and Attachment D)

Tab 9 – Appendices

Appendices shall include:

- Product specification sheets
- Sample reports and dashboards
- Cybersecurity questionnaire
- Financial statements for the last 3 years
- One-line diagrams
- Sample customer agreements (if available

Additional documentation may include supporting documentation, such as:

- Example marketing collateral
- Warranty documentation
- Operational procedures
- Additional technical information

EPE reserves the right to conduct additional due diligence and request supplemental information as necessary to fully evaluate any proposal.

Risk Management and Insurance Program

Bidders shall provide a list of existing insurance contracts, listing policies by coverage, expiration date, insurer and limits per policy. Also, on a per coverage basis, provide current experience modifier and prior Loss History for the last three (3) years. Bidders shall also describe their Risk Management program if insurance coverage will derive from a parent company. Additional information may be requested based on information provided with the original proposal.

6.0 EVALUATION PROCESS

EPE will evaluate proposals to determine which solutions provide the greatest value to EPE, its customers, and the electric system. The evaluation will consider the proposed solution's technical capabilities, grid benefits, customer experience, implementation approach, cybersecurity posture, financial viability, and the Bidder's qualifications. EPE reserves the right to reject any or all proposals and may select one or more Bidders for further evaluation and contract negotiation.

6.1 PROPOSAL REVIEW

EPE will first determine whether each proposal satisfies the requirements of this RFP. Proposals that meet these requirements will advance through the evaluation process. EPE reserves the right to disqualify any proposal that is incomplete, fails to meet the requirements of the RFP, or is not submitted in accordance with the instructions provided.
Favorable proposal characteristics include:

- Completeness and responsiveness to the requirements of this RFP;
- Demonstrated ability to deploy, aggregate, monitor, and control residential battery storage systems at scale;
- Ability to provide utility-controlled dispatch and operational visibility of battery assets;
- Demonstrated capability to provide peak reduction, load shifting, reliability, resiliency, and future VPP functionality;
- Cost-effectiveness and overall value to EPE and its customers;
- Customer-friendly enrollment processes, interfaces, and support services;
- Quality of software, monitoring, reporting, and utility integration capabilities;
- Proven performance results from similar distributed energy storage programs;
- Relevant experience, qualifications, and references;
- Financial strength and ability to support long-term program obligations;
- Cybersecurity and data protection practices; and
- Scalability to support future program growth and evolving utility needs.

Bids Evaluation

Step 1 – Bid Eligibility Determination

Each proposal will be reviewed to determine whether it satisfies the requirements outlined in this RFP. EPE reserves the right to reject any proposal, or portions thereof, that fail to comply with the submission requirements, do not contain sufficient information for evaluation, or otherwise fail to meet the minimum requirements established in this RFP. Proposals must be submitted by the specified due date and in accordance with the instructions provided in this solicitation.

Step 2 – Initial Bid Screening Process

EPE will conduct an initial review of all eligible proposals to assess completeness and alignment with the objectives of the Program. During this phase, EPE will evaluate the overall Program design, technical capabilities of the proposed battery storage solution, customer marketing and enrollment plan, utility control and dispatch functionality, expected grid benefits, implementation approach, project costs, Bidder qualifications, and financial capability.

EPE will also consider the ability of the proposed solution to support peak demand reduction, load shifting, resiliency objectives, customer experience, future VPP applications, and integration with EPE's existing and future utility systems. Cybersecurity and data protection capabilities will also be evaluated during this stage.

Step 3 – Due Diligence Bid Evaluation and Short List

Proposals that successfully pass the initial screening process will advance to a more detailed due diligence review. During this phase, EPE may perform reference checks, review project experience, assess financial strength, evaluate cybersecurity practices, and validate technical assumptions contained within the proposal.

EPE may also evaluate the Bidder’s experience deploying residential battery storage programs, operating aggregated distributed energy resources, integrating with utility systems, and delivering projects of similar size and complexity. Consideration may be given to demonstrated project

results, customer satisfaction, operational performance, system scalability, and the Bidder's ability to support EPE's long-term distributed energy resource strategy.
Following completion of the due diligence review, EPE will evaluate the proposals and establish a shortlist of the most qualified Bidders.

Step 4 – Shortlisted Bidders Presentations to EPE

Shortlisted Bidders may be invited to present their proposed solution to EPE. Presentations may include demonstrations of customer interfaces, utility monitoring and control platforms, battery dispatch capabilities, reporting tools, cybersecurity controls, implementation plans, and overall program management approach.

EPE may request additional information or clarification from shortlisted Bidders as part of the presentation process. The purpose of these presentations is to further evaluate each Bidder's capabilities, understanding of EPE's objectives, and ability to successfully deliver the proposed solution.

6.2 EPE'S SELECTION OF BIDS AND DISCUSSIONS WITH BIDDERS

a. Evaluation and Selection
Following completion of the detailed proposal evaluation, due diligence activities, and shortlisted Bidder presentations, EPE may select one or more proposals for contract negotiations.
EPE may elect to:

- Select a single Bidder;
- Select multiple Bidders;
- Award separate contracts for different ownership models or program components; or
- Decline to select any proposal.

EPE will notify Bidders whose proposals are eliminated from further consideration.

b. Right to Terminate Negotiations
If EPE cannot reach acceptable agreement terms with a selected Bidder, EPE reserves the right to terminate negotiations and initiate discussions with other Bidders, issue a new solicitation, modify the scope of the Program, or cancel the RFP.

Furthermore, EPE reserves the right, in its sole discretion, to reject any or all proposals, waive minor irregularities, request additional information, or determine that no proposal adequately meets the objectives of the Program and therefore make no award.

7.0 TECHNICAL AND CYBER SECURITY STANDARDS

If the proposed DESPP solution includes vendor-managed, cloud, SaaS, or third-party hosting services (a "All proposed DESPP solutions"), it will be subject to the following requirements:

7.1 HOSTING SERVICES

If the proposed solution includes vendor-managed, cloud, SaaS, or third-party hosting services, the Bidder shall describe the proposed hosting environment and associated security, access, and data-protection measures. At a minimum, the proposal shall address:

- Hosting Environment
    - Identify the hosting model, hosting provider, and geographic location(s) where EPE data and services will be hosted, processed, backed up, or replicated.

7.2 ACCESS

EPE users may include EPE employees, contractors, customers, and other individuals authorized by EPE (collectively, "EPE Users"). The Bidder shall provide EPE Users with secure, role-based access to the Hosting System as necessary to support the services contemplated by this RFP.

Bidders shall describe the services being provided, the types of EPE data or systems that may be accessed, processed, transmitted, hosted, or stored, and any third parties or subcontractors with access to EPE data.

Bidders shall describe how EPE users and administrators will securely access the hosted solution, including supported authentication methods, Single Sign-On (SSO), Multi-Factor Authentication (MFA), role-based access control (RBAC), user provisioning/deprovisioning, privileged access, and integration with EPE's identity and access management environment, where applicable.

Ownership, permitted use, confidentiality, security, and other rights and obligations related to EPE Data will be addressed in the definitive agreement between EPE and the selected vendor. Any indemnification obligations will likewise be subject to the terms of the definitive agreement.

7.3 DATA BREACH NOTIFICATION

Cybersecurity Controls

Bidders shall describe the cybersecurity measures used to protect EPE data and systems, including access controls, encryption, monitoring, vulnerability and patch management, incident response, backup/recovery, and other applicable safeguards.

Standards and Compliance

Bidders shall identify applicable cybersecurity, privacy, legal, regulatory, and industry requirements and standards supported by the proposed solution, such as NIST, ISO 27001, SOC 2, NERC CIP, or equivalent requirements, as applicable.

Network and Cyber Security Standards - OT Requirements

The Bidder shall comply with the EPE OT Cyber Architecture Guidelines, and EPE network architecture standards in the version in effect at contract execution (the "Guidelines"), for all hardware, software, gateways, adapters, APIs, hosted services, and remote support that connect to, integrate with, or support EPE operational technology systems. Exceptions are subject to EPE OT Cyber Security approval and shall include documented compensating controls. EPE OT Cyber Security determines the applicability of NERC CIP requirements to any component of the proposed solution. Bidders shall provide information needed to support that determination. Refer to **Attachment C** and **Attachment D**.

Security Incident and Data Breach Notification

Bidders shall describe the security incident and data breach notification process. The Bidder shall notify EPE as soon as reasonably practicable, but no later than twenty-four (24) hours after becoming aware of an actual or reasonably suspected security incident that affects or may affect EPE data, systems, credentials, or services provided to EPE.

Incident Response and Cooperation

Bidders shall describe the process for investigating, containing, remediating, and communicating security incidents, including its ability to provide EPE with timely updates, relevant findings, and a final root-cause and corrective-action summary, as applicable.

Third-Party Security

Bidders shall describe how cybersecurity and data-protection requirements are applied to subcontractors, cloud providers, and other third parties supporting the proposed services.

8.0 NOTICE OF INTENT TO BID

(Complete the Notice of Intent for each Project to be proposed)

1. Company Name: _____

2. Company Address: _____

_____

3. Contact Person Information:

Name	
Title/Position	
Telephone Number	
Email Address	

4. Authorized Signature: _____

Name: _____

Title: _____

5. Date: _____

The Notice of Intent to Bid shall be submitted via email to Bruce Miller, Sr. Director, Supply Chain Management at bruce.miller@epelectric.com. Receipt of the Notice of Intent to Bid will be confirmed in an email from EPE to the Bidder. This form should be delivered no later than 5:00 p.m. Mountain Time on December 11, 2026.

9.0 NOTICE OF DISCLAIMER

EPE has prepared the information provided in this RFP to assist interested entities in making a decision whether to respond with a proposal. EPE reserves the right to modify, change, supplement or withdraw the RFP at its sole discretion. No part of this document or any other correspondence from EPE, its employees, officers or consultants shall be taken as legal, financial or other advice, nor as establishing a contract or any contractual obligations. All communication between Bidders and EPE shall be conducted in writing.

EPE makes no representations or warranties regarding the completeness of the information contained within the RFP and does not purport that this RFP contains all of the information needed for Bidders to determine whether to submit a proposal. Neither EPE nor its employees, officers or consultants will make, or will be deemed to have made, any current or future representation,

promise or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information contained within the RFP or any other information provided to Bidders.

Bidders who submit proposals do so without legal recourse against EPE, or EPE's directors, management, employees, agents or contractors, due to EPE's rejection, in whole or in part, of their proposal or for failure to execute any agreement with EPE. EPE shall not be liable to any Bidder or to any other party, in law or equity, for any reason whatsoever related to EPE's acts or omissions arising out of, or in connection with, the RFP process.

EPE reserves the right to reject, for any reason, any and/or all proposals. EPE further reserves the right to waive any irregularity or technicality in proposals received, or to consider alternatives outside of this solicitation, at its sole discretion, to satisfy its grid support goals and customer needs. In addition, EPE reserves the right, in its sole discretion, to modify or waive any of the criteria contained herein and/or the process described herein.

No Bidder will have any claim whatsoever against EPE, its employees, officers, or consultants arising from, in connection with, or in any way relating to this RFP. Without limiting the generality of the foregoing, each Bidder agrees, by and through its submission of a proposal, that rejection of a proposal will be without liability on the part of EPE, its employees, officers, or consultants, nor shall a Bidder seek recourse of any kind against any of the foregoing on account of such rejection. The filing of a proposal shall constitute an agreement of the Bidder to each and all of these conditions. Each Bidder and recipient of this RFP is responsible for all costs incurred in evaluating, preparing and responding to this RFP. Any other costs incurred by any Bidder during negotiations are also the responsibility of the Bidder.