



Upper Peninsula Power Company
Request for Proposals (RFP) for:
Clean, Renewable, and Energy Storage
Projects

Date of Issuance: June 12, 2024

Procurement Email Address: uppcorfpadmin@enel.com

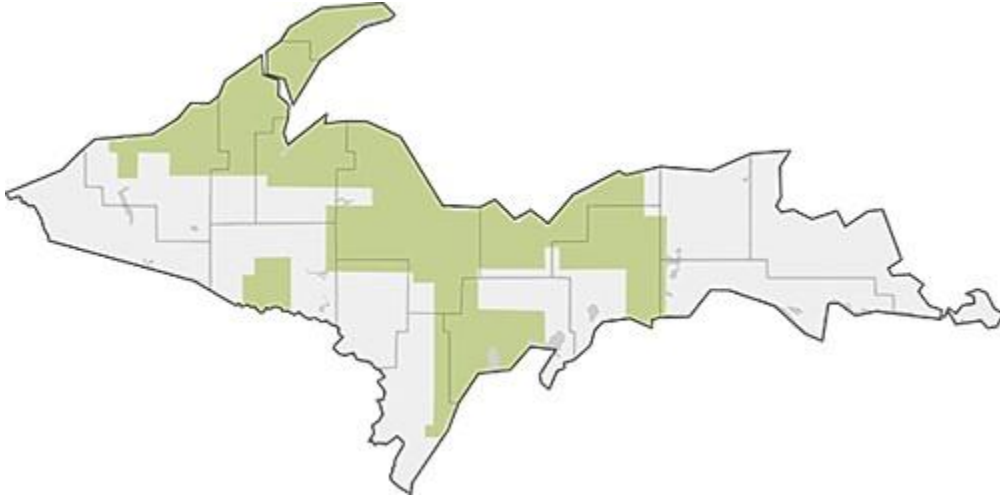
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1.0 Company Overview

UPPCO is an electric utility serving approximately 52,000 customers located in 10 of the Upper Peninsula of Michigan's 15 counties. The utility's service territory of almost 4,460 square miles covers primarily rural countryside. UPPCO serves approximately 12 customers per square mile throughout the Upper Peninsula of Michigan. UPPCO owns and operates combustion turbines and hydroelectric facilities with a total generation capacity of approximately 80 MW. The company has engaged Enel X to serve as UPPCO's representative for this procurement process through the RFP stage.

UPPCO Service Territory



Colored area in the map is a generalized depiction of UPPCO service territory. More information about UPPCO is available via www.uppco.com.

2.0 RFP Background

UPPCO has engaged Enel X to conduct a structured Request for Proposals ("RFP") to gather and evaluate proposals for clean energy systems (as defined by MCL 460.1003), renewable energy resources (as defined by MCL 460.1011), and energy storage systems (as defined by MCL 460.1005) to support future supply needs. UPPCO is considering projects which are situated in the Michigan Upper Peninsula (UP) portion of MISO Zone 2.

UPPCO will consider project offers structured either as a (1) Build Transfer Agreement (BTA) or (2) Power Purchase Agreement (PPA) containing a Buyout Provision occurring after project operation year 10. All possible technology, sizing, and contract options are listed below in RFP Solicitation Tables. Regardless of the contract option which UPPCO ultimately selects, developers will be responsible for pre-construction phase project development activities and construction phase engineering, design, procurement, and construction of the project.

RFP Solicitation Tables

UPPCO seeks to award proposals from **both** PPA and BTA product structures as outlined in each table.

Contract Type: BTA			
Technology	Clean Energy Systems	Renewable Energy Resources	Energy Storage Systems
MI Statute	MCL 460.1003	MCL 460.1011	MCL 460.1005
Nameplate Capacity (MWac)	up to 36 MWac.	<p><u>Utility Scale Solar PV:</u> up to 115 MWac and no less than 25 MWac.</p> <p><u>Small Scale Solar PV:</u> up to 3 Solar PV systems, each not to exceed 550 kWac. Bidder should include option for adjacent storage facilities.</p> <p><u>Utility Scale Wind:</u> up to 87.5 MWac, and no less than 25 MWac.</p>	<p>Systems sized up to 15 MWac of total capacity and 4-6 MWh discharge.</p> <p>Preferred sizing sub-5 MWac capacity per battery.</p>

Contract Type: PPA			
Technology	Clean Energy Systems	Renewable Energy Resources	Energy Storage Systems
MI Statute	MCL 460.1003	MCL 460.1011	MCL 460.1005
Nameplate Capacity (MWac)	up to 36 MWac.	<p><u>Utility Scale Solar PV:</u> up to 115 MWac and no less than 25 MWac.</p> <p><u>Utility Scale Wind:</u> up to 87.5 MWac, and no less than 25 MWac.</p> <p><u>Hydro:</u> up to 36 MWac.</p>	<p>Systems sized up to 15 MWac of total capacity and 4-6 MWh discharge.</p>

Complete details regarding contractual requirements for proposals are contained within Subsection 8.0: Proposal Content Requirements of this RFP.

3.0 Invitation

UPPCO invites your company (“Developer”, “Respondent”, or “Bidder”) to participate within its RFP process. Responses to this RFP will only be accepted through Enel X. Alternate proposals or offers submitted outside of the Enel X will not be reviewed or considered.

Bidders with interest in participating within this RFP process are encouraged to submit any questions ahead of the submittal due date. This will ensure that interested parties fully understand the RFP process and proposal requirements.

All prospective bidders must thoroughly review this RFP document and the offer requirements contained within.

4.0 Next Steps

Email Notice of Intent Due: Prospective bidders are asked to submit an email to UPPCORFPadmin@enel.com by **5:00 PM ET on July 18th, 2024** indicating interest.

5.0 RFP Schedule, Timeline

The events for UPPCO’s RFP process shall occur in accordance with the following schedule (please note that all dates are subject to change):

RFP Milestone	Schedule Dates
RFP Issued, Solicitation Website, Documents Go-Live	Wednesday, June 12, 2024
Questions and Answers Window Opens	Wednesday, June 12, 2024
Project Proposal Documents, Materials Due (Excluding final offer price)	Thursday, July 25, 2024
Respondents Provided with Proposal Pre-Review Status, Findings	Thursday, August 29, 2024
Pre-Bid Financial Security Due, Appendix C Packages Due	Tuesday, September 3, 2024
Notice to Proceed issues, Affidavits provided to Respondents	Tuesday, September 3, 2024
Renewable Project Sealed Bid Event Run on Enel X Solicitation Platform	Wednesday, September 11, 2024
Preliminary Award Decisions, Statuses Distributed by Enel X	Wednesday, October 9, 2024

6.0 RFP Process Information

UPPCO will first collect and review initial bidder submissions and planned project proposals including indicative project pricing. Bidder submission should include a summary of developer experience and details indicating Developers’ ability to secure financing for the project, proposed site layout, and any available technical details of the proposed materials.

In order to participate in the executable pricing event on September 11, 2024, a bidder must (i) satisfy all applicable participation requirements, (ii) agree to honor and include all contract requirements as outlined within this RFP if selected for award, and (iii) agree to honor any specific requirements communicated to them by Enel X and/or UPPCO.

Bidders must agree to honor and abide by all product specifications outlined within the “Contract Details” section of this RFP document. **Non-conforming executable offers will not be considered or accepted.**

Bidders will be notified of preliminary award decisions by **October 9, 2024**.

If selected for contract award following the executable pricing event, bidders must dutifully work to execute mutually agreeable contracts and satisfy any applicable collateral/security requirements.

Throughout the RFP process, there will be an open email inbox from which the Administrator will reply to all questions. All questions regarding this RFP, product and/or process, should be submitted to: UPPCORFPadmin@enel.com.

The Solicitation Website can be accessed by all registered users of the Enel X platform at the following web address:

<http://www.exchange.enelx.com/webportal/Public/Announcement.aspx?ID=AM7w4MISGic%3d>

7.0 RFP General Requirements

7.1 Respondent and Project Qualification Process Overview

To be eligible to submit final proposals through this Solicitation by the Sealed Bid Event date as outlined within the above Section 5.0 schedule, Respondents must comply with a two-phase qualification process, as fully detailed within Subsections 7.2 and 7.3 below, and be fully qualified by Enel X. The qualification process consists of a Respondent and Project Qualification Phase (Phase 1, Subsection 7.2) and a Contracts and Bid Security Qualification Phase (Phase 2, Subsection 7.3).

The two-phase qualification process is designed to ensure that:

1. Respondent organizations have sufficient capabilities to support to-be-proposed projects,
2. Proposed projects are able to meet or exceed all minimum requirements outlined within this RFP, and
3. Respondents are able to:
 - a) Sufficiently cover proposal exposure with adequate pre-bid security,
 - b) Attest to having met applicable RFP requirements, and
 - c) Honor all non-negotiable sections of the UPPCO contract templates.

Respondents that timely and fully satisfy all relevant prerequisite requirements associated with each phase of the qualification process will receive formal Notices to Proceed leading up to the final proposal submission on the Sealed Bid Event date. Respondents that ultimately receive Phase 2 Notices to Proceed will be granted permissions to submit final proposals for shortlist consideration.

Projects that have changed ownership during the Solicitation Process may still be eligible to participate. Enel X will determine eligibility on a case-by-case basis.

7.2 Respondent and Project Qualification Phase (Phase 1)

To participate in the RFP process, Respondents must meet all relevant pre-requisites outlined in this RFP and communicated by Enel X, including completing and submitting a fully filled Appendix A: Respondent Qualification Application; Appendix B-1: Project Qualification Application; and Appendix B-2: Project Qualification Database before the submission deadline specified in Subsection 5.0 of the Solicitation Schedule.

After the submission deadline, a formal remediation period will begin. During this time, Enel X will provide Respondents with a list of requests for clarification and any remediation needs that must be addressed. Respondents will have an opportunity to provide clarifications or cures to any identified remediation needs before the determination and issuance of Phase 1 Notices to Proceed.

Once Respondents have met all the relevant requirements of the Respondent and Project Qualification Stage, they will receive a Phase 1 Notice to Proceed, which will provide detailed information on the next steps of the Solicitation Process.

7.3 Contracts and Bid Security Qualification Phase (Phase 2)

Qualified Respondents with Qualified Projects are required to post Pre-Bid Security and execute Appendix C agreements. The Pre-Bid Security requirements are detailed in Subsection 7.4, while the Appendix C agreements consist of one Binding Bid Agreement per Respondent organization and one Binding Respondent Affidavit per proposed project. The DocuSign e-signature platform will be used to issue and execute the agreements. Phase 1 Notices to Proceed will be issued to qualified Respondents, who will then have two business days to execute the agreements via DocuSign. While a PDF version of the Appendix C agreement set is available for reference, Respondents are not allowed to physically sign or modify them in any way. Submission deadlines for Phase 2 requirements can be found in the Solicitation Schedule detailed in Subsection 5.0.

Respondents who have successfully met all requirements within Phase 2 for at least one of their pre-qualified projects will receive a Phase 2 Notice to Proceed along with executable bidding permissions on the Solicitation Website. The Phase 2 Notice to Proceed will contain a detailed summary of the qualified projects that Respondents are allowed to submit within the offer portal. Any projects not included in the Phase 2 Notice to Proceed will not be accepted.

7.4 Pre-Bid Security

To participate in this RFP, all respondents are required to post pre-bid security in USD in the amount of \$1500 per MWac of proposed project capacity by the deadline specified in the Section 5.0 Schedule. To meet the pre-bid credit requirements, cash collateral is necessary, and failure to provide it will lead to disqualification from the bidding process. The deposited cash will be held in a Citi Bank holding account controlled by Enel X, acting as an agent of UPPCO. To submit the cash deposit, respondents will receive detailed wire transfer instructions, including the receiving bank address, originating bank information, beneficiary name and account number, and ABA routing number. In addition to the cash deposit, respondents must complete and submit the Wire Transfer Remittance Form hosted on the Solicitation Website by the specified deadline. Pre-bid cash collateral for proposals not provisionally awarded will be returned to respondents within five business days following the Valid Proposal Duration window.

7.5 Attestations

Attestations, part of the Respondent and Project Qualification Application (Appendices A and B-1), Binding Bid Agreement and Binding Respondent Affidavit (Appendix C) and as made within submitted proposal materials and affidavits represent legal acknowledgements and warrants with regards to certain requirements, procedures, information provided and any other related submittal documentation pertaining to this RFP.

7.6 Technology

Technology types are referenced in RFP Solicitation Tables. Project proposals submitted in accordance with this RFP must be one of the three following technology types:

1. clean energy systems (as defined by MCL 460.1003)
2. renewable energy resources (as defined by MCL 460.1011)
3. energy storage systems (as defined by MCL 460.1005)

7.7 Size

All projects proposed in accordance with this RFP must have an AC nameplate generating capacity that fits one or a combination of options described in RFP Solicitation Tables. Further details on sizing specifications can be found in Section 8.1.4.1.

7.8 Proposal Quantities and Pricing

This RFP requests proposals that consist of firm quantities and firm prices. All prices must not be tied to any contingencies other than as specified herein. For purposes of this solicitation, the sale of any project to UPPCO includes the transfer of all permits, licenses, equipment, and contracts as each may be applicable to each proposal as identified in Appendices A, B-1, B-2, and C.

7.9 Valid Proposal Duration

To accommodate the anticipated duration of regulatory approval, proposal pricing must be valid for one year following the Proposal Due Date, as it may from time to time be amended, at which time proposals shall expire unless the Respondent has been notified and selected as a final award recipient, or unless otherwise agreed by UPPCO and a Respondent.

7.10 Location

This RFP requests proposals for new and existing projects of the types described in Section 7.6, which may be situated in the following area:

1. The Michigan Upper Peninsula (UP) portion of MISO Zone 2.

Information submitted must include identification of proposed interconnection points and the status of any pending interconnection requests, study agreements, interconnection and operating agreements, etc. as identified in Appendix B-2: Project Qualification Database.

7.11 Proposal Structures

Proposal structure types are referenced in RFP Solicitation Tables. UPPCO will consider project offers structured either as:

1. A Build Transfer Agreement (BTA)
2. A Power Purchase Agreement (PPA) which must contain a Buyout Provision allowing for buyout after project operation year 10.

Proposal structures are outlined in greater detail in the following Section 8.0.

8.0 Proposal Content Requirements

This section describes UPPCO's expectations and requirements for proposals in response to this RFP. UPPCO expects Respondents to provide any information that could impact the Respondent's ability to deliver the product(s) as offered. If it appears that certain information is inadvertently omitted from a proposal, Enel X may contact the Respondent to obtain the information.

All proposals must include a table of contents and provide concise and complete information for each of the following topics contained within this section.

8.1.1 Respondent Qualification and Project Qualification Applications

The Respondent shall include all three completed documents listed below:

1. Appendix A – Respondent Qualification Application (*MS Word format*)
2. Appendix B-1 – Project Qualification Application (*MS Word format*)
3. Appendix B-2 – Project Qualification Database (*Excel format*)

Appendices shall be signed by individual(s) authorized to enter into negotiations with UPPCO on behalf of the Respondent and Developer in connection with this RFP, the Project and the Contract Documents.

8.1.2 Executive Summary

Provide an executive summary of the envisioned project's characteristics and timeline, including any unique aspects and benefits, such as, community engagement activities the Respondent may implement to build local community acceptance of the project.

8.1.3 Acquisition Structure

UPPCO will only consider acquisition structures described in RFP Solicitation Tables. Respondents must indicate which option they are proposing.

8.1.3.1 BTA Structure:

In the BTA Option, UPPCO will retain all rights to all tax credits, attributes, incentives, deductions and any other tax benefits attributable to the project, including without limitation, the federal ITCs and any depreciation expenses related to the project. UPPCO would be open to review any options with different tax treatment structures.

- A Milestone BTA is a contract for the development and construction of a project where ownership of project assets is transferred to the buyer as incremental project milestones are completed, and generally with more applicable milestones than a Traditional BTA.
- A Traditional BTA is a contract for the development and construction of a project where ownership of project assets is transferred after mechanical completion is achieved, but prior to energization (including the production of test energy) and has a more limited number of milestones than a Milestone BTA.

8.1.3.2 PPA with Buyout Provision Structure:

In the PPA with Buyout Provision Option, the respondent is expected to work with UPPCO in developing a structure that meets UPPCO's regulatory structure. Any bid shall detail how federal ITCs as well as any other available federal, state and local tax credits, deductions, incentives and abatements would be treated.

8.1.3.3 Federal Tax Credits:

All Respondents submitting proposals must provide appropriate documentation defining the amount of Federal Investment Tax Credit or Federal Production Tax Credits to be secured for the project, including a detailed explanation of how it will be qualified. Enel X reserves the right, in its sole discretion, to evaluate each project based on the likelihood of the project achieving the level of Federal Investment Tax Credit or Federal Production Tax Credits claimed in any Respondent's proposal.

8.1.3.4 Acquisition Date:

Respondents shall state the proposed date upon which acquisition of the facility would be completed.

8.1.3.5 Acquisition Price:

For the BTA Option, Respondents shall submit an acquisition price consisting of a single fixed payment that is inclusive of all monetary consideration for the generating assets, ancillary facilities, and all contractual arrangements. Respondents shall also provide preferred payment schedule, linked to milestones in the Project and Construction Schedule described in Section 8.1.5.3.

Respondents shall provide offered equity stake, equity purchase pricing, and timing. This price would be contingent on the facility meeting its performance targets.

8.1.4 Facility Information and Technical Solution

Proposals must include narratives containing adequate detail to allow UPPCO to evaluate the merits and credibility of the proposed project. In addition, relevant Bid Form(s) for each proposal **must** be fully included; Appendix B-2: Project Qualification Database must be fully completed. Respondents must address the following topics:

8.1.4.1 Size

All proposed project types must align with the definitions outlined in the State of Michigan Public Acts of 2023, Act no. 235 (PA-0235), filed November 28, 2023 and effective February 27, 2024¹. This Act provides complete definitions on what qualifies for Renewable, Clean and or Energy Storage resources.

In addition to meeting the definition requirements stated in the above Act, generation and storage projects must have a nameplate rating that fits one or a combination of options as described in RFP Solicitation Tables. Further details are listed below by technology type:

Clean Energy Systems (as defined by MCL 460.1003)

Clean Energy Systems for the purpose of this RFP include:

- 1) natural gas generators which use carbon capture and storage that is at least 90% effective in capturing and permanently storing captured carbon dioxide.

According to RFP Solicitation Tables, UPPCO is considering clean energy systems totaling an aggregate 36 MWac capacity in each of BTA and PPA cases.

Renewable Energy Resources (as defined by MCL 460.1011)

Renewable Energy Resources for the purpose of this RFP include:

- 1) solar power,
- 2) water power, or
- 3) wind power.

According to RFP Solicitation Tables, UPPCO is considering solar systems sized thus:

- BTA case: utility scale PV systems – sized up to 115 MWac and no less than 25 MWac nameplate capacity; small scale solar PV – up to 3 solar PV systems, each not exceeding 550kWac nameplate capacity.

¹ Act no. 235 (PA-0235) can be found via link: www.legislature.mi.gov/documents/2023-2024/publicact/pdf/2023-PA-0235.pdf

- PPA case: utility scale systems sized up to 115 MWac and no less than 25 MWac.

According to RFP Solicitation Tables, UPPCO is considering wind systems sized thus:

- BTA case: utility scale wind sized up to 87.5 MWac and no less than 25 MWac nameplate capacity
- PPA case: utility scale wind sized up to 87.5 MWac and no less than 25 MWac nameplate capacity.

According to RFP Solicitation Tables, UPPCO is considering hydro systems sized thus:

- PPA case: hydro sized up to 36 MWac nameplate capacity.

Energy Storage Systems (as defined by MCL 460.1005)

Energy Storage Systems for the purpose of this RFP includes energy storage systems of any technology or type.

According to RFP Solicitation Tables, UPPCO is considering distribution and or transmission interconnected storage systems totaling an aggregate of up to 15 MWac capacity in each of BTA and PPA cases. Although UPPCO will consider an individual system sized up to 15 MWac, UPPCO's preference is for smaller capacity batteries. Preference would be shown towards batteries sized 5 MWac capacity and lower.

Developers should note that, although there is a maximum sought capacity listed by individual technology type above, UPPCO anticipates that the ultimate generation capacity is likely to be a mixture of technologies.

8.1.4.2 Feasibility and Production Estimates

Proposals shall include pre-feasibility study reports which address the following topics:

1. Project fatal flaws or risks
2. Project-specific performance-related details (according to technology type) outlined below:

For Proposed Solar Projects:

- Solar studies which include (but are not limited to) monthly average energy output analysis of the project, including the average hourly solar production profile of the facility during each calendar month of an average year, historical and projected solar irradiance, solar shading, and annual energy output estimate during each year of the useful life of the project solar farm (estimated to be 25 years). Annual solar energy output must be provided using a P50, P75, and P90 study, and should also be provided additionally in Excel format. Also, provide the contact information, resume and experience of the external, unaffiliated consultant(s) engaged to prepare the above reports.

For Proposed Wind Projects:

- Wind studies which include (but are not limited to) monthly average wind speeds or energy output analysis of project turbines, and average wind speed, shear calculation and annual P50, P75, and P90 energy production estimates during each year of the useful life of the project wind farm (estimated to be 30 years) and should also be provided additionally in Excel format. Also, provide the contact information, resume and experience of the external, unaffiliated consultant(s) engaged to prepare the above reports.

For Proposed Standalone Energy Storage Projects:

- UPPCO is seeking standalone battery electric storage systems that allow for a minimum of 4 - 8 hours of discharge capacity to meet MISO capacity requirements. UPPCO's preference is towards longer duration systems.

8.1.4.3 Licenses and Permits

Proposals shall include a description of all licenses and permits required to construct and operate the generation or storage resource and the status of acquiring and/or completing such licenses and permits.

8.1.4.4 Name, Location, and Site Control

Respondents have the option to bid a project situated in the Michigan Upper Peninsula (UP) portion of MISO Zone 2.

Proposals shall include the name of both the facility and project location, the merits of the selected site, and the proposed land rights. For projects on leased land, Respondents should identify the lease term and if the lease offers a purchase option.

Proposals shall include:

1. a map of the site highlighting fully executed leases, easements, or purchase option agreements to lease property or convey land rights to the Respondent,
2. boilerplates of any/all definitive agreements Respondent is using or would intend to use to secure the site identified in item (1) above, and
3. an affidavit signed by an officer of the Respondent attesting to the validity and duration of items (1) and (2) above.

All projects will require an environmental phase 1 study to be completed and approved by UPPCO prior to contract execution. For projects on land to be transferred to UPPCO, UPPCO may at their discretion require an environmental phase 2 be completed and accepted prior to contract execution. Respondents are encouraged to submit phase 1 studies with their bid; however this is not required for consideration.

8.1.4.5 Project Layout and Preliminary Engineering

Proposals shall include a preliminary site layout, including anticipated placement of solar panels, turbines, or any other project facilities, including transmission layouts and the Point of Interconnect ("POI").

These plans should also show environmental constraints, existing above and below ground utilities, property boundaries, topographical information and other details as relevant to the project.

8.1.4.6 Reliability of Proposed Technology

Proposals shall include the description, size, number, and manufacturer of the equipment that will be used, including a summary of the commercial operating experience of the equipment chosen, including original equipment manufacturer (OEM) installed capacity of the given generation equipment. Where applicable, Respondents should also indicate significant equipment warranty terms it would expect to secure from the proposed supplier. If a final equipment selection has not been made, list the candidates under consideration and the status and schedule of the selection process. Additionally, describe the system intended to provide SCADA information and power regulation capabilities real-time telemetering data (i.e. solar irradiance, shading, availability, production, etc.).

Respondent must commit to using Tier 1 or equivalent equipment; including but not limited to solar PV modules, turbines, solar inverters, battery storage, and MV and main power transformers.

8.1.4.7 Interconnection

The Respondent must provide evidence of ability to interconnect the proposed project including:

1. Identification of proposed interconnection points and routing of the generator transmission line as applicable.
2. Status of any pending interconnection requests, study agreements, interconnection and operating agreements.

3. Copies of all studies prepared or required by the applicable interconnection entity. If no such studies have been completed, the proposal should include any studies prepared by qualified consultants.
4. The level of MISO Network Resource Interconnection Service to be obtained for the project. MISO queue number/position, if applicable/available.

8.1.4.8 Anticipated Commercial Operation Date (COD)

The Respondent must provide the anticipated Commercial Operation Date (COD) identifying major milestones to achieving COD. COD must be prior to 2032, but earlier dates are preferred.

For the BTA option, Respondents shall state the proposed date upon which acquisition of the facility by UPPCO would be completed.

8.1.5 Experience and Project Management Capability

8.1.5.1 Respondent Team, Key Personnel, and Resource Allocation

The Respondent must provide proposed organization structure of the Respondent, including names of individuals and positions.

Respondents are advised that, in order for a Respondent to remain qualified to submit a Proposal after the RFQ stage, unless otherwise approved in writing by UPPCO, the Respondent Team and Key Personnel and associated resource allocation as identified in the SOQ must remain intact for the duration of the procurement process through the execution of the agreement, and thereafter in accordance with the agreement. Accordingly, following submittal of the SOQs, the following actions may not be undertaken without UPPCO's prior consent:

- a. Deletion or substitution of a Respondent Team member identified in its SOQ;
- b. Deletion or substitution of Key Personnel identified in its SOQ;
- c. Deletion or substitution of an entity identified in its SOQ that will bear financial responsibility or liability for the performance of the Respondent or Developer; and
- d. Other changes, direct or indirect, in the equity ownership or team membership of a Respondent as identified in its SOQ.

Should a Respondent wish to make such a change, it shall notify UPPCO and request its consent and shall provide, for any new or substitute entity or personnel, the same information required under the RFP for such entity or personnel had it, he or she been part of the Respondent Team as of the SOQ submission (including, without limitation, legal, financial, qualifications/ experience, and other information). If a Respondent wishes to delete an entity or change Key Personnel, the Respondent shall provide UPPCO with information establishing that the Respondent remains qualified for shortlisting as contemplated under the RFP, Respondents shall use the template provided in Appendix A: Respondent Qualification Application to provide such information by the deadline set forth in Section 5.0.

8.1.5.2 Project Experience

If any information regarding Project Experience has changed since the submission of the SOQ due to updates documented as a part of Section 8.1.5.1, the Respondent must describe those changes. Respondents shall use the template provided in Schedule B of the RFP to provide such information by the deadline set forth in Section 5.0.

8.1.5.3 Project Execution Plan (PEP)

Provide a detailed and comprehensive PEP for design and technical integration; construction management, procurement and quality assurance and quality control demonstrating:

1. how the Respondent proposes to provide the work (i.e., identifying the Respondent's plan for integration with the design and other technical considerations, construction management approach appropriate for large clean generation or renewable generation or energy storage

- projects, as well as systems and processes to be utilized for providing the work including cost and schedule controls); and
2. provide a draft quality assurance and quality control (QA/QC) plan and program proposed to be used by the Respondent in performing services for this project. At a minimum, indicate critical inspection points, inspection frequency and a sampling size.

Project and Construction Schedule:

Schedules shall include a level 2 logic driven project schedule in PDF format produced either in Microsoft Project or Primavera identifying major milestones such as completion of permitting, financing, regulatory requirements, major construction milestones including mechanical and substantial completion acceptance, commissioning and regulatory testing, COD, etc. These major milestones should be summarized in the proposal.

8.1.5.4 Identification of Project Risks

Provide a list that includes at a minimum three significant risks that the Respondent has identified on the project and:

1. describe each of the risks and quantify the potential impacts of the risks on the project schedule and cost;
2. indicate the steps the Respondent would take to manage and mitigate each risk;
3. outline the Respondent's past experience in managing the same or similar risks; and
4. identify by name each individual in the Respondent's team who will be responsible for managing each risk and describe the experience of each such individual in managing such risks.

8.1.6 Commercial Compliance

Draft BTA and Draft PPA term sheets will be provided as supporting documentation. These draft term sheets shall provide the foundation for negotiating a final contract with the Developer. Respondents shall confirm compliance with the draft term sheet or provide a comprehensive and specific list of all the proposed changes (and the reasons for each change). Please note that if any changes to the draft term sheet are proposed, such proposal will be deemed to constitute an alternative proposal.

If the Developer has a record of legal action, the Respondent must provide a description of each: (i) claim or other dispute with an amount in controversy greater than \$100,000 in which the Respondent was involved in the last five years; and (ii) insurance claim in excess of \$100,000 made by the Respondent, or any subcontractor of the Respondent, concerning services or goods provided by the Respondent or subcontractor in the last five years. If a Respondent is a partnership or a joint venture, this information is to be provided for each of the Respondent's partners, shareholders, members, and joint ventures as well.

8.1.7 Respondent's Creditworthiness Information

Proposals must include any changes and updates to the information provided in the SOQ regarding the Respondent's creditworthiness. Refer to Appendix A: Respondent Qualification Application for details on the required creditworthiness information.

8.1.9 Operations and Maintenance

Respondents shall include a quote or estimate for annual Operations and Maintenance (O&M) cost for each submitted project proposal:

1. For BTA proposals, Developer shall provide an annual O&M quote for each of the first two years of project operation.
2. For PPA proposals, Developer shall provide an annual O&M estimate for each year of project operation up until the year in which the Buyout Provision occurs.

8.1.10 Additional attributes

Respondents shall include a proposed financing plan for the project, including but not limited to any condition precedent agreement(s) it has utilized in similar past transactions.

Respondents shall describe and provide any supporting documentation supporting their ability to access capital for the project.

In accordance with Section 8.1.3, it is expected that in under the PPA with Buyout Provision Option that the Developer monetize tax credits or other tax incentives. Respondents are encouraged to submit bids that retain financial tax benefits, if the proposal will maximize overall financial benefit of the project. In the BTA Option, UPPCO will retain all rights to any tax benefits.

UPPCO shall receive all current and future environmental attributes associated with the project, of any kind or nature, including but not limited to renewable energy credits (RECs) or certificates, emission credits or allowances, carbon credits, or any other credit(s) or allowance(s) related to the electric energy generated without release of carbon-dioxide or other greenhouse gases. Since the State of Michigan gives extra solar RECs for projects that incorporate Michigan manufactured components and extra RECs for projects installed with Michigan labor, Respondents should indicate whether their proposals would qualify for such extra RECs.

9.0 Minimum Bid Eligibility (Must-Offer) Requirements

This section outlines the minimum requirements that all proposals must meet to be eligible to participate in this RFP. Subject to Subsection 10.1 below, proposals not meeting the following criteria will be deemed to be ineligible and not be considered for further evaluation.

1. Respondents must meet the general requirements stated in Section 7.0 of this RFP.
2. Proposals must include all applicable content requirements described in Section 8.0 of this RFP, including all requested information and completed forms.
3. Proposals must provide documentation that shows an acceptable level of development, credit, and technology risk, as determined by UPPCO's bid evaluation team.

10.0 Proposal Evaluation and Contract Negotiations

10.1 Initial Proposal Review

Enel X, as UPPCO's Representative, will review responses for completeness, responsiveness and compliance with the Proposal Content Requirements specified in Section 8.0 of this RFP. Preliminary due diligence will also be conducted at this stage to identify any flaws associated with the Proposal that are unacceptable to UPPCO. As a result of this screening, Enel X may, at its sole discretion, either eliminate Proposals from further consideration, or contact Respondents to clarify information or request additional information. Enel X will make such requests in writing via email and specify a deadline for compliance. Failure to provide the requested information or clarification by the deadline may result in disqualification of the Proposals.

Enel X, as UPPCO's Representative, will evaluate each Proposal, in its sole discretion, to determine which Proposal is best suited to UPPCO's requirements as set out in this RFP.

10.2 Shortlist Development

Enel X, as UPPCO's Representative, will evaluate each proposal, in its sole discretion, to determine which proposal(s) are best suited to UPPCO's requirements as set out in this RFP. Enel X will evaluate all proposals to meet technical requirements, minimum functional specifications, pricing, and project needs. Proposals will be evaluated based on present value economics, levelized cost of electricity, and other

factors that may include, but will not be limited to, location, credit, and community support. Evaluation will be conducted in a staged sequential process based on:

1. rated criteria, with thresholds which are required to be met (the “Rated Criteria”), if any; and
2. the pricing criteria (the “Pricing Criteria”).

(The Rated Criteria and the Pricing Criteria shall be known collectively as the “Criteria”). After the evaluation process, UPPCO may or may not choose to initiate discussions with one or more Respondents. Discussions with a Respondent shall in no way be construed as commencing contract negotiations.

10.3 Contract Negotiations

UPPCO may initiate contract negotiations for potential project purchases with one or more Respondents whose proposal(s) UPPCO has selected pursuant to Subsection 10.2 above. If the Respondent and UPPCO cannot agree to acceptable terms within the schedule set forth in Subsection 5.0, UPPCO reserves the right to eliminate the Respondent from further consideration.

UPPCO’s commencement of and participation in negotiations shall not be construed as a commitment to execute a contract. Only execution of a definitive agreement by both UPPCO and the Respondent on mutually acceptable terms will constitute a “winning bid proposal”.

11.0 Reservation of Rights

UPPCO reserves the right, without qualification, to reject any or all proposals and to waive any irregularity in submitted information. There is no assurance, expressed or implied, that any contract will be executed pursuant to this RFP. UPPCO also reserves the right to evaluate all offers received in any manner it elects to employ, to solicit additional proposals if it is deemed necessary to do so and the right to submit additional information requests to Respondents during the bid evaluation process.

12.0 Liability with respect to RFP

This RFP shall not, by itself, confer or establish any right to any party for any claim against UPPCO. Furthermore, by submitting a proposal, Respondent shall be deemed to have acknowledged that UPPCO assumes no liability in any fashion with respect to this RFP or any matters related thereto. By submission of a proposal, the Respondent, for itself, as well as for its successors and assignees (if any), agrees that, as between Respondent and UPPCO, Respondent is to be solely responsible for all claims, demands, accounts, damages, costs, losses, and expenses of whatsoever kind in law or equity, known or unknown, foreseen or unforeseeable, arising from or out of this RFP.

13.0 Confidentiality of Information

All proposals submitted in response to this RFP become the property of UPPCO upon submittal. UPPCO will take commercially reasonable precautions and use commercially reasonable efforts to maintain the confidentiality of all bids submitted. Respondents shall clearly identify each page of information considered to contain proprietary information. UPPCO reserves the right to release any proposals to agents or consultants for purposes of proposal evaluation. UPPCO’s disclosure policies and standards will automatically bind such agents or consultants.

Regardless of the confidentiality claimed, all such information may be subject to review by the appropriate state authority, or any other governmental or regulatory authority or judicial body with jurisdiction relating to these matters and may be subject to discovery. Under such circumstances, UPPCO will make all commercially reasonable efforts to protect Respondent’s confidential and proprietary information.

14.0 Proposal Costs

Respondents shall assume any and all costs or expenses required for or in connection with the development of its proposal.

15.0 Questions

All questions regarding this RFP, product and/or process, should be submitted to:
UPPCORFPadmin@enel.com.

Appendix A – Respondent Qualification Application

See Appendix A document, provided separately.

Appendix B – Project Qualification

See Appendix B document, subdivided into 2 portions, provided separately:

1. Appendix B-1: Project Qualification Application (MS Word)
2. Appendix B-2: Project Qualification Database (MS Excel)

Appendix C – Binding Bid Agreement and Binding Respondent Agreement

See Appendix C document, provided separately.

Appendix D – Draft BTA Term Sheet

See Appendix D document, provided separately.

Appendix E – Draft PPA Term Sheet

See Appendix E document, provided separately.