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2009 Request for Proposals  
For Solar Renewable  
Energy Resources

Tucson Electric Power Inc.  
UNS Electric Inc.

Issued September 11, 2009

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## *Tucson Electric Power Company*

Mailing Address: P.O. Box 711, Tucson, AZ 85702  
Located at: 4350 E. Irvington Road, Tucson, AZ 85714

### **1.0 Introduction**

Tucson Electric Power Company (“*TEP*”) and its affiliate UNS Electric Inc.(“*UNSE*”), hereafter referred to as the “Companies”, are jointly soliciting proposals from parties interested in providing renewable energy and associated credits from solar resources only to TEP and UNSE through power purchase agreements and/or the ownership of generation assets. This request for proposal package (“*RFP*”) includes a description of the products requested, energy delivery points, energy scheduling and dispatching requirements, and a detailed outline of the bid process, including relevant dates, contact information, and proposal submission requirements.

TEP/UNSE’s annual aggregate renewable energy purchase and delivery target under this RFP is approximately 50,000 MWh. TEP/UNSE will only consider solar generation resources for this RFP.

In the future, in order for TEP and UNSE to comply with the Arizona Corporation Commission’s Renewable Energy Requirements, we will be looking to increase our renewable energy production by approximately 50,000 MWh per year through 2015, and by 100,000 MWh per year from 2016 through 2025. Participants in this RFP are encouraged to submit proposals that include the ability for future expansion.

TEP and UNSE will utilize an Independent Monitor during this RFP process. All participants are welcome to submit questions and/or comments directly to our Independent Monitor during this process. Our Independent Monitor’s contact information is as follows:

Mr. Harold T. Judd  
Accion Group, Inc.  
244 N. Main Street  
Concord, NH 03301  
Tel. 603-229-1644  
Fax 603-225-4923  
hjudd@acciongroup.com

### **1.1 Purpose**

The objective of this RFP is to solicit competitive proposals for the procurement of cost effective solar-generated renewable energy that will contribute to the diversification of TEP’s and UNSE’s internal fuel resources, reduce environmental impact of new

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resources, and provide environmental attributes as part of TEP's and UNSE's Arizona Corporation Commission ("ACC") Renewable Energy Standard and Tariff ("REST") requirements. TEP/UNSE will evaluate all proposals that, in TEP/UNSE's opinion, provide both economic and non-economic benefits to TEP/UNSE and their customers as more fully described below.

Proposals must be received prior to 4:00 PM (MST) on the Closing Date to be considered. Proposals received after 4:00 PM (MST) on the Closing Date will, at TEP/UNSE's discretion, either be returned to the bidder unopened, or disregarded with or without notification to the bidder. A proposal may be withdrawn by the bidder by written notice to TEP/UNSE at any time prior to the Closing Date.

TEP, UNSE and all other affiliates will not submit bids in response to this RFP. However, TEP and UNSE do reserve the right to use internal renewable energy generation project cost projections when performing the evaluation of the qualified bids received.

### 1.2 Proposal Schedule

RFP Issue Date:	September 11, 2009
Bidder Teleconference:	Wednesday, Sept. 30, 2009, 1:30 pm (MST)
Bidder Teleconference Phone Number:	877-222-9054, pin. 907312
Proposal Closing Date:	November 30, 2009 4:00 PM
Short List Notification (if any):	(No later than) January 5, 2010
Successful Bidder Notification (if any):	(No later than) February 5, 2010
Complete Negotiations (Targeted):	March 1, 2010
Preferred Energy Delivery Start:	January, 2012 or earlier

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### 1.3 General Information

Proposals should be submitted in electronic format, either via e-mail or mailed to the contact person on a disk (CD, memory stick, etc). Hard copies of the proposal may be submitted along with your electronic version.

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All Proposals and refreshed bids are to be submitted to TEP/UNSE's Primary Contact Person by either:

**Email to:** [ctilghman@tep.com](mailto:ctilghman@tep.com)

**or by mail to:** **Carmin A. Tilghman**  
**Tucson Electric Power Company**  
**3950 E. Irvington Road**  
**Mail Stop SC115**  
**Tucson, AZ 85714**

TEP will not accept proposals after the closing date.

**Questions regarding either the solicitation process or products specified herein may be directed to the RFP Website at: <http://www.uesaz.com/wholesale/> or by contacting Mr. Carmin Tilghman at (520)745-7108.**

Any and all bidders will be allowed to contact the Primary Contact Person until the closing date. After the closing date, no further questions from bidders will be allowed.

Questions regarding credit terms should be directed to Ms. Barbara McCormick at 520-884-3620.

TEP/UNSE reserves the right to revise the proposal schedule at any time at its sole discretion.

The Short List of Bidders will contain bidders that meet all preliminary proposal requirements set forth in this RFP, and does not represent a proposal acceptance or obligation to accept any proposal.

All proposals submitted shall include guarantee price and terms for at least 6 months from Proposal Closing Date.

All RFP and supporting documents can be found on TEP's website at <http://www.uesaz.com/wholesale/>

Proposals may be mailed (CD or other electronic form) in response to this RFP to the address set forth above, or bidders may provide an electronic copy of their proposal to TEP/UNSE by the Closing Date via e-mail as set forth above. Text portions of proposals should be in Microsoft Word or Adobe Acrobat format, and spreadsheets or tables should be in Excel format.

All proposals will be considered confidential, and will either be destroyed or archived by TEP/UNSE at the conclusion of the RFP evaluation process. TEP/UNSE

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reserves the right to contact bidders for purposes of clarifying proposal terms or requesting additional information.

By submitting a proposal in response to this RFP, the bidder agrees that:

- (1) Its bid or bids constitute a “proposal” that shall remain irrevocable for six months after the Closing Date.
- (2) If selected as a successful bidder, the bidder and TEP or UNSE will execute a Power Purchase & Sale Agreement (“Agreement”), associated confirmations to affect the purchase of the Products, and a confidentiality agreement with TEP or UNSE in a form acceptable to TEP/UNSE.
- (3) It has or will obtain the transmission necessary to effect delivery of the Product(s) to acceptable delivery points (if applicable).

## 2.0 Proposal Summary

The Companies are issuing this RFP for the Energy Products as defined and are requesting two specific types of projects in this RFP. The first project will be a large-scale utility solar project that is roughly 25-50 MW in size, the second will be for smaller scale, distributed generation located in and around the City of Tucson, on degraded lands, and are in the 1-5 MW size. Each of these products will be discussed in detail later in this RFP. Expected Commercial Operating Dates are January 1, 2012 or earlier.

It is the intent of the Companies to have bidders bid their projects as if they were to be built on pre-determined sites and the bids should **exclude** the land lease or purchase and interconnection costs in their bid. This will allow the Companies to evaluate the projects based on the merits and costs of the project alone without the speculation of land or interconnection costs. Bidders should still **include** all other development costs in bids; including but not limited to siting, permitting, and clearing costs.

Any project bid into this RFP that already has land built into the PPA price (whether lease or purchase), should separate the two costs in their proposal so that the companies may evaluate the project appropriately.

Once a project (or projects) has been selected, the seller will still be responsible for all land lease and interconnection costs; however, those costs will be determined through mutual negotiations with the third parties and the Companies; and those costs will be added to the project cost on a per MWh basis.

All project submissions will be accepted, regardless of location; however, preference will be given to those projects that are sited and built in and around the Companies’ service territories and connected to their distribution systems.

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### 2.1 Project Information

#### A. Large Scale Utility Solar Project

The Companies are requesting proposals for a solar facility that is between 25-50 MW in size. Factors affecting actual size will include technology used and capacity factors, along with land constraints of the predetermined land sites. The preferred site location for this project will be within the Companies' service territory and will connect directly the Companies' distribution system.

Each proposal should include expected hourly generation profiles on an "8760 basis" – for each hour for the year. If "8760" data is unavailable, the proposal should, at the very least, include expected average hourly generation for a typical day in each month.

Each proposal must include water resource data; including expected amount of water consumption, reason for consumption (cleaning, cooling, etc), and proposed water sources.

In addition to the information specifically required to be submitted under this RFP, TEP/UNSE encourages bidders to provide any supplemental information that they believe will assist TEP/UNSE in the evaluation process, including technical descriptions of the renewable project (i.e., equipment specifications, equipment performance characteristics, etc.).

While we are not requiring that companies site their projects on these predetermined land sites, we do encourage entities to bid their projects using these sites. Several site locations have been identified around the greater Tucson area on lands that belong to the City of Tucson (Water Dept), Pima County, and University of Arizona Science & Technology Park. Contact information for all of these entities is included in this RFP. Please refer to the contact information contained in this RFP. These properties are of various sizes and can accommodate different types of technologies.

Land information regarding the predetermined sites may be obtained by contacting the appropriate individuals listed. All contacts have been instructed to discuss the properties of the particular site only (location, terrain, necessary and/or completed permits, etc). Under no circumstance are bidders to engage in land lease negotiations during the initial selection process.

Costs associated with clearing, zoning, and permitting will still be the responsibility of the seller. However, once a bidder's project has been selected, the Seller and Buyer will work with the appropriate entity to determine these costs and ensure that the PPA price is modified to include these costs.

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For analysis purposes, preference will be given to those projects that can connect directly to the local distribution systems (which minimizes EHV transmission usage and line losses), provides local economic value, and minimizes water usage. Other considerations for project analysis will include pricing structure, expected generation profile, viability of project completion, counterparty creditworthiness, purchase and build/own/transfer options, technology choice, and Commercial Operation Date (COD).

For those proposals that are not located on predetermined sites, proposals shall include the following information in each proposal, as applicable:

➤ *Site, Zoning and Construction Permitting*

Bidder shall provide the number and type of land use and construction permits, if any, required to develop the proposed project, and the impact of the project on areas in close proximity to the project site. For projects not yet built, the Proposals shall also include an explanation of the bidder's plan for acquiring such permits, the status of the permitting process, construction and development schedules, and any rezoning plans considered.

Each proposal shall detail all relevant site ownership, lease agreements, and purchase option information associated with the project site and should include a USGS map of the proposed or existing site.

Proposals shall additionally list all commitments made in connection with obtaining such permits, including those associated with renewable generation plant decommissioning, and shall list all conditions which may trigger such decommissioning.

➤ *Site and Cost Impacts*

For projects not yet built, each proposal should include all relevant information about archeology, wildlife and visibility/viewshed studies that have been conducted for the proposed site, and the results thereof. Proposals should also include documentation of the closest human habitats in proximity to the generation site.

### **B. Small Scale Distributed Generation**

Tucson Electric Power is requesting proposals, either separately or in conjunction with the larger scale utility project described above, that will site solar facilities on smaller, degraded tracts of land inside our distribution load center. These tracts of land, which will generally be closed landfill sites within Pima County and the City of Tucson, range in size from approximately 20 acres up to several hundred acres.

The intent of this request is to fully utilize those degraded lands to their fullest potential prior to building a renewable facility on more expensive, developable land.

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Tucson Electric Power is working with both Pima County and the City of Tucson to identify the best potential sites for this project. The specific land sites will be available by the bidder's conference call on September 30<sup>th</sup>.

Initially, Tucson Electric Power would like to site approximately 10-15 MW on these degraded lands. Again, as with the larger scale project, bids should **exclude** any land lease estimates and interconnection costs. These costs will be identified once a final project has been selected and will be added to the project cost on a per MWh basis.

### 2.2 Description of Products

For the larger scale utility generation project, the solar facility should be a minimum of 10 MW for a preferred PPA period of 20-years.

TEP/UNSE's annual aggregate renewable energy purchase and delivery target under this RFP is between 50,000 and 100,000 MWh. TEP/UNSE will only consider solar generation resources for this RFP.

The ACC will annually review the TEP and UNSE REST Implementation Plans. Depending on the outcome of this review and the ACC's resultant actions, Arizona utilities may be required to revise their renewable energy purchase targets under the REST. TEP/UNSE accordingly reserves the right to reject any and all proposals that may be adversely impacted by ACC actions that may change TEP's or UNSE's annual energy goals under the REST. TEP or UNSE will require all proposed contracts resulting from bids to be submitted for ACC approval prior to execution of a binding contract.

The evaluation of the bids by TEP and UNSE may include an Arizona economic development factor that will be renewable energy resource and technology dependent.

Renewable energy credits or "green tags" ("**Credits**") must accompany any energy purchased by TEP/UNSE through this RFP. The bidder must include any credit multipliers that would apply under the current or future ACC REST, or any successor program thereto. The bidder shall provide TEP/UNSE with all documentation reasonably requested by TEP/UNSE to enable TEP and UNSE to demonstrate to the ACC that any Credits transferred were derived from an eligible technology under the ACC REST rules, that the kWh generated are accurately reported, that Extra Credit Multipliers (as defined in the REST), if any, are properly calculated, and that the Credits transferred were not previously retired and have not been used by any other entity to meet its renewable energy requirements.

Further, to the extent deemed necessary by TEP or UNSE, the bidder shall provide to TEP or UNSE a certificate of transfer certifying: (i) bidder's production of and title to the Credits, (ii) the transfer of such Credits to TEP or UNSE, (iii) the number of Credits transferred to TEP or UNSE, (iv) the date of the transfer, (v) the origin of the

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Credits and associated Extra Credit Multipliers (if any), and (vi) that the Credits transferred have not been retired, have not been used by bidder to meet its REST requirements, and have not been transferred by bidder to any other entity

The bidder acknowledges and agrees that in addition to any Credits resulting from the production of renewable power, the term “Credits” expressly includes any and all other environmental attributes of any kind that may result from the production of renewable energy purchased, as such attributes are defined by any international, federal, state or local legislation or regulation that is or becomes effective during the term of a renewable power purchase agreement entered into by and between bidder and TEP or UNSE. Such other environmental attributes expressly include any carbon-related and Greenhouse Gas (as defined by the Intergovernmental Panel on Climate Change) related attributes.

### **2.3 Buyout / Purchase Options**

A bidder may also offer a “buyout” or “Build-Own-Transfer” option giving TEP or UNSE the option to acquire all or part of the renewable generation facility at a negotiated price and time. At the bidder’s discretion, any such option may also include the right to purchase all or part of the environmental attributes, land rights, permits and licenses to enable TEP or UNSE to acquire and operate the facility upon exercise of the option. Bidders desiring to include such a buyout option in their proposal shall include an option exercise price and may include multiple ownership options and option exercise dates.

As discussed above, all proposals must state the source of the renewable energy and the associated Credits, whether obtained under power purchase or other agreements, through market purchases, or from owned or partnered generation resources. The proposal must clearly define and identify each such renewable resource. Successful bidders will be required to deliver the renewable energy and Credits in amounts that meet the renewable energy content associated with the actual quantity of energy purchased for the term of the applicable Agreement to be executed between TEP or UNSE and the bidder.

Each proposal shall also include an annual and monthly projection of the energy production profile and expected energy delivery for a typical calendar year.

### **2.4 Energy Delivery (Large Scale)**

As previously mentioned, preference will be given to projects that connect directly to either TEP or UNS Electric’s distribution system; however, all delivery locations will be accepted including the following:

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Vail 345kV, Saguaro 500kV, South Loop 345kV, Palo Verde 500kV, WestWing 500kV, Pinal West 345kV, San Juan 345kV, Four Corners 345kV, Navajo 500kV, Springerville 345kV, Greenlee 345kV, McKinley 345kV, Pinnacle Peak 230kV, Hilltop 230kV, Black Mesa 230kV, Duval-Warm Springs Tap 69kV, Planet 69kV, North Havasu 230kV, Griffith 230kV, and Nogales Tap 115kV switchyards, (“Delivery Points”).

Proposals for energy delivery at Vail 345kV, Saguaro 500kV, South Loop 345kV, or Pinnacle Peak 230KV do not require any additional EHV transmission to serve TEP’s or UNSE’s load. Proposals to deliver energy at any other location are subject to the availability and economics of purchasing additional transmission to deliver the energy to either TEP’s or UNSE’s load.

Bidders shall specify the proposed point(s) of delivery in their proposal. Other delivery points will be considered, however the bidder must demonstrate that any such alternative delivery point will serve TEP’s or UNSE needs. Delivery to any alternative delivery points can include use of Arizona-located distribution feeders ultimately connecting to the Delivery Points, if the bidder can demonstrate it has the legal right to deliver to the delivery points through agreements with owners of all the distribution lines required for the delivery path.

For energy wheeled to TEP’s or UNSE’s transmission system, the proposal must contain a transmission plan for wheeling services from entities responsible for wheeling the energy and the terms of the wheeling agreement. Transmission costs, including losses, for wheeling energy to the TEP or UNSE system shall be the sole responsibility of the bidder.

### 2.5 Energy Product

This product provides for an **Economy As Available Energy Standard 7x24 Product**, delivered all hours, Monday through Sunday.

For the purpose of this RFP, “*Economy Energy*” shall have the meaning ascribed to it in the EEI Master Agreement. For the purpose of this Section 2.5, “*As Available*” means all output from a specific renewable facility as produced by the solar resource.

### 2.6 Energy Pricing

All bid submissions must be structured on a dollar per MWh basis and must be a levelized price for the entire term of the proposal. Annual escalators are not permitted.

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Notwithstanding the aforementioned exclusions to land and interconnection costs, pricing of energy under the Agreement will be based on an “all-in” fixed price as represented in Product descriptions set forth in Section 2.4 below, to a bid specified point of delivery on the TEP or UNSE distribution or transmission system. Pricing must include all capital costs, fixed and variable O&M costs, delivery costs, and any other costs associated with delivering the full energy output of the renewable generation facility to the specified delivery point. As mentioned before, the solar facility developer will be responsible for all land costs and costs to interconnect with the distribution system (and transmission system if applicable). These costs will be negotiated separately after selection of the final project and will be added to the cost of the energy in the PPA on a per MWh basis.

### **3.0 Bid Evaluation**

TEP/UNSE will consider proposals that provide cost effective pricing levels based on the bid’s “all in” fixed price for the Products. TEP/UNSE will consider both economic and non-economic factors in evaluating submitted proposals. TEP/UNSE may choose to use production cost models to evaluate the economic benefits of the proposals.

Consideration will also be given to bids that meet avoided cost and price level thresholds established by the REST. The specific factors to be considered are set forth below. Proposals that do not provide the required energy to a Delivery Point may be eliminated from further evaluation in TEP/UNSE’s sole discretion.

As explained above, all proposals submitted by bidders by the Proposal Closing Date are final and binding. During the next six month period following the Proposal Closing Date during which the proposals are irrevocable, such proposals may not be modified, except for conditions written and agreed to by the bidder and TEP/UNSE. Except as expressly provided in this RFP, any bidder making unsolicited contact with TEP/UNSE about this RFP during the bidding process may be disqualified at TEP/UNSE’s sole discretion.

An Independent Monitor will review the bid evaluation plan and the evaluation process to ensure fairness and equity in the evaluation of the bids.

### **3.1 Evaluation Criteria**

Each proposal will be evaluated to determine if it meets the RFP bid package minimum requirements. TEP/UNSE will further consider several specific factors in evaluating proposals including the following: proposed energy costs, technology choice and water consumption, delivery location, operational and technical attributes, delivery terms, transmission impacts (including third party transmission agreements, incremental costs to TEP/UNSE, including those associated with transmission upgrades and interconnection required for TEP or UNSE to deliver the Energy Product at the specified point of delivery and to other transmission facilities within TEP’s or UNSE’s service

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territory), local economic development opportunities, project capacity, generation profile, any firming provided, environmental attributes, land rights and associated risks, the timeliness of project completion, permit acquisition, and the bidder's experience and financial viability.

TEP and UNSE shall include an evaluation of the bid to determine the above Market Cost of Comparable Conventional Generation, if any, as defined in the REST. Bidder shall provide all information needed to perform that evaluation, and shall specifically include the expected generation profile for a 12-month period.

### **3.2 Renewable Energy Credit Evaluation**

TEP/UNSE will only consider proposals that have documented Credits associated with the proposed renewable Energy Product purchased by TEP/UNSE through this RFP. TEP/UNSE will review the proposals to ensure that the proposed Credits meet TEP's or UNSE's requirements under this RFP, including any requirements imposed by the REST. TEP/UNSE's review will include verification that the Credits under any proposal are associated with the actual energy proposed to be produced and delivered.

### **4.0 Scheduling and Dispatching**

Scheduling and dispatching for projects connected directly to the Companies' distribution system will be coordinated between Buyer and Seller. All projects that are connected to the grid where delivery is at a point other than the Buyers distribution system must be scheduled in accordance with the requirements of the WECC.

#### **4.1 Credit Terms and Conditions**

TEP/UNSE reserves the right, in its sole discretion, to determine each bidder's creditworthiness and ability to perform under any proposal submitted by that bidder, and to accept or reject any proposal based on any such determination.

All Bidders are to provide the following information to allow TEP to evaluate the financial viability of the Bidder and any entity (or entities) providing credit assurances on behalf of the Bidder, if applicable.

##### **A. Credit Information for Bidder:**

- 1) Exact legal name and address of bidder
- 2) DUNS number of Bidder
- 3) Debt ratings from S &P and/or Moody's, if any, and copies of current rating agency reports

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- 4) Audited financial statements and footnotes for the last three (3) fiscal years, and any interim un-audited financial statements for the current period
- 5) Identify any pending legal disputes (describe)
- 6) State whether the Bidder is or has within the past five (5) years been the debtor in any bankruptcy proceeding

B. If Bidder is unable to provide audited financial statements or is relying upon another entity (or entities) to provide credit assurances and/or demonstrate creditworthiness on its behalf, please provide the following information.

- 1) Exact legal name and address of such entity (or entities)
- 2) DUNS number of such entity (or entities)
- 3) Describe the relationship to Bidder and describe type of credit assurance to be provided
- 4) Debt ratings from S & P and/or Moody's, if any, and copies of current rating agency reports
- 5) Audited financial statements and footnotes for the last three (3) fiscal years, and any interim un-audited financial statements for the current period
- 6) Identify any pending legal disputes (describe)
- 7) State whether such entity (or entities) is or has within the past five (5) years been the debtor in any bankruptcy proceeding

C. Bidder should provide a reasonable demonstration of its ability to finance the proposed project based on past experience and a sound financial plan identifying the proposed sources for debt and equity and evidence that the project is financeable.

## 4.2 Proposal Terms and Conditions

TEP/UNSE will consider proposals for the Products for a preferred **20-year period**. Staged or phased build out or scaling of solar facilities over multi-year timeframes will also be considered. TEP/UNSE will also consider additional five-year incremental durations offered by the bidder. In addition to the factors set forth above, bids will be evaluated based on any other considerations TEP/UNSE deems relevant. The specific quantity of energy to be purchased will be finalized during negotiations with each successful bidder.

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For proposals that include a buyout purchase option for renewable generation assets, the proposal must include the option price, expiration date, percentage or portion of project with nameplate capacity for purchase at option expiration, and purchase price at option expiration including all fees and expenses. Option proposals must also include additional information regarding the project specific to the type of renewable energy proposed. Although the content of such additional information will be decided during negotiations of the option purchase agreement between TEP/UNSE and the bidder, it is anticipated such information will include detailed generation site design layout and construction drawings and maintenance records including preventive and predictive maintenance strategies used and the applicable project information requirements set forth above.

Each proposal shall additionally include a milestone schedule expressed in monthly increments with due dates for commercial operation of the renewable resource proposed, and shall include the following milestones:

Regulatory/governmental approval	Equipment acquisition
Permitting	Construction start
Construction financing	Commercial operation
Site acquisition	

Each proposal submitted shall include a bidder's direct contact name, phone number, and email address. TEP/UNSE must receive proposals prior to 4 PM Mountain Standard Time, on the Closing Date, addressed to TEP/UNSE's Primary Contact Person as set forth in the Proposal Schedule above. Upon selection of any proposal, bidder shall be required to execute a confidentiality agreement with TEP/UNSE.

TEP/UNSE is under no obligation to accept any proposal from any bidder and TEP/UNSE's decision to select any, or no, proposal (or proposals), shall be in TEP/UNSE's sole discretion.

The bidder acknowledges that executed proposals may be filed with the ACC, and be subject to ACC approval and by submitting a proposal, consent to such filing.

### **4.3 TEP/UNSE's Reservation of Rights**

TEP/UNSE RESERVES THE RIGHT AT ANY TIME, IN ITS SOLE DISCRETION, TO ABANDON THIS RFP PROCESS, TO CHANGE THE BASIS FOR EVALUATION OF PROPOSALS, TO TERMINATE FURTHER PARTICIPATION IN THIS PROCESS BY ANY PARTY, TO ACCEPT ANY PROPOSAL, TO ENTER INTO ANY DEFINITIVE AGREEMENT WITH RESPECT THERETO, TO EVALUATE THE QUALIFICATIONS OF ANY BIDDER OR THE TERMS AND CONDITIONS OF ANY PROPOSAL, AND TO REJECT ANY OR ALL PROPOSALS, ALL WITHOUT NOTICE AND WITHOUT ASSIGNING ANY REASONS AND WITHOUT LIABILITY TO TEP/UNSE, ITS PARENT COMPANY OR ANY OF ITS

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SUBSIDIARIES, AFFILIATES OR REPRESENTATIVES TO ANY BIDDER. TEP/UNSE SHALL HAVE NO OBLIGATION TO CONSIDER ANY PROPOSAL. TEP WILL NOT REIMBURSE BIDDERS FOR THEIR EXPENSES UNDER ANY CIRCUMSTANCES, REGARDLESS OF WHETHER THE RFP PROCESS PROCEEDS TO A SUCCESSFUL CONCLUSION OR IS ABANDONED.

### **4.4 Renewable Energy Generation Profile**

All proposals must provide information on expected annual energy production. TEP/UNSE prefers an 8,760 hourly energy production profile for a typical calendar year. Bidders shall explain the source of the information, assumptions for losses and derations, including location where the data was acquired or measured. Bidders shall also provide the resource data measurement plan used at the generation site.

Bidders may propose both capacity and energy associated with various renewable energy generation facilities, including all information requested in this RFP as applied to multiple facilities. For renewable energy facilities that may change in capacity or resource supply over time, bidder shall provide information, to the best of their knowledge, of future facility, resource or capacity plan changes or revisions as part of the bid submittal.

Bidders must provide information that may affect energy delivery due to third party energy obligations, transmission congestion, resource supply limitations, or other capacity or power output limitations that may exist.

### **4.5 Delivery Points**

Preference will be given to those projects that connect to the Companies' local distribution system. However, the Companies will accept proposals whose projects connect to the following delivery points.

Point abbreviations:

#### **Tucson Electric Power (TEP)**

VL3	-	Vail 345kV
SG5	-	Saguaro 500kV
SO3	-	South Loop 345kV
PV5	-	Palo Verde 500kV
WW5	-	Westwing 500kV
PW3	-	Pinal West 345kV
SJ3	-	San Juan 345kV
FC3	-	Four Corners 345kV
NV5	-	Navajo 500kV
SP3	-	Springerville 345kV
GL3	-	Greenlee 345kV
MK3	-	McKinley 345kV

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### **Unisource Electric (UNSE)**

Pinnacle Peak 230kV

Griffith 230kV

Hilltop 230kV

Black Mesa 230kV

North Havasu 230kV

Nogales Tap 115kV

Duval-Warm Springs Tap 69kV

Planet 69kV

### **5.0 Preferred Sites & Contact Information**

Tucson Electric Power has been working closely with the City of Tucson, the City of Tucson Water Department, and Pima County to identify potential land areas in and around the City of Tucson that may be suitable renewable energy facility sites.

These sites have only been identified as potential sites based on location, size, general land characteristics, and proximity to our distribution system. There are still several issues that must be addressed prior to installing any facility on these lands; including but not limited to: cultural resource and archeological clearances, zoning and development permits, and habitat studies. Successful bidder will work closely with Buyer and landowner to obtain all necessary permits and complete all required studies.

All of the appropriate entities and their contact information are contained in Section 5.2. All of the contacts have agreed to participate in this RFP at the Companies request.

#### **5.1 Preferred Sites**

Tucson City Water has a large tract of land referred to as the Lupori farm. Please contact Asia Philbin for more information regarding this property.

Pima County has multiple sites that have been identified as potentially suitable for solar sites. The Pima County Fairgrounds site is the most likely candidate for a large scale facility (>10 MW). Please contact Tedra Fox for more information regarding these properties.

The City of Tucson has multiple closed landfill sites that have been identified as potentially suitable for solar sites for the small scale distributed generation project. Please contact either Nicole Urban-Lopez or Jeff Drumm for more information regarding these properties.

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The University of Arizona Science & Technology Park has several smaller tracts of land available that may be suitable for the smaller distributed generation project. Please contact John Grabo for more information regarding this property.

### **5.2 Contact Information**

#### Tucson Electric Power Company

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#### City of Tucson

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**TEP/UNSE RFP**

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University of Arizona Science & Technology Park

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