SECTION 1.0 REQUEST FOR PROPOSAL (RFP) OVERVIEW

1.1 Scope

1.1.1 General.

Idaho Falls Power (IFP) is a municipally owned electric utility located in Southeast Idaho with over 31,000 customers, with a peak load of over 165 megawatts (MW) and annual retail sales of 800,000 MWh. We are owned and managed by the City of Idaho Falls, reporting to the City Council as the governing body. IFP owns and operates four hydroelectric facilities on the Snake River. As a member of the Utah Associated Municipal Power Systems (UAMPS), IFP is a joint owner in the Horse Butte Wind Project. As load growth in Idaho Falls increases, IFP continues to look for generation resources with a preference to maintain a low-to-no carbon emission profile, if economically and operationally prudent. IFP is exploring adding natural gas peaking generation, transitioning to clean fuels as operationally and economically viable and building out a clean energy research park to collaborate with industry partners and the Idaho National Laboratory (INL). INL is one of IFP’s largest customers and a strategic partner in the community.

IFP will negotiate final contract terms with Proposers selected through this RFP. IFP has no obligation to enter into any agreement with any Proposer to this RFP and IFP may terminate or modify this RFP at any time without liability or obligation to any Proposer. In addition, this RFP does not in any way prevent IFP from entering into any agreement that IFP deems prudent, in IFP’s sole discretion and, at any time before, during, or after this RFP process is complete. IFP reserves the right to negotiate only with those entities that propose transactions that IFP believes, in its sole discretion, have a reasonable likelihood of being executed.

1.1.2 Generation Quantity Request.

IFP seeks up to 15 MW of geothermal generation, with a target between 6 – 12 MW. IFP is open to proposals for projects in various stages of development that can meet this capacity requirement by the specified Commercial Operation Date (COD).

1.1.3 PPA Term and COD.

Terms for the power purchase agreement (PPA) are expected to be either 20 or 25 years and are preferred over shorter-term lengths.

Electrical power deliveries are expected to commence on or before January 1, 2028. However, IFP is aware that in some cases this timeframe may not adequately allow for the full development of a greenfield geothermal power plant. IFP is willing to review proposals in which the required COD might not be met, but that offer a reasonable development schedule that clearly defines the pathway to an acceptable COD with applicable milestone guarantees.
1.1.4 Location and Interconnection.

IFP is willing to explore proposals for projects which interconnect with the PacifiCorp East (PACE), Idaho Power (IPC), or Bonneville Power Administration (BPA) balancing authorities. Proposers should demonstrate that their proposed project has a generation interconnection with transmission availability to move the generation to IFP customer loads. In the event transmission interconnection is not approved or in queue, please explain what has been done for studies and interconnection work in order for IFP to gauge transmission delivery feasibility in IFP’s analysis of viability of the project proposal.

1.1.5 Option 1 – Power Purchase Agreement (PPA).

PPA with an initial length of 20 to 25 years, as indicated in section 1.1.3, a PPA proposal may be for a new yet to-be-built project or an existing project.

For the new yet-to-be-built project, a PPA assumes that the Proposer would design, construct, operate and retain ownership of the geothermal power plant with IFP purchasing all or a portion of the electrical output from the project.

For the existing project offering, it is assumed that either excess capacity from an existing project is available in the specified quantities outlined in this RFP or that the Proposer will propose to meet the specified quantities from multiple existing projects for delivery to IFP through a PPA. Upgrades to existing geothermal projects that can meet the intent of this RFP are also acceptable to submit.

Projects will be analyzed for value based upon energy delivery guarantees relative to price. IFP will also analyze force majeure language, unit contingency issues, and other general firmness of power delivery per the PPA terms offered.

1.1.6 Option 2 - Ownership Transfer to IFP.

A “Build-Transfer” is a transaction whereby the Proposer develops the project, assumes full responsibility for construction and commissioning of the project, transfers title to the project (potentially in stages) to IFP prior to mechanical completion and thereafter completes construction and commissioning of the project, all pursuant to the terms of the build transfer agreement (“BTA”).

IFP will also consider any hybrid alternatives that may exist between outright ownership and a PPA. Proposers who can offer creative project structures will not be excluded from this option. Additional options could be those where the Proposer continues to operate the project, but IFP takes on future capital and operational costs and risks to keep the project in operation.
SECTION 2.0 Proposal Guidelines

2.1 General Guidelines

2.1.1 General.

This section outlines the content, format and general requirements for all proposals submitted in response to this RFP. The following proposal format section is broken down by expected response to either Option 1 or Option 2, respectively, as set forth in Sections 1.1.5 and 1.1.6 of this RFP.

Proposers may submit multiple offers for a unique facility/location but will need to provide a separate offer for each product/project.

2.1.2 RFP Management and Communications.

The primary point of contact for all communications between IFP and Proposers will be Richard Malloy, IFP’s Engineering and Compliance Manager, along with Chase Morgan, IFP’s Power Supply and Dispatch Manager, through the following email addresses: rmalloy@ifpower.org and cdmorgan@ifpower.org. All questions regarding this RFP should be submitted through their addresses. Answers to Proposers’ questions will be available to all Proposers on IFP’s website at www.ifpower.org.

2.1.3 Minimum Credit Requirements.

Proposer or guarantor of Proposer must be able to financially secure the project and any resulting agreement. It is the responsibility of the Proposer and guarantor of Proposer to demonstrate financial security to the satisfaction of IFP.

Respondent or guarantor of respondent should possess, at a minimum, a senior unsecured debt rating, issued or reaffirmed within the last 12 months, equivalent to no less than BBB- from Standard & Poor’s or Baa3 from Moody’s at the time of proposal. The Proposer must be able to provide audited year-end financial statements for all specific entities proposing to contract with IFP and any guarantor(s) within 120 days following the end of each fiscal year. The Proposer must be able to provide satisfactory performance assurances in the event IFP believes Proposer’s ability to perform, or creditworthiness has become unacceptable. The Proposer must be willing to grant a present and continuing security interest in any performance assurances or cash equivalent collateral.

2.1.4 Cost to Prepare Proposals.

Each proposal will be prepared at the sole cost and expense of the Proposer and with the express understanding that there will be no claims whatsoever for reimbursement from IFP. IFP is not liable for any costs incurred by Proposers in responding to this RFP, or for any
damages arising out of or relating to IFP’s rejection of any proposal, or Proposer’s reliance on any communication received from IFP for any reason. Proposer shall bear all costs and expenses of any response to IFP in connection with its proposal, including providing additional information and Proposer’s own expenses in negotiating and reviewing any documentation.

2.1.5 Shortlist Status and Negotiation Process.

IFP will evaluate all proposals per the evaluation criteria described below. IFP will identify submitted proposals for short-listing, and then notify short-listed Proposers. IFP will negotiate contracts with short-listed Proposers to determine whether acceptable deal terms can be achieved that meet the needs and is approved by the governing body (which is the Idaho Falls City Council). IFP may execute contracts with selected Proposers at any time during the negotiation phase or may choose to execute none at all.

2.1.6 Evaluation Criteria.

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Points</th>
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<tbody>
<tr>
<td>Value (energy, attributes, capacity)</td>
<td>50</td>
</tr>
<tr>
<td>Project Viability / Maturity</td>
<td>20</td>
</tr>
<tr>
<td>Project Team Experience</td>
<td>10</td>
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<tr>
<td>Project Location</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
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</table>

Project viability, maturity and development risk:
1. Project status regarding interconnection, site control, permits.
2. Technology viability.
4. Approach/discussion on EPC contracting.

2.1.7 Participation Terms.

By participating in RFP process, a Proposer acknowledges that it has read, understands, and agrees to the terms and conditions set forth in these RFP instructions. IFP reserves the right to reject any offer that does not comply with the requirements identified herein. Furthermore, IFP may, in its sole discretion and without notice, modify, suspend, or terminate the RFP without liability to any organization or individual. The RFP does not constitute an offer to buy or create an obligation for IFP to enter into an agreement with any party, and IFP shall not be bound by the terms of any offer until IFP has entered into a fully executed agreement.

2.1.8 Confidentiality.

IFP is a public entity and operates under the authority of the City of Idaho Falls, which is subject to all relevant Idaho Code provisions, including the Idaho Public Records Law (Idaho Code Title 74, Chapter 1).
The Idaho Falls Power (IFP) may enter into a limited non-disclosure agreement (NDA) with a Proposer subject to the Idaho Public Records Law. Inquired about confidentiality and NDA’s may be directed to the Idaho Falls City Attorney’s Office via Richard Malloy or Chase Morgan.

SECTION 3.0 PROPOSAL CONTENT REQUIREMENTS

3.1 Minimum Content Requirements.

This section outlines the content and format requirements for all proposal structures and alternative proposal structures. Proposals that do not include the information requested in a form described in this section may be deemed ineligible for further evaluation if the Proposer does not provide information upon IFP’s request.

All proposals should include the items listed below:

1. Proposers should submit a brief narrative including a cover letter, a description of the Proposer’s experience, and an explanation of the proposed project’s characteristics and development status. The cover letter should describe the offer(s), including the relationships among offers, if multiple projects are submitted, or multiple offers are presented for the same project. This letter should, at a high level, describe the steps required to develop, deliver, and operate the project(s).

2. Proposer’s Experience and Qualifications: Describe developer experience, particularly as it relates to previously completed projects of a similar scope and scale including the following:
   a. A document describing the roles, experience and qualifications of all project team members.
   b. Years of experience developing similar projects.
   c. Number, type, and size of projects.
   d. Experience financing projects.

3. Parent company.
   a. Organizational chart showing project personnel and their role within the development company; and the relationship between the project owner, developer, financing entity, owner upon operation, and operator. If you are submitting multiple projects, this may require multiple organizational charts.
   b. Financial strength of RFP Participant.

4. Environmental Permitting Status: List all known environmental issues on the project site and description of permit status including permits required for construction and operation (Conditional Use Permit, Notice of Determination, Environmental Impact Report). Description of other required environmental information including the
following:

a. Reconnaissance level surveys (e.g. biological, archaeological) and tribal consultation completed and no occupied habitat for endangered species or cultural resources identified;

b. CEQA/NEPA completed or not required;

c. Wildlife permits obtained or none required. Include written opinion from Department of Fish and Wildlife or similar opinion, if relevant; and

d. Land use approvals granted.

3.1.1 Power Purchase Agreement from an Existing Project.

If the Proposer is proposing to enter a PPA to sell power generated by an existing project or multiple projects, the following needs to be identified in the proposal.

1. Executive Summary. The Executive Summary should include an overview of the distinctive aspects of the project that would set it apart from other offerings. The summary should also discuss the project’s demonstrated reliability.

2. Proposal Forms, Form A

3. Required Narratives.

a. Project Description. Proposals should contain a detailed description of the proposed project including the following:

   i. Project location details.
   ii. General arrangement.
   iii. Subsurface details which should include current production rates and estimated production rates over the proposed PPA term.
   iv. Interconnection location and associated details needed to assess feasibility.
   v. Age of project and historical operating data.

b. Technology Description. Proposals should include a general description of the surface facilities.

4. Project Level 1 Schedule. Proposals should include the commercial or technical milestone activities required to be met prior to execution of the PPA.

3.1.2 Power Purchase Agreement from a New Project.

If the Proposer is proposing to enter a PPA to sell power generated by a project that has not previously generated electricity, the following needs to be identified in the proposal.
1. **Executive Summary.** The Executive Summary should include an overview of the distinctive aspects of the project that would set it apart from other offerings. The summary should also discuss the projected reliability of the project.

2. **Proposal Forms.** Form A

3. **Required Narratives.**
   
   a. **Proposer’s Geothermal Experience.** This section will describe the Proposer’s experience within the geothermal industry and provide details regarding topics such as:
      
      i. Development, construction and operation experience with geothermal projects.
      
      ii. Company financial stability overview.
      
      iii. Overview of staffing and team qualifications; these should be the individuals or team that could reasonably be expected to execute the project.
   
   b. **Project Description.** Proposals should contain a detailed description of the proposed project including the following:
      
      i. Project location details.
      
      ii. General arrangement.
      
      iii. Site control status.
      
      iv. Subsurface exploration details, which at a minimum should include the following:
         
         (1) Proposed well sites (production and injection);
         
         (2) Proposed well depths (production and injection); and
         
         (3) Production well estimates.
      
      v. Status and description of transmission or transmission plan.
      
      vi. Permitting status or permitting plan.
   
   c. **Technology Description.** Description of the surface facilities equipment which should include applicable vendor information, models of major equipment and equipment configurations. If the proposal includes a capacity increase to existing facilities, describe in detail the performance modifications being made.
   
   d. **Subcontracting Plan.** This section will describe how the Proposer intends to execute the project. This narrative should identify the use of major subcontractors and partners the Proposer intends to use during the overall project.

4. **Project Development and Level 1 Schedule.** The Project Development and Level 1
Schedule should include all major development and project durations, including (at a minimum) permitting, financing, major subcontracting, engineering, major equipment procurement, construction, commissioning milestones and guarantee dates for commercial operation.

3.1.3 Build Transfer Agreement (BTA).

If the Proposer is proposing a BTA, the following needs to be included in the proposal.

1. **PPA Option Information.** All applicable information from the PPA option for the yet-to-be built project.

2. **Additional Narratives.**
   a. Cost information.
      i. Proposers should provide the estimated output for the project for the life of the plant and project.
      ii. A breakdown of the project’s estimated annual fixed costs including labor, benefits and consumable materials.
   b. Maintenance. Proposers should provide a typical five (5) year maintenance plan for all balance of plant equipment and submit major maintenance cycle vendor information for all power generation equipment. A recommended spare parts inventory and procurement plan should also be included. Proposals should include a sample maintenance staffing plan which shall identity all personnel required to perform routine scheduled maintenance items.
   c. Sample Operations Plan. Proposers should provide a summary of an operations plan typical of the equipment being proposed. Use of software management systems for performance and remote monitoring should be discussed. A sample operations staffing plan shall be included to identify all personnel roles and responsibilities.
   d. Federal, State and Local Environmental Compliance. Proposers should submit an environmental compliance plan identifying all relevant environmental permits required to operate and maintain the proposed facility.
   e. Acquisition Pricing. Proposers shall submit a single price inclusive of all monetary considerations of the project, including any inventories, ancillary facilities and contractual obligations required to operate the facility. The Proposer’s offer shall be the best and final price for the project.
   f. Hybrid Pricing. As identified in Section 1 of this RFP, IFP is open to creative and beneficial forms of project acquisition. Proposer must provide details about such proposal sufficient to allow IFP to make a determination on the proposed structure.
SECTION 4.0 RFP SCHEDULE

4.1 Key Dates for Participation in the RFP

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<tr>
<td>Issue RFP</td>
<td>Thursday, September 21, 2023</td>
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<tr>
<td>Deadline to submit Questions</td>
<td>Friday, October 13, 2023</td>
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<tr>
<td>Updated Q&amp;A Posted to website at <a href="http://www.ifpower.org">www.ifpower.org</a></td>
<td>Wednesday, October 18, 2023</td>
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<tr>
<td>Deadline to submit RPO Proposals</td>
<td>Friday, October 27, 2023; 3 PM MDT</td>
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<td>Participant(s) notified of shortlist status &amp; negotiation on details/terms</td>
<td>Monday, November 20, 2023</td>
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**Company (legal name of entity or intended signatory to Agreement):**

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<th>Facility Name</th>
<th>PPA Term</th>
<th>Capacity</th>
<th>Energy Charge MWhr</th>
<th>Fixed Charges</th>
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