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February 7, 2012

Dr. Burl W. Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 Seventh Place East, Suite 350  
St. Paul, MN 55101-2147

RE: Interstate Power and Light Company  
Docket No. E001/RP-08-673  
Informational Filing

Dear Dr. Haar:

Enclosed for eFiling with the Minnesota Public Utilities Commission (Commission), please find a copy of Interstate Power and Light Company's (IPL) Request for Proposals (RFP) issued on January 30, 2012, seeking firm long-term supplies of non-intermittent capacity and energy delivered to IPL's electric service area. (Attachment A)

IPL projects an electric capacity need of approximately 550 megawatts by June 1, 2016. Consistent with IPL's October 26, 2011 Supplemental Comments filed in this docket, and with its discussions during the January 26, 2012 Commission meeting, IPL issued the RFP soliciting ownership and/or long-term Purchased Power Agreement proposals for new or existing resources, or access to a portion of the output of a system of resources, to supply all or a portion of its long-term electric capacity and energy needs.

IPL has retained Concentric Energy Advisors, Inc. to manage the RFP process. IPL will continue to keep parties informed in the months ahead on the outcome of IPL's RFP review.

Dr. Haar  
February 7, 2012  
Page 2 of 2

Copies of this filing have been served on the Minnesota Department of Commerce, Division of Energy Resources, the Minnesota Office of Attorney General-Residential and Small Business Utilities Division, and the attached service list.

Respectfully submitted,

/s/ Kent M. Ragsdale  
Kent M. Ragsdale  
Managing Attorney - Regulatory

KMR/tao  
Enclosures

cc: Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

David C. Boyd  
J. Dennis O'Brien  
Phyllis Reha  
Betsy Wergin

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

IN THE MATTER OF INTERSTATE POWER  
AND LIGHT COMPANY'S 2010 ELECTRIC  
RESOURCE PLAN

DOCKET NO. E001/RP-08-673

AFFIDAVIT OF SERVICE

STATE OF IOWA            )  
                                  ) ss.  
COUNTY OF LINN        )

Tonya a. O'Rourke, being first duly sworn on oath, deposes and states:

That on the 7<sup>th</sup> day of February, 2012, copies of the foregoing Affidavit of Service, together with Interstate Power and Light Company's Informational Filing, were served upon the parties on the attached service list, by e-filing, overnight delivery, electronic mail, and/or first-class mail, proper postage prepaid from Cedar Rapids, Iowa.

          /s/ Tonya A. O'Rourke            
Tonya A. O'Rourke

Subscribed and Sworn to Before Me  
this 7<sup>th</sup> day of February, 2012.

          /s/ Kathleen J. Faine            
Kathleen J. Faine  
Notary Public  
My Commission Expired on February 20, 2012

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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**INTERSTATE POWER AND LIGHT  
COMPANY**

**REQUEST FOR PROPOSALS**

**JANUARY 30, 2012**

INTERSTATE POWER AND LIGHT COMPANY POWER SUPPLY RFP

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Form C3- Start-up Charges

Form C4- Summer Capacity

Form C5- Winter Capacity

Form C6- Interconnection Costs

Form D- Technical Description

Form E1- Heat Rate Information

Form E2- Heat Rate Degradation

Form F- Fuel information

Form G- Emission Rates

Form H- Air & Water Permitting

INTERSTATE POWER AND LIGHT COMPANY POWER SUPPLY RFP

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**Appendix D – Notice of Intent to Respond**

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# 1 INTRODUCTION

## 1.1 OVERVIEW

Interstate Power And Light Company (IPL) is a wholly owned subsidiary of Alliant Energy Corporation. IPL serves more than 700,000 electric and natural gas retail customers in Iowa and Minnesota. In 2011, IPL had a coincident peak electric demand of approximately 3,100 MW. IPL is rate-regulated by the Iowa Utilities Board (IUB), the Minnesota Public Utilities Commission (MPUC) and the Federal Energy Regulatory Commission (FERC).

IPL is a member of the Midwest Reliability Organization (MRO), and is a member of the Midwest Independent Transmission System Operator (MISO). IPL, through its agent Alliant Energy Corporate Services Inc., is a registered Market Participant (MP) in both the MISO and PJM RTOs, is a certified Asset Owner and operates a Load Balancing Area (LBA) inside the MISO footprint and within the transmission system of ITC Midwest LLC.

IPL is committed to providing a reliable supply of electric power to its customers. In order to ensure reliable, adequate capacity and energy supplies to meet the needs of its customers, IPL is issuing this Request for Proposals (RFP) to solicit bids for the acquisition of base load power supply to meet its resource needs identified in Section 2, below.

IPL seeks to acquire new supplies of capacity and energy that, at a minimum, meet established industry-wide reliability and performance criteria. IPL's preference is for a resource that will be viewed as a long-term supply resource for IPL, provides avoidance or mitigation for unknown or unknowable environmental risks during the term, is capable of high availability factors (preference is 80% or greater), and is able to be delivered on a non-curtable firm basis to IPL's load zone, regardless of potential changes in MISO deliverability provisions.

## 1.2 SOLICITATION CONTACT

Bidders are encouraged to seek clarification as required to submit a complete and comprehensive proposal. Unless otherwise directed, all communications regarding this RFP should be made through the Solicitation Contact:

Lisa Quilici  
Senior Vice President  
c/o Joanna Bickford  
Concentric Energy Advisors, Inc.  
293 Boston Post Road West, Suite 500  
Marlborough, MA 01752  
E-Mail: [lquilici@ceadvisors.com](mailto:lquilici@ceadvisors.com)  
Phone: 617-872-0248

E-mail correspondence through the secure dataroom is preferred. As discussed in Section 5.1.2, upon execution of a non-disclosure agreement (NDA), which is provided as Appendix A to this RFP, bidders will be provided access to a secure online dataroom which is the platform that will be relied on for communication and transmission of bid materials between bidders and the Solicitation Contact.

**Submission of questions, proposals or other contact about this RFP or related issues with persons other than the Solicitation Contact may result in disqualification of the Bidder.**

## **2 RESOURCE NEEDS ASSESSMENT**

IPL has determined its future capacity needs based upon consideration of a number of factors including the current balance between its electric demand and supply, the benefit of forecasted demand-side management programs, the planned expiration of existing supply contracts, the existing and desired mix of fuel sources in its power supply portfolio, fuel and energy cost volatility, projected changes in demand due to growth, potential environmental risks, and the possible retirement of aging existing capacity in IPL's service territory.

IPL's expected need to increase its MISO creditable capacity (Planning Reserve Credits, or PRCs) by approximately 550 MW beginning June 1, 2016.

## **3 ELIGIBLE PROJECT INFORMATION**

### **3.1 ELIGIBLE PROJECT STRUCTURES**

PPA resources may be for a new, to-be-built resource, an existing resource, for a slice of a system<sup>1</sup>, or purchase of assets. The Company will consider proposals that offer to supply all or a portion of the capacity needs identified in Table 1. IPL has a preference for proposals that provide the Company with 100% control over the capacity that is offered.

Any accepted proposal will be subject to a specific PPA. A Model PPA Term Sheet is provided as Appendix B. The Company understands that bidders may desire to modify and supplement the Model PPA Term Sheet when submitting their proposals, and anticipates negotiating with selected bidders in an effort to develop documents acceptable to both parties.

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<sup>1</sup> Slice of System is defined as a number of existing or to be built resources of which a portion would be dedicated in response to this proposal. This portfolio would be dispatched as a single unit by IPL.

### **3.2 ELIGIBLE GENERATION RESOURCES**

The Company seeks proposals from facilities that can provide non-intermittent firm generation capacity to the system. For a project to be eligible under this RFP, it must (i) have a net summer-rated capacity greater than 50 MW, however the Company has a preference for larger capacity commitments, (ii) be a non-intermittent firm thermal resource, and (iii) deliver capacity via firm network transmission service to the Alliant-West (ALTW.ALTW) load zone within MISO. The quantity of capacity proposed will be considered in the bid evaluation process.

### **3.3 PURCHASE OPTIONS**

IPL will also consider proposals to purchase (i) purchase existing generating stations, or (ii) new facilities under or to be constructed, that meet all other requirements of the RFP. Any party who is interested in either of these options should notify the Solicitation Contact. Any bids for purchase options will be received and evaluated in the context of this RFP process.

### **3.4 POWER DELIVERY REQUIREMENTS**

All proposals should convey to IPL PRCs based on MISO Module E criteria. Proposals will receive preference for guaranteed performance reflecting a higher percentage of the PPA nameplate capacity contracted, either physically or financially.

IPL has a preference for proposals with flexible dispatch optionality rather than 100 percent must take requirements. Acceptable proposals should offer at least an 80 percent availability factor and should include proposed provisions in form C6 of Appendix C in the event that the Seller cannot achieve that availability factor. IPL strongly desires to possess full dispatch rights to the facility including the ability to load follow via Automatic Generation Control (AGC).

Proposed resources should be delivered at the ALTW.ALTW CPNode inside the MISO footprint or be financially adjusted for congestion and losses so as to hold IPL harmless from the financial impact of delivery at alternate locations.

For proposals that will require third-party transmission service(s) for the delivery of capacity and energy to the bid-specified point of delivery on the IPL system, respondents are responsible for any interconnection, electric losses, transmission and ancillary service arrangements required to deliver the proposed capacity and energy to the bid-specified point of delivery on a firm basis.

### **3.5 ACCOUNTING AND TAX CONSIDERATIONS**

As noted in Section 7.3, the Company has a strong preference for proposals which do not subject the Company to any accounting or tax treatment that results from a PPA's capital lease or Variable Interest Entity (VIE) treatment. When evaluating proposals, IPL will specifically consider the financial implications of the accounting and tax treatment.

## **4 CONTRACT TERMS**

### **4.1 INTRODUCTION**

As noted in Section 3.1, a Model PPA Term Sheet is provided as Appendix B to this RFP. Certain key contract terms, Company preferences and proposal-specific information regarding key terms are highlighted below. The Company understands that bidders may desire to modify and supplement the Model PPA Term Sheet when submitting their proposals. Any party who is interested in either of the purchase options under Section 3.1 should notify the Solicitation Contact.

### **4.2 PRICING**

Pricing templates for a number of potential proposal structures are provided in Appendix C, Form C1 through C5. Bidders should complete the form components that apply to their proposed pricing structure. Bidders proposing multiple alternative pricing structures should provide separate forms for each pricing structure. All pricing should be in terms of current year dollars, also referred to as escalated or nominal dollars. For example, a \$100 per megawatt-hour (MWh) energy price bid for year 2020 means that in 2020, energy from the facility will be purchased at a base rate of \$100/MWh.

The Company will fully consider various forms of pricing including, but not limited to, fixed, formulaic and indexed pricing. IPL prefers flexible pricing terms that allow for the majority of PPA payments to be variable (energy component only), but will consider pricing with fixed monthly components (capacity charges). In assessing proposals made in response to this RFP, IPL will evaluate the risks of each of these pricing structures.

Pricing proposals should also specify all interconnection and transmission costs as discussed in Sections 4.4 and 4.5.

### **4.3 PPA TERM**

IPL seeks a minimum contract term length of ten (10) years and has a strong preference for longer term agreements. As discussed in Section 2, IPL projects a need for approximately 550 MW beginning June 1, 2016. The Company's objectives with respect to term lengths include avoiding the concurrent expiration of multiple contracts and avoiding or minimizing any adverse financial impact of imputed debt, capital lease, and VIE-related obligations.

### **4.4 POWER DELIVERY REQUIREMENTS**

As noted in Section 3.4, all proposals should convey to IPL MISO creditable capacity (Planning Reserve Credits, or PRCs) based on MISO Module E criteria. Proposals will receive

preference for guaranteed performance reflecting a higher percentage of the PPA capacity contracted, either physically or financially. IPL strongly desires to possess full dispatch rights for the proposed capacity including the ability to load follow via AGC. Acceptable proposals should offer at least an 80 percent availability factor and should include proposed penalty provisions in the event that the Seller cannot achieve that availability factor.

As noted in Section 6.2, Bidders should specify any and all scheduling requirements.

#### **4.5 INTERCONNECTION**

All power proposed should be deemed fully deliverable into the Alliant-West load zone on an aggregate basis, as determined by MISO, and should further be deliverable pursuant to a firm network generation interconnection agreement with MISO or a firm network transmission service reservation approved by MISO

As noted in Section 6.2, proposal pricing should include initial cost estimates for any new or upgraded interconnection facilities required for the electrical interconnection of the proposed project to the MISO transmission system, and should include the cost of any dedicated radial transmission line(s) from the generation facility to the proposed point of interconnection (Generator Interconnection Facilities).

Any costs required to upgrade or reinforce the MISO transmission system beyond the point of delivery as a consequence of adding a respondent's project to the MISO transmission system will be as per the current transmission provider's tariff. Network upgrade costs that are assessed to the project will be responsibility of the respondent. Since American Transmission Company (Wisconsin) and ITC-Midwest (former IPL transmission assets) currently have network upgrade tariffs (Attachment FF) that provide one-hundred percent (100%) reimbursement for network upgrades under certain conditions, it shall be the responsibility of the respondent to determine if their proposal qualifies for such reimbursement. If such project does not qualify, any network upgrade costs shall be the responsibility of the respondent. Respondents will also be responsible for procuring transmission service and any associated third-party transmission costs needed to deliver power from the project to the IPL Control Area. All pricing in respondents' proposals should reflect those costs (to the extent applicable) at the time of submittal.

#### **4.6 ENVIRONMENTAL**

All environmental attributes related to the power being purchased should be conveyed to IPL. This includes any and all credits in any form (emissions credits, offsets, financial credits, etc.) associated with both known and unknown pollutants, including but not limited to SO<sub>2</sub>, NO<sub>x</sub>, HG, CO<sub>2</sub>, etc.

Environmental liabilities associated with generation supporting any proposal received by IPL will remain the liability and sole responsibility of the generation producer.

## **4.7 CREDIT REQUIREMENTS**

All transactions are contingent upon the Bidder meeting and maintaining the minimum credit requirements established by IPL's Strategic Risk Management Department:

- Bidder's or Bidder's credit support provider's (if any) long-term, senior unsecured debt that is not supported by third-party credit enhancement must be rated by one or more of the following agencies as follows: BBB- or higher by Standard & Poor's and Fitch, or Baa3 or higher by Moody's Investor Services, Inc. If the Bidder or Bidder's credit support provider is reviewed by more than one agency, IPL will consider the lowest rating.
- Bidders that are not rated, and bids offering full project ownership, will be subject to review under IPL's internal guidelines by IPL's Strategic Risk Management Department for qualification.

Typically, contracts will only be awarded to Bidders that have, at a minimum, investment grade credit rating. Alternatively, the Bidder must provide performance assurance in the form of a parental guarantee, a letter of credit and/or cash, based on the Bidder's and/or Guarantor's credit profile and the amount of expected financial exposure related to the bid.

## **4.8 RIGHT OF FIRST REFUSAL / PURCHASE OPTION**

The Model PPA Term Sheet includes a Right of First Refusal which specifies, in addition to other terms and conditions, that the Company may purchase the facility if and when the facility owner is interested in selling the facility to a third party during the term of the PPA. The Company will also consider an end-of-term or other purchase options that specify that the Company may purchase the facility (or the stock of the facility owner) for its appraised fair market value at a specified time or times during, or at the end of the PPA term.

# **5 SUBMISSION PROCEDURE**

## **5.1 SOLICITATION SCHEDULE**

### **5.1.1 Overview**

The expected schedule for this solicitation is shown in Table 2. The Company reserves the right, in its sole discretion, to modify the schedule at any time. Any modifications to the schedule will be communicated through the Solicitation Contact identified in Section 1.2.

<b>Table 2</b>	
<b>Schedule for Bid Solicitation and Evaluation</b>	
<b>Action</b>	<b>Date</b>
Issuance of RFP	January 30, 2012
Notification of Intent to Respond	By February 10, 2012
Proposals Due	March 22, 2012

### **5.1.2 Bidder Communications**

Once a bidder has executed a Non-Disclosure Agreement (Attachment A to the RFP), the bidder shall be entitled to receive any questions and answers submitted by all bidders and any other information which may be distributed to the bidders. In order to participate in and receive communications about the RFP, bidders are required to register on an electronic database system. Instructions for submitting bid documents through the online dataroom will be provided to bidders upon account creation.

### **5.1.3 Notice of Intent to Respond**

Parties that intend to submit proposal(s) in response to this RFP should complete a Notice of Intent to Respond form (Appendix D of this RFP). The Notice of Intent to Respond should be submitted to the Solicitation Contact identified in Section 1.2 by February 10, 2012.

### **5.1.4 Proposal Submission**

Electronic proposals are due by 5:00 pm E.S.T. on March 22, 2012. Original paper copy submittal, identical to the electronic proposal is due by 10:00 am E.S.T. on March 23, 2012. Procedures for proposal submission, including specific bid requirements, are described in Section 6 of this RFP. The evaluation of proposals will begin immediately thereafter.

## **5.2 IPL'S RIGHTS REGARDING PROPOSALS**

IPL reserves the right, in its sole discretion, to reject any and all proposals submitted in response to this RFP, for any reason(s) whatsoever. In addition, IPL also reserves the right to accept other than the lowest-cost proposal, to effect a combination of proposals, to waive any technical non-compliance in any proposal, and to conduct further negotiations with any bidder. The paragraphs and provisions of this RFP, and any documents submitted in response thereto, do not constitute and will not give rise to any legally binding obligation on the part of IPL. IPL does not intend to be bound by the terms of this RFP, and associated documents, unless and until IPL and a bidder(s) negotiate, agree to and sign a definitive written agreement, with appropriate credit assurances and other terms and conditions, material and otherwise, which terms and conditions may vary from the information contained in this document.

Any transaction resulting from this solicitation will require IPL to secure the approval of its Board of Directors. Additionally, any transaction is subject to IPL receiving all required regulatory approvals, including, but not limited to approvals by the IUB, MPUC and FERC for the entire transaction. IPL reserves the right to terminate any transaction or agreement resulting from this solicitation and subsequent negotiations should IPL's Board, the IUB, MPUC, FERC or any other applicable regulatory body refuse to grant the necessary approvals in both a form and timeframe that is acceptable to IPL in its sole discretion.

**IPL reserve the right to select or reject any or all proposals for any reason, to negotiate with any proposer, or to cancel this RFP in part or in its entirety at its sole discretion. All proposals become the property of IPL and its service company affiliate. IPL further reserves the right to arrange for any or no alternative power supply arrangement, including construction of its own facilities as it may deem appropriate or preferential.**

### **5.3 CONFIDENTIALITY**

Bidder shall execute two (2) originals of the NDA and send the originals to the Solicitation Contact for execution. The Solicitation Contact will return one (1) fully executed copy of the NDA to Bidder. Said NDA is attached hereto as Appendix A. As noted in Section 5.1.2, an executed NDA is required for a party to participate in this RFP.

By participating in this RFP, parties agree that IPL may, as IPL deems appropriate in its sole judgment, share the bids and the evaluation of such bids with the IUB, the Iowa Office of Consumer Advocate (OCA), the MPUC, the Minnesota Department of Commerce and/or FERC prior to notifying the bidders.

## **6 PROPOSAL CONTENT REQUIREMENTS AND GUIDELINES FOR BID SUBMISSION**

### **6.1 BID SUBMITTAL**

The bid submittal should consist of:

- a) An electronic copy of the completed forms in Appendix C sent to the Solicitation Contact using the Bidder's online dataroom account; and
- b) One unbound original transmitted by express, certified, or registered mail in a sealed package to the street mailing address of the Solicitation Contact.

Proposals will be considered to be received when they arrive at the above-mentioned respective e-mail and street mailing addresses. Electronic proposals should be submitted by 5:00 p.m. EST on March 22, 2012. Electronic copies should include the completed Appendix C forms in the spreadsheet format that will be provided to bidders through the online dataroom. Original paper copy, identical to the electronic copy, must arrive at the street mailing address identified in



Section 1.2 by 10:00 a.m. EST on March 23, 2012. Proposals received later than the due date and time may be returned unopened or destroyed, at IPL's option.

Bidders should clearly identify each page of information considered to be confidential or proprietary. IPL reserves the right to release all proposals to its agents, attorneys, and consultants, in addition to its own employees (all of the foregoing are included in references to "IPL" throughout this RFP) for purposes of proposal evaluation, selection, and negotiation of a contract. Regardless of the confidentiality requested, bidders should be aware that all such information may be subject to review by the IUB, MPUC, FERC or other governmental authorities or judicial bodies with jurisdiction relating to these matters and may be subject to legal discovery. Under such regulatory and legal circumstances, IPL will make reasonable efforts to preserve bidders' confidential information by requesting that it be maintained in a confidential manner; however, IPL cannot guarantee the success of such efforts.

## **6.2 PROPOSAL CONTENT REQUIREMENTS**

### **6.2.1 Introduction**

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

A complete proposal will include the following components:

1. Executive Summary
2. Complete set of applicable Proposal Forms (Forms identified below)
4. Form attachments (as necessary to elaborate on Form information)
5. Narrative Topics Discussion (described in Section 6.2.4 below)
6. Any additional electronic data

### **6.2.2 Executive Summary**

Proposals should include an Executive Summary which briefly describes the Bidder, the Project(s) or resource(s) which are part of the proposal, the capacity amount, timing and term of the proposal, and key highlights of the pricing and terms of the proposal, including whether it will be considered a capital lease or be subject to VIE treatment.

### **6.2.3 Proposal Forms**

Appendix C and its individual forms include specific instructions for completion. Some information may be requested on more than one form. Although such requests may be redundant, respondents should provide the information requested on each applicable form. To the extent the full completion of any form requires additional information or clarification, please provide that information as an attachment to the form.

Proposal Forms include:

- Form A- Bid Certification Form
- Form B- Bid Cover Sheet
- Form C1- Capacity Pricing
- Form C2- Energy/VOM/Tolling Price
- Form C3- Start-up Charges
- Form C4- Summer Capacity
- Form C5- Winter Capacity
- Form C6- Interconnection Costs
- Form D- Technical Description
- Form E- Heat Rates
- Form F- Fuel information
- Form G- Emission Rates
- Form H- Air & Water Permitting
- Form I- Land Use, Zoning and Permits
- Form J- Construction Milestones
- Form K- Delivery Arrangements
- Form L- Penalties for Non-Performance

### **6.2.4 Narrative Topics**

#### **6.2.4.1 Overview**

In addition to an Executive Summary, all completed Proposal Forms and any necessary form attachments, proposals should include a thorough written discussion of the narrative topics identified below. Please note, proposals which reflect projects which are to-be-built require additional narrative topics. The narrative topics should be organized under the following headings, with each heading beginning on a separate page.

- A. Description of the Bidder

- B. Financial Information
- C. Contract Accounting
- D. Project Description
- E. Power Delivery Plan
- F. Transmission Plan
- G. Interconnection Plan
- H. Capacity Plan
- I. Operations and Maintenance Plan
- J. Exceptions to Model PPA Term Sheet
- K. Assignability
- L. Projects to-be-built
  - 1. Equipment Description
  - 2. Development Experience
  - 3. Development Schedule
  - 4. Real Property Acquisition Description and Plan
  - 5. Permitting Plan
  - 6. Community/State Reaction Assessment
- M. Other

#### **6.2.4.2 Narrative Topic Descriptions**

- A. *Description of the Bidder.*** All proposals should provide a description of the bidder including qualifications, key personnel, and prior projects and experience.
- B. *Financial Information.*** All proposals should provide detailed financial information about the project(s) underlying the PPA. This information shall include two years of audited financial statements or the equivalent for respondents and other responsible parties (including any entities that would provide parent guaranties of the respondents' obligations), whether the project will be financed as a recourse or non-recourse project, the percentages of debt and equity financing, and the expected cost of debt. In addition, respondents shall provide a detailed plan for financing a proposed project during construction and operation including the financing commitments that the respondent has obtained. Proposals shall set forth the credit rating (if any) of any entities that would provide parent guaranties of the respondents' obligations. Proposals should include an organization chart showing the entities that own the respondent's organization and a description of the respondents' organization structure (including primary and secondary businesses). Financial information should be provided in both electronic and hard copy format.

**C. Contract Accounting.** All proposals should address:

- That the respondent has considered applicable accounting standards in regard to capital leases and VIE, i.e., FASB Statement No. 13, Accounting for Leases, FASB Interpretation No. 46(R), Consolidation of Variable Interest Entities and Emerging Issues Task Force issue No. 01-08, Determining Whether an Arrangement Contains a Lease;
- Summarize any changes that the respondent proposes to the Model PPA Term Sheet in order to attempt to address these issues; and
- Whether, to the respondent's knowledge and belief, the respondent's proposal would result in such treatment as of the date of the proposal.

By submitting a proposal, each respondent agrees to make available to the Company at any point in the bid evaluation process any financial data requested by the Company so it may independently verify the respondent's information in the above matter. Financial data may include, but shall not be limited to, data supporting the economic life (both initial and remaining) of the facility, the fair market value of the facility, and any and all other costs (including debt specific to the asset being proposed) associated with the respondent's proposal. The Company may also use financial data contained in the respondent's financial statements (e.g. income statements, balance sheets, etc.) as necessary.

**D. Project Description.**

1. **Existing Generation Facilities:** All proposals for existing generation facilities should set out a description of the resources that are proposed, including the nameplate capacity of the resource in MW and the operating characteristics of the proposed generation resources. It is the Company's expectation that the Company will have first rights to the capacity that has been submitted into the RFP for the period during the proposal review and approval process. In support of this, and included in this narrative, respondents should also provide any and all information which would restrict the respondent from providing the Company with exclusive rights to negotiate a PPA for the proposed capacity. Such restrictions could include, but are not limited to, prior active submission or participation in other RFPs, exclusivity rights granted to other parties, rights of first offer or refusal, purchase options, and active auctions for the project as applicable.
2. **New (to-be-built) Generation Facilities:** All proposals for the construction of new generation facilities should set out a description of the proposed project, including a description and plans for the proposed site and rights of way, utilities services, equipment configuration, transmission and interconnection construction and procurement, supply of spare parts, opportunities for future expansion of the project, required permits, the nameplate capacity of the resource in MW, the respondent's key consultants (if known) for permitting studies, and the respondent's construction contractors and prime subcontractors (if known). It is the Company's expectation that the Company will have first rights to the capacity that has been submitted into the RFP for the period during the proposal review

and approval process. In support of this, and included in this narrative, respondents should also provide any and all information which would restrict the respondent from providing the Company with exclusive rights to negotiate a PPA for the proposed project. Such restrictions could include, but are not limited to, prior active submission or participation in other RFPs, exclusivity rights granted to other parties, rights of first offer or refusal, purchase options, and active auctions for the project as applicable.

**E. Power Delivery Plan.** Proposals should specify any and all scheduling requirements including, but not necessarily limited to, the amount of time in advance of delivery that IPL must schedule energy from capacity, whether it is a blocked schedule and any restrictions or limitations regarding when energy will be available and how much energy will be available on a periodic basis. All proposals should include a full description of any and all conditions for curtailment or duration of the energy schedule. Finally, all proposals should specify in detail whether and to what extent IPL will be expected to assume financial responsibility for any scheduling and operations-related charges imposed by MISO.

**F. Transmission Plan.** All proposals should include a description of the respondent's plan to transmit power from the Project to the IPL control area. The information should include a description and expected route of any radial transmission line dedicated principally to the Project if known, including a summary of the status of obtaining requisite easements and alternatives as required. If any new FERC-regulated transmission or any upgrades to non-MISO transmission will be required to deliver power from the Project to the proposed point of delivery (New Transmission), the proposal also should include a complete description of the required New Transmission including (i) the owner and developer of the New Transmission, (ii) the complete expected route for the New Transmission, (iii) the voltage and capacity of the New Transmission, (iv) the status of planning, permitting, financing and construction of the New Transmission, to the extent known to the respondent, (v) the location of the interconnection of the Project into the New Transmission, (vi) whether the respondent's Project, if successful, would be sufficient for the New Transmission to be built without the participation of other power projects, and (vii) if not, what other projects would need to be built, in what time frame, to allow the New Transmission to be built in time for the respondent to meet its scheduled in-service date.

Proposals which require third-party transmission service should identify all third-party interconnections, electric losses, transmission and ancillary service providers, components and costs, provide a complete description of those service arrangements and provide documentation that such service(s) will be available to the respondent or the Company during the full term of service proposed.

**G. Interconnection Plan.** Proposal pricing should include initial cost estimates for any new or upgraded interconnection facilities required for the electrical interconnection of the proposed project to the MISO transmission system, and should include the cost of any dedicated radial transmission line(s) from the generation facility to the proposed point of interconnection (Generator Interconnection Facilities). For projects with an

active Large Generator Interconnection Procedures (LGIP) request, the respondent should provide the LGIP identifier(s) associated with the proposed project. Respondents should clearly and separately indicate the estimated cost of the electrical interconnection by listing each component of the interconnection facilities on Form C6, provided in Appendix C.

- H. Capacity Plan.** All proposals should include a statement and details supporting either an existing deliverability determination for capacity and energy by MISO, or MISO impact study analysis demonstrating the ability for a new project to meet full deliverability capability for capacity and energy delivery into the ALTW.ALTW load zone on an aggregate basis.
- I. O&M Plan.** Respondents should summarize their O&M plans and labor arrangements for the generation facilities associated with their proposals.
- J. Exceptions to Model PPA Term Sheet.** In support of the Company's efforts to complete project evaluation, and contract negotiations in a timely manner, respondents should review and provide exceptions and/or comments to the Model PPA Term Sheet. To the extent that the validity of a respondent's proposal and/or the respondent's ability to execute a PPA is contingent upon material changes to the language in the Model PPA Term Sheet, respondents should specifically identify the terms in the Model PPA Term Sheet they propose to change and should summarize their proposed changes to such terms. To the extent that a respondent wishes to propose changes to the Model PPA Term Sheet that (if accepted by the Company) would reduce the respondent's proposed pricing, the proposal should specifically identify such changes and the associated price reduction. To the extent practicable, respondents should develop exhibits, schedules, attachments and other supplemental documents required by the Model PPA Term Sheet.
- K. Assignability.** All proposals should include a statement acknowledging that IPL may transfer or assign to another entity - including, but not necessarily limited to, an affiliate of IPL - the rights and obligations contained in any agreement reached as a result of this solicitation.
- L. Projects to-be-Built**
- L.1 Equipment Description.** Proposals should indicate for all major equipment (i) the name of the manufacturer and other vendors, (ii) models, (iii) key metrics and characteristics of the equipment, (iv) planned delivery dates, (v) contracting status, and (vi) performance history of the equipment. Each respondent should present clear and sufficient proof that it has or can secure an adequate and confirmed supply of generation equipment sufficient (at a minimum) to meet the required proposal.
- L.2 Development Experience.** All proposals should describe the respondent's qualifications and experience in developing, constructing, commissioning and operating generation facilities similar to the proposed facility, including the experience, qualifications and safety record of key personnel who will manage development and an overview of utility scale and utility grade projects the respondent

has developed during the last 5 years. If an EPC team is in place, the proposal should identify the members of the team; if such a group is not in place, the proposal should set forth the respondent's plan for assembling such team (including process and timing).

***L.3 Development Schedule.*** Proposals should provide a detailed Gantt chart of project development activities developed using Microsoft Project or similar software (note that .pdf file-type is acceptable for submittal) that includes (at a minimum) entering major equipment and construction subcontracts, target completion dates for financing, engineering, permitting, equipment procurement, construction, startup and commissioning, and guaranteed dates for substantial completion. Proposals should describe the overall development strategy that will ensure that the project can be developed in time to meet the proposed commercial operation date.

***L.4 Real Property Acquisition Description and Plan.*** Proposals should provide a description of the status of real property acquisition for the project that is sufficient for the Company to assess the completeness and sufficiency of the respondent's real property rights, including but not limited to:

- The status of current site ownership,
- The plan for acquiring any and all currently uncontrolled necessary real property rights to the project,
- Acreage of real property required for the project and a schedule for the completion of the real property acquisition process, and
- Any subdivision or zoning modifications and all city or county land use permits that will be required, such as conditional use, special use or other similar permits and approvals, which will be required for any phase of development, construction, or operations of the project.

***L.5 Permitting Plan.*** Proposals should describe all federal, state and local permits and approvals that will be required for the project (other than land use permits included in the Real Property Acquisition Description and Plan), including, but not limited to, federal environmental assessments under the National Environmental Policy Act ("EA/EIS"), wastewater discharge permits, hazardous waste permits, and no-hazard permits/determinations from the Federal Aviation Administration. Proposals should also provide written documentation evidencing that consultation has occurred with appropriate governmental agencies responsible for reviewing potential project development impacts to state and federally listed wildlife species, as well as species and habitats of concern. Proposals should report on the status of all such permit applications and any feedback from permitting agencies. Proposals should provide the status of all required environmental permit applications (such as water, wastewater discharge, and hazardous waste permits) and any feedback respondents have received from permitting agencies.

***L.6 Community/State Reaction Assessment.*** Each respondent should present a current assessment of, and a plan for continuing to monitor, local community and

state reaction to the project, and a plan to work with the local community on project issues. Such plan should include the following elements:

- A list of the references used to assess the community reaction, and the methodology used to draw conclusions,
- A list of key local contacts interviewed and their opinions,
- An assessment of the local community reaction at the time of the proposal,
- An action plan for working with the local community/state to successfully complete the project and
- A description of the respondent's proposed conflict resolution methodology.

**M. Other:** In addition to the threshold items described above, IPL reserves the right to request additional information on proposals as necessary. Prior to finalizing a contract, the bidder will need to establish or demonstrate appropriate credit worthiness or financial security with respect to this specific project.

## 7 BID EVALUATION METHODOLOGY

### 7.1 OVERVIEW

Bids will be evaluated using a multi-part process.

- Screening for minimum requirements
- Contract accounting assessment
- Consideration of other non-price attributes
- Evaluation of the Effect on System Cost

Bid evaluation criteria are provided in Appendix E.

### 7.2 SCREENING FOR MINIMUM REQUIREMENTS

The information provided in each bid will be evaluated for completeness and consistency with the requirements specified in the RFP. IPL reserves the right, in its sole discretion, to either (1) reject incomplete or unclear bids from further consideration, or (2) contact bidders for purposes of clarifying proposal terms or requesting additional information.



## **7.2 CONTRACT ACCOUNTING ASSESSMENT**

All proposals made in response to this RFP will be assessed by the Company for appropriate accounting and/or tax treatment.

The Company has a strong preference for proposals which do not subject the Company to any accounting or tax treatment that results from a PPA's capital lease or VIE treatment. When evaluating proposals, IPL will specifically consider the financial implications of the accounting and tax treatment. All proposals must:

- Demonstrate that the respondent has considered applicable accounting standards in regard to capital leases, specifically Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 840 Leases or and VIE issues pursuant to FASB Accounting Standards Codification Topic 810 Consolidation- Variable Interest Entities.;
- Summarize any changes that the respondent proposes to the Model PPA Term Sheet in order to attempt to address these issues; and
- Whether, to the respondent's knowledge and belief, the respondent's proposal would result in such treatment as of the date of the proposal.

The Company will not execute any PPA without the prior review and opinion of its external auditors with regard to the accounting and tax treatment of that PPA.

## **7.3 CONSIDERATION OF OTHER NON-PRICE ATTRIBUTES**

IPL will consider other non-price attributes in its evaluation, including but not limited to comments on the PPA Model Term Sheet, schedule, subcontractors, specifications, development and technology risk, power product characteristics, including but not limited to availability factor, dispatchability, flexibility and contract quantity and term as well as credit ratings impact, permitting issues pertaining to this RFP and other evaluation criteria.

## **7.4 EVALUATION OF THE EFFECT ON SYSTEM COST**

Bids which IPL determines, in its sole discretion, have satisfied minimum requirements will be evaluated through use of a two-phase economic analysis. First, IPL will perform a spreadsheet screening analysis. This spreadsheet screening analysis will calculate a net present value based upon the information provided in the Forms of Appendix C. Depending on the results of the spreadsheet analysis, IPL may, in its sole discretion, choose proposals that will be further analyzed using a resource planning model (Electric Generating Expansion Analysis System or EGEAS) to determine the cost of various supply portfolios under a prescribed set of constraints and assumptions as defined by IPL. The resource planning model simulates the future operation of proposed and existing portfolio of resources for IPL's electric utility system. Under a given set of cost and economic assumptions, the model calculates the net present value revenue requirement of the resulting system cost and identifies the proposal or proposals that result in the lowest estimated overall system cost.

Bidders should be aware that as a part of the screening analysis, the effect of the proposals on debt imputed by credit rating agencies will be incorporated into the economic analysis for PPA proposals.

## **7.5 REFERENCE PLANT**

Proposals will be evaluated in comparison to a non-intermittent generation resource that the Company may develop (the Reference Plant). The Reference Plant is a 550 MW gas-fired combined cycle facility with a projected in-service date of May 31, 2016. The operating characteristics of the reference plant are provided in Appendix F.

## APPENDIX A

### MUTUAL NONDISCLOSURE AGREEMENT

This Mutual Nondisclosure Agreement (“**Agreement**”) is made this \_\_\_ day of \_\_\_\_\_, 2012 (the “**Effective Date**”) by and between **INTERSTATE POWER AND LIGHT COMPANY** (a wholly owned subsidiary of Alliant Energy Corporation) a corporation of the State of Iowa having offices at 200 First Street SE, Cedar Rapids, Iowa 52401, (“**IPL**”) and \_\_\_\_\_, a [partnership][limited liability company][corporation] of the state of \_\_\_\_\_ having its principal \_\_\_\_\_ place \_\_\_\_\_ of \_\_\_\_\_ business \_\_\_\_\_ at \_\_\_\_\_ (“**Counterparty**”). Hereinafter, Company and Counterparty are referred to individually as a “**Party**” or collectively as the “**Parties**”.

1. Purpose of Disclosure. The Parties are willing to disclose information to each other relating to the investigation, evaluation, development and submission of a proposal in accordance with IPL’s Request for Proposals dated January 30, 2012 for the acquisition of approximately 550 MW of Midwest Independent System Operator (“**MISO**”) planning reserve credits (the “**Business Relationship**”) beginning June 1, 2016, and believe that in the course of such undertaking it will be necessary to disclose certain information which is confidential and proprietary to each. In order to protect the interests of both Parties and protect the information alleged by each to be confidential and proprietary, the Parties enter into this Agreement.

2. Definition of Confidential Information. “**Confidential Information**” as used in this Agreement is defined as any and all nonpublic information, without regard to form or method of delivery, which is disclosed by one Party, its board members, officers, directors and employees or by such Party’s agents or consultants that are under a written obligation of confidentiality to it (collectively, the “**Disclosing Party**”) to the other Party, its respective board members, officers, directors and employees or to such Party’s agents or consultants that are under a written obligation of confidentiality to it (collectively, the “**Receiving Party**”) that is either:

a. Any information that Disclosing Party delivers to Receiving Party marked or described as “Confidential”, including (without limitation) data such as inventory, accounting, business projections, business methods, security information, engineering specifications, drawings, customer lists, and/or other customer information concerning the Business Relationship or the Parties, including, but not limited to, any processes, technologies, accounting, purchasing, inventory, energy usage, and/or other information specifically including the initiation of access to information such as may be contained in a data base; or

b. Any information that a third party should reasonably conclude from the context of disclosure or from a substantive review of the disclosed information is confidential or proprietary to Disclosing Party.

3. Exceptions. Notwithstanding the foregoing, information provided to Receiving Party by Disclosing Party shall not be treated as Confidential Information if Receiving Party can demonstrate that such Confidential Information:

- a. was already in the possession of Receiving Party prior to disclosure and was not acquired or obtained from Disclosing Party;
- b. was in the public domain as evidenced by printed documentation of a date earlier than the date of disclosure;
- c. became part of the public domain through no fault of Receiving Party; or
- d. was obtained in good faith by Receiving Party from an independent source on a non-confidential basis.

4. Permitted Use of Confidential Information. Subject to the terms and conditions contained herein, Disclosing Party agrees to allow Receiving Party access to the Confidential Information for the sole purpose of investigating, evaluating and/or developing the Business Relationship. Notwithstanding anything to the contrary herein, nothing in this Agreement shall be construed to permit Receiving Party to use the Confidential Information, or any information derived therefrom to damage Disclosing Party.

5. Prohibition of Use and Disclosure. Except as detailed in Section 6 of this Agreement, the Parties agree that they will keep all Confidential Information in confidence and not use or disclose any Confidential Information in any manner (directly or indirectly) other than in furtherance of the Business Relationship. Receiving Party shall not use, reveal, publish, transfer or otherwise disclose to any person, corporation or other entity any of the Confidential Information without the prior written consent of Disclosing Party, except Receiving Party may distribute the Confidential Information to its board members, officers, directors, employees, agents and consultants (provided such agents and consultants are under a written obligation of confidentiality to Receiving Party) who have a need to know such Confidential Information in furtherance of the Business Relationship. Any disclosure in violation of the provisions of this Agreement by the foregoing parties shall constitute a breach of this Agreement by Receiving Party. In protecting the sensitive nature of the Confidential Information, Receiving Party shall use the same care and discretion to avoid disclosure, publication or dissemination of the Confidential Information that it uses with its own confidential information, but in no event shall Receiving Party employ a standard of care less than that which is reasonable under the circumstances.

6. Permissible Disclosure. Notwithstanding any other provision hereof, Receiving Party may disclose applicable Confidential Information in the following three circumstances:

- a. This Agreement is not intended to and does not place a restriction on any disclosure of Confidential Information by Receiving Party that Receiving Party is legally required to make. In the event that Receiving Party is requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil or criminal investigative demand or other similar process) to disclose any of the Confidential Information, Receiving Party shall provide Disclosing Party with prompt written notice of any such request or requirement so that Disclosing Party may seek a protective order or other appropriate remedy. If, in the absence of a protective order or other appropriate remedy, Receiving Party is nonetheless legally compelled to disclose Confidential Information, Receiving Party may, without liability hereunder, disclose that portion of the Confidential Information which is legally required to be disclosed, provided that Receiving Party exercises reasonable efforts to preserve the confidentiality of the Confidential Information, including

cooperating with Disclosing Party to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information.

b. Notwithstanding the limitations described in Sections 6(a) or 8 herein, IPL shall have the right without advance notice to disclose any information, Confidential or otherwise, that IPL deems necessary or desirable in its sole, reasonable discretion to comply with (i) any state or federal securities laws, regulations, orders or decrees, or (ii) any regulatory requirement, law, regulation, document request, order or decree imposed by any commission, board or governmental entity exercising jurisdiction over Alliant or any of its affiliates.

c. After receipt of written waiver from Disclosing Party specifically authorizing release of Confidential Information, or a portion thereof, Receiving Party may disclose such Confidential Information, subject to compliance with the restrictions as to scope, timing and manner contained in Disclosing Party's waiver.

7. Duration of Confidentiality Obligations. Confidential Information disclosed pursuant to this Agreement shall be subject to the terms of this Agreement for three (3) years following the Effective Date.

8. Nondisclosure of Existence of Business Relationship. Without limiting the applicability of Section 6 of this Agreement, the Parties agree that they will not disclose to any person or entity the fact that Confidential Information has been made available hereunder, that discussion or negotiations are taking place concerning a possible transaction involving the Parties, or otherwise disclose any of the terms, conditions or other facts with respect to the Business Relationship, including the status thereof.

9. Return of Confidential Information. If either Party decides that it does not wish to proceed further with the Business Relationship, it will promptly give notice of that decision to the other Party in writing. In such an event, or at any time upon the written request of Disclosing Party for any reason, Receiving Party will, if directed by Disclosing Party, promptly deliver at its own expense to Disclosing Party all requested Confidential Information and copies thereof (and will delete all corresponding data entries in its databases) furnished to Receiving Party by or on behalf of Disclosing Party. Notwithstanding the foregoing, Receiving Party may retain one (1) copy of such solely for archival purposes. In the event of such decision or request, all other Confidential Information received by Receiving Party not returned to Disclosing Party shall be destroyed in a reasonable manner and no copy thereof (regardless of format) shall be retained by Receiving Party. Upon destruction of Confidential Information, Receiving Party shall (if requested) provide a certificate of destruction signed by an authorized representative of Receiving Party. Materials developed by Receiving Party in the normal course of business that utilize the Confidential Information, including forecasts, surveys and projections, may be retained by Receiving Party subject to the terms of this Agreement. Notwithstanding the return or destruction of the Confidential Information, the Parties will continue to be bound by their obligations of confidentiality and the other obligations hereunder as each agrees that these terms survive the termination of the Agreement and/or the decision by either Party not to seek furtherance of the Business Relationship.

10. No Obligation to Disclose. This Agreement does not constitute or create any obligation of either Party to provide any information, Confidential or otherwise, to the other, but merely defines the rights, duties and obligations of the Parties with respect to the disclosed Confidential Information. Under no circumstance is either Party obligated pursuant to this Agreement to disclose or make available any information, including any Confidential Information that such Party in its sole discretion determines not to disclose.

11. No Representation. Although the Parties hereto have endeavored to include information in the Confidential Information which they believe to be relevant for the purpose of the Business

Relationship, neither makes any representation or warranty as to the accuracy or completeness of the Confidential Information merely by entering into this Agreement.

12. No License. All Confidential Information is and shall remain the property of Disclosing Party. Neither this Agreement nor any disclosure of information, Confidential or otherwise, hereunder grants Receiving Party (a) any right or license under any trademark trade secret, copyright or patent now or hereafter owned or controlled by Disclosing Party, or (b) any express or implied right to any invention, discovery or improvement, whether patentable or not, that may be disclosed in the Confidential Information.

13. Remedies. The Parties each acknowledge that a breach of this Agreement would cause irreparable harm to the non-breaching Party, which harm could not be adequately compensated for by damages, and, accordingly, in the event of such breach, each Party acknowledges and agrees that the non-breaching Party shall be entitled to injunctive relief without bond, which relief shall be in addition to and not in derogation of any other remedies which may be available to the non-breaching Party either in equity or at law.

14. General Provisions.

a. This Agreement does not require either Party to enter into a transaction, nor does it create or imply any joint venture, association, partnership or other formal business or agency arrangement between the Parties.

b. This Agreement shall be binding upon the Parties and their respective successors, and lawful assigns; provided, however, that none of the benefits of this Agreement shall be assigned (whether by operation of law, sale of securities or assets, merger or otherwise) in whole or in part without the prior written approval of the other Party, which consent shall not be unreasonably withheld. Any other attempted assignment of this Agreement shall be void.

c. The validity, operation, and performance of this Agreement shall be governed by and construed in accordance with the laws (disregarding conflicts of law rules) of the state of Iowa, with venue lying in Linn County.

d. No amendment, modification or waiver of the terms or conditions of this Agreement shall be binding unless the same shall be in writing and duly executed by the Parties.

e. No failure or delay by either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power or privilege hereunder.

f. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

g. This Agreement contains the complete and entire understanding between the Parties on the subject matter agreed upon and supersedes all discussions, proposals, understandings or agreements, oral or written, relating to the same subject matter.

h. This Agreement may be executed in counterparts, each of which when executed by the requisite parties shall be deemed to be a complete original Agreement. An electronic (PDF) or facsimile copy of the executed Agreement or counterpart shall be deemed, and shall have the same legal force and effect as, an original document.

IN WITNESS WHEREOF, the individuals executing this Agreement, represent and warrant that they are authorized to execute this Agreement on behalf of the Parties for whom they sign, as of the Effective Date.

**INTERSTATE POWER AND LIGHT  
COMPANY**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## **APPENDIX B**

### Model PPA Term Sheet



APPENDIX B – MODEL PPA TERM SHEET

**MODEL POWER PURCHASE AGREEMENT TERM SHEET**

This Term Sheet (Term Sheet) sets forth terms and conditions of the Bidder’s proposed sale of power to Interstate Power and Light Company (IPL). Bidder together with IPL are referred to as the “Parties,” each a “Party”. Bidder should provide its mark-ups to IPL’s terms as it deems necessary and appropriate. Bidder’s mark-ups to this Term Sheet will be part of IPL’s evaluation of bids.

<b>Seller:</b>	XXXX (Seller) having its principal offices at xxxx
<b>Buyer:</b>	Interstate Power and Light Company (Buyer) having its principal offices at 200 First Street, SE, PO Box 351, Cedar Rapids, IA 52406
<b>Description of Proposed Transaction:</b>	<p>Buyer agrees to purchase from seller and seller agrees to sell to Buyer xxx megawatts of Capacity, Energy, and Ancillary Services for term of xx years commencing xxxx and expiring xxxx.</p> <p>Seller agrees to dedicate xx megawatts of Capacity, Energy, and Ancillary Services from the following generating units:</p> <p>Generating Unit xxxx which is a nominal xx megawatt xxxx-fueled generating unit located in [City, State]. Seller agrees to dedicate xx megawatts of this unit to IPL as a result of the proposed transaction.</p>
<b>Generator Interconnection Facilities:</b>	Responsibility for construction and cost obligation for all transmission facilities to connect any facilities to the MISO transmission system in conjunction with this transaction shall be the responsibility of the Seller. This shall include but not be limited to necessary transmission lines, disconnect devices, and generator step-up transformers.
<b>Network Upgrade Facilities:</b>	Seller shall have responsibility for any transmission network upgrades that may be required in conjunction with this transaction. Seller responsibility shall include but not be limited to required studies conducted by transmission providers to provide network transmission service and the cost of any network upgrades required as a result of this transaction.
<b>Metering:</b>	Seller, at its expense, shall provide interconnection quality metering including telemetering to the IPL Generation Dispatch Center.
<b>Power Delivery Requirements:</b>	Seller agrees to convey to IPL MISO Planning Reserve Credits (PRC) based upon MISO Module E criteria. Seller further agrees to provide IPL any and all test data and other supporting documentation for IPL to comply with MISO Module E reporting criteria. Seller further agrees to conduct any testing that is required under Module E requirements to verify quantities. Seller further agrees that it will provide similar type data for any and all successors to Module E.

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<b>Scheduling Requirements:</b>	Seller agrees that IPL shall have any and all scheduling rights as though the unit or units proposed as part of the transaction were owned and operated by IPL. IPL recognizes that there may be limitations. Seller agrees to provide to IPL on an on-going basis the amount of time in advance that IPL must schedule energy, restrictions on when and how much energy will be available on a periodic basis, a description of any and all conditions for curtailment including duration. The Seller shall also include a definition of availability including a description of any events or occurrences that are excluded from the calculation of availability. In addition the Seller shall provide a guaranteed level of availability on a seasonal basis.
<b>Deliverability:</b>	Seller agrees to delivered Capacity, Energy, and Ancillary Services to the ALTW.ALTW CPNode within the MISO footprint or financially adjust such deliveries for congestion and losses so as to hold IPL harmless for delivery from alternate locations.
<b>Penalties for Non-Performance</b>	Seller agrees to pay the Company damages related to the failure to begin to supply energy and capacity on the agreed upon date. Seller shall include a schedule of agreed upon damages for non-performance related to delayed delivery of capacity and energy. Seller agrees to an 80 percent availability factor. Seller will propose a schedule of penalties for failure to achieve this availability factor.
<b>Environmental Attributes:</b>	Seller agrees to convey to IPL any and all environmental attributes in any form including but not limited to emissions credits, offsets, and financial credits associated with both known and unknown pollutants, including but not limited to SO2, NOx, Hg, CO2, and PM10.
<b>Environmental Liabilities:</b>	Seller agrees that any environmental liabilities associate with the proposed transaction shall remain the sole responsibility of the Seller.
<b>Credit Requirements</b>	Seller agrees to maintain investment grade credit rating for the term of the agreement. If Seller does not maintain investment grade credit it will immediately provide performance assurance in the form of a parental guarantee, a letter of credit and/or cash, based on the Seller's and/or Guarantor's credit profile and the amount of expected financial exposure related to the bid.
<b>Right of First Refusal:</b>	If during the term of the agreement should the Seller desire to sell the facility of facilities to any third-party, the Buyer shall have the Right-of-First Refusal to purchase said facility or facilities under the same terms and conditions offered to the third party.  The Company will also consider an end-of-term or other purchase options that specify that the Company may purchase the facility (or the stock of the facility owner) for its appraised fair market value at a specified time or times during, or at the end of the PPA term.
<b>Definitive Agreement:</b>	If Seller’s proposal is selected by Buyer for further due diligence and negotiations, each of Seller and Buyer hereby agree to engage in good faith efforts to negotiate PPA (Definitive Agreement). The Definitive Agreement would incorporate the concepts set forth in Request for Proposals dated January 30, 2012 as well as representations, warranties, covenants, conditions and indemnities similar to terms and conditions that are usual and customary for a transaction of this nature. The transaction contemplated by this Term Sheet shall only be as set forth in the

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	Definitive Agreement and shall not become binding unless and until each Party has reviewed and approved (in its sole discretion) such Definitive Agreement.
<b>Binding Effect:</b>	This Term Sheet is only intended to be a confirmation of interest between the Parties in pursuing negotiations related to the transaction contemplated herein and, except for the paragraphs titled Binding Effect, Confidentiality, and Information Release, Counterparts, Expenses, Good Faith Negotiations, Governing Law, and Termination shall not constitute a binding agreement between the Parties hereto. Neither Party intended, by setting forth in this Term Sheet the provisions of a possible transaction, to create for itself nor any other person, any legal binding obligation or liability, except as provided in the immediately preceding sentence. No subsequent oral agreement or conduct of the Parties, including partial performance, shall be deemed to impose such obligation or liability.
<b>Confidentiality and Information Release:</b>	This Term Sheet is considered “Confidential Information” for purposes of the “Mutual Non-Disclosure Agreement” by and between the Buyer and Seller effective as of xxx xx, 2012 (Non-Disclosure Agreement). Confidential information disclosed hereunder shall be treated in accordance with the terms and conditions of the Non-Disclosure Agreement.  Neither Party shall issue any statement or communication to any third party (other than to its legal and accounting advisors, who agree to keep such information confidential) regarding the Term Sheet, including if applicable, its termination and the reasons therefore, without the consent of the other Party.
<b>Expenses:</b>	Each of the Seller and Buyer will pay their own costs and expenses (whether internal or out-of-pocket, and whether for legal, financial, technical, or other consultants) in connection with the obligations described herein and the activities and transaction contemplated herein.
<b>Good Faith Negotiations:</b>	The Parties agree to use good faith negotiations to negotiate the terms and conditions of the Definitive Agreement. Neither Party has an obligation to negotiate, execute or deliver the Definitive Agreement, nor to otherwise conclude the transaction summarized in this Term Sheet. Each Party acknowledges that it will not take any action or refrain from taking any action in reliance on this Term Sheet, and any such reliance shall be at its own risk.
<b>Governing Law:</b>	The Term Sheet shall be governed by, and construed in accordance with, the laws of the State of Iowa.
<b>Prior Agreements:</b>	The Term Sheet supersedes all prior communications and agreements, oral or written, between the Parties regarding the subject matter herein contemplated.
<b>Termination:</b>	This Term Sheet shall terminate on the earlier of the execution of the Definitive Agreement, or upon written notification of such termination by any Party hereto to the other Party hereto; <i>provided</i> that the provisions of the Confidentiality and Information Release, Expenses, Governing Law, and Termination will survive any such termination in accordance with the terms thereof.
<b>Contingencies:</b>	The Definitive Agreement shall be contingent upon Buyer’s receipt of approval of Definitive Agreement by all required regulatory agencies with rate jurisdiction over Buyer, provided said approval does not alter the Definitive Agreement in a way deemed adverse to either Party.

Interstate power And Light Company Power Supply RFP – Appendix B

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This Term Sheet is not intended to be an agreement between the Parties hereto or an offer to enter into such an agreement but rather is intended to express the current intentions of the Parties with regard to certain terms of a PPA. The transaction contemplated in this Term Sheet is subject to legal, financial and business due diligence of each of the Parties and to the preparation, execution and delivery of a Definitive Agreement mutually satisfactory to the Parties. In addition, the Buyer will not execute any PPA without the prior review and opinion of its external auditors with regard to the accounting and tax treatment of that PPA and a determination by the Buyer, in its sole discretion, that in consideration of this treatment the PPA is in the best interest of its customers. Seller and Buyer understand that the Term Sheet is intended to set forth the fundamentals of the proposed transaction, but that the foregoing intentions may be revised and new issues may be presented upon further investigation and due diligence by Seller and Buyer.

## **APPENDIX C**

### Required Forms

# Table of Contents

Form	Description	Signature Required
<a href="#">A</a>	Form A - Bid Certification	X
<a href="#">B</a>	Form B - Bid Cover Sheet	
<a href="#">C1</a>	Form C1 - Capacity Price	
<a href="#">C2</a>	Form C2 - Energy / VOM Price/ Tolling	
<a href="#">C3</a>	Form C3 - Start-Up Charges	
<a href="#">C4</a>	Form C4 - Summer Capacity	
<a href="#">C5</a>	Form C5 - Winter Capacity	
<a href="#">C6</a>	Form C6 - Pricing - Electric Interconnection Cost Estimates	
<a href="#">D</a>	Form D - Technical Description	
<a href="#">E1</a>	Form E1 - Heat Rate Information	
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<a href="#">H</a>	Form H - Air and Water Permitting	
<a href="#">I</a>	Form I - Land Use, Zoning and Permits	
<a href="#">J</a>	Form J - Construction Milestones	
<a href="#">K</a>	Form K - Delivery Arrangements	
<a href="#">L</a>	Form L - Penalties for Non-Performance	

**Form A - Bid Certification**

The bidder hereby certifies that all of the statements and representations made in this proposal are true to the best of the bidder's knowledge and belief, and agrees to be bound by the representations, terms, and conditions contained in the RFP. The bidder accepts the Model PPA Term Sheet included in the RFP, except as specifically noted in writing. The bidder certifies that (i) the bidder has considered applicable accounting standards in regard to capital lease and variable interest entities, and (ii) to the bidder's knowledge and belief, the bidder's proposal should not result in capital lease or VIE treatment to IPL. The bidder acknowledges that the officer whose signature appears below is able to contractually commit the bidder for its proposal.

Submitted by: \_\_\_\_\_  
(exact legal name of firm)

Bidder: \_\_\_\_\_  
(if different than above)

Signature of an officer of bidder: \_\_\_\_\_

Name of officer: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**Form B - Bid Cover Sheet**

1. Project / Facility Name: \_\_\_\_\_

2. Project Location (city, county): \_\_\_\_\_

3. Project Location (latitude, longitude): \_\_\_\_\_

4. Bidder Contract:

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Phone / Fax: \_\_\_\_\_

email: \_\_\_\_\_

Alternate Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone / Fax: \_\_\_\_\_

email: \_\_\_\_\_

5. Sale Type - (check those that apply)

- Qualifying Facility
- Exempt Wholesale Generator
- Sale from Utility System
- Sale from Greenfield Facility
- Sale from Existing Facility
- Sale from Modification of Existing Facility
- Other (describe)

\_\_\_\_\_  
\_\_\_\_\_

6. Generation Technology - (general description of the proposed generation technology)

\_\_\_\_\_

7. Fuel Type - (describe primary and secondary fuels, if applicable)

Primary Fuel: \_\_\_\_\_ Secondary: \_\_\_\_\_

8. Proposed Commercial Operation Date:

\_\_\_\_\_

9. Proposed Contract Duration:

(Either tie the expiration date to an anniversary of COD or list the date certain.)

\_\_\_\_\_



Interstate power And Light Company Power Supply RFP  
Appendix C - Required Forms

**10. Estimated Useful Life of Facility at Commercial Operation Date:** \_\_\_\_\_

**Form C1 - Capacity Price**

Enter the capacity price for each year of the proposed PPA, if any, including fixed operations and maintenance (FOM) in \$/kW-mo, that will be charged to IPL during each month of that year for which capacity is available (per Forms C4 and C5). All pricing must be provided in terms of current year dollars, also referred to as nominal or escalated dollars. Bidders may propose prices that are either fixed for the term, escalate at a known (non-indexed) rate or subject to escalation tied to an index that is clearly and closely related to the item being escalated. If the form below is not suitable for describing the proposed capacity price, please explain why and provide the information on a separate form. If the proposal extends beyond 25 years, please provide data on an additional sheet.

Separate forms must be submitted for any pricing alternatives, including pricing options tied to a general inflation index, alternate in-service year options, options with fuel oil backup, and tolling options.

<b>Contract Year</b>	<b>Capacity Price (\$/kW-month)</b>
Year 1	_____
Year 2	_____
Year 3	_____
Year 4	_____
Year 5	_____
Year 6	_____
Year 7	_____
Year 8	_____
Year 9	_____
Year 10	_____
Year 11	_____
Year 12	_____
Year 13	_____
Year 14	_____
Year 15	_____
Year 16	_____
Year 17	_____
Year 18	_____
Year 19	_____
Year 20	_____
Year 21	_____
Year 22	_____
Year 23	_____
Year 24	_____
Year 25	_____

**Additional Notes:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Form C2 - Energy / VOM Price/ Tolling**

Please enter for each year as applicable the energy and / or all variable operation and maintenance (VOM) or tolling charges (in \$/MWh), if any, that would be charged to IPL during each contract year.

All pricing must be provided in terms of current year dollars, also referred to as nominal or escalated dollars. Bidders may propose prices that are either fixed for the term, escalate at a known (non-indexed) rate or subject to escalation tied to an index that is clearly and closely related to the item being escalated.

Separate forms must be submitted for any pricing alternatives, including pricing options tied to a general inflation index, alternate in-service year options, options with fuel oil backup, and tolling options.

<b>Contract Year</b>	<b>Energy/ VOM/ Tolling Price (\$/MWh)</b>
Year 1	_____
Year 2	_____
Year 3	_____
Year 4	_____
Year 5	_____
Year 6	_____
Year 7	_____
Year 8	_____
Year 9	_____
Year 10	_____
Year 11	_____
Year 12	_____
Year 13	_____
Year 14	_____
Year 15	_____
Year 16	_____
Year 17	_____
Year 18	_____
Year 19	_____
Year 20	_____
Year 21	_____
Year 22	_____
Year 23	_____
Year 24	_____
Year 25	_____

**Additional Notes:**

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**Form C3 - Start-Up Charges**

This form is optional. For each year of the proposed PPA as applicable, please enter the start-up payment (in \$/start assuming 100% baseload capacity), if any, that would be charged to IPL for all turbine starts requested by IPL and successfully performed during each contract year.

All pricing must be provided in terms of current year dollars, also referred to as nominal or escalated dollars. Bidders may propose prices that are either fixed for the term, escalate at a known (non-indexed) rate or subject to escalation tied to an index that is clearly and closely related to the item being escalated.

Each alternate in-service year option or alternate fuel option must include a separate form.

<b>Contract Year</b>	<b>\$ per Start</b>
Year 1	_____
Year 2	_____
Year 3	_____
Year 4	_____
Year 5	_____
Year 6	_____
Year 7	_____
Year 8	_____
Year 9	_____
Year 10	_____
Year 11	_____
Year 12	_____
Year 13	_____
Year 14	_____
Year 15	_____
Year 16	_____
Year 17	_____
Year 18	_____
Year 19	_____
Year 20	_____
Year 21	_____
Year 22	_____
Year 23	_____
Year 24	_____
Year 25	_____

Additional Notes:

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**Form C4 - Summer Capacity**

Please provide estimated summer net contract capacities in MW that would be available to IPL over the proposed contract term. The values should reflect the average summer capacity over the indicated contract year and must be net of all parasitic loads and house power requirements. Assume that the point of delivery is at the meter on the high side of the generator step-up transformer.

If the proposal includes any additional capacity from duct-firing, steam injection, or any other type of supplemental capacity (incremental to base capacity), please indicate the amounts available, also under summer conditions. In addition, note any limitations, including but not limited to emission permitting limitations, on the availability of such additional capacity. The base capacity value reflected on this form should match the value provided on Form E1 for 100% unit loading, and any supplemental capacity should also match the value provided on Form E1.

Summer capacities should be based on an ambient temperature of 90 degrees Fahrenheit dry-bulb, 68% relative humidity, and appropriate altitude.

<b>Contract Year</b>	<b>Net Contract Capacity (Base)</b>	<b>Net Contract Capacity (Supplemental)</b>
Year 1	_____	_____
Year 2	_____	_____
Year 3	_____	_____
Year 4	_____	_____
Year 5	_____	_____
Year 6	_____	_____
Year 7	_____	_____
Year 8	_____	_____
Year 9	_____	_____
Year 10	_____	_____
Year 11	_____	_____
Year 12	_____	_____
Year 13	_____	_____
Year 14	_____	_____
Year 15	_____	_____
Year 16	_____	_____
Year 17	_____	_____
Year 18	_____	_____
Year 19	_____	_____
Year 20	_____	_____
Year 21	_____	_____
Year 22	_____	_____
Year 23	_____	_____
Year 24	_____	_____
Year 25	_____	_____

Additional Notes:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Form C5 - Winter Capacity**

Please provide estimated winter net contract capacities in MW that would be available to IPL over the proposed contract term. The values should reflect average winter capacity over the indicated contract year and must be net of all parasitic loads and house power requirements. Assume that the point of delivery is at the meter on the high side of the generator step-up transformer.

If the proposal includes any additional capacity from duct-firing, steam injection, or any other type of supplemental capacity (incremental to base capacity), please indicate the amounts available, also under winter conditions. In addition, note any limitations, including but not limited to emission permitting limitations, on the availability of such additional capacity. The base capacity value reflected on this form should match the value provided on Form E1 for 100% unit loading, and any supplemental capacity should also match the value provided on Form E1.

Winter capacities should be based on an ambient temperature of twenty (20) degrees Fahrenheit dry-bulb, 68% relative humidity, and appropriate altitude.

<b>Contract Year</b>	<b>Net Contract Capacity (Base)</b>	<b>Net Contract Capacity (Supplemental)</b>
Year 1	_____	_____
Year 2	_____	_____
Year 3	_____	_____
Year 4	_____	_____
Year 5	_____	_____
Year 6	_____	_____
Year 7	_____	_____
Year 8	_____	_____
Year 9	_____	_____
Year 10	_____	_____
Year 11	_____	_____
Year 12	_____	_____
Year 13	_____	_____
Year 14	_____	_____
Year 15	_____	_____
Year 16	_____	_____
Year 17	_____	_____
Year 18	_____	_____
Year 19	_____	_____
Year 20	_____	_____
Year 21	_____	_____
Year 22	_____	_____
Year 23	_____	_____
Year 24	_____	_____
Year 25	_____	_____

Additional Notes:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Form C6 - Pricing - Electric Interconnection Cost Estimates**

**Electric interconnection costs included in energy or capacity price**

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Interconnection facilities not subject to reimbursement

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**Electric interconnection costs not included in energy or capacity price**

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American Transmission Company (Wisconsin) and ITC-Midwest  
Interconnection facilities subject to reimbursement

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**Form D - Technical Description**

1. **Project / Facility Name:** \_\_\_\_\_

2. **Generation Technology:**

Describe the number and type of proposed generator units:

\_\_\_\_\_

Configuration of generation equipment, i.e., CTs, HRSGs, steam turbines, etc.:

\_\_\_\_\_

Generation equipment model numbers, vendors, manufacturers, etc.:

\_\_\_\_\_

3. **Expected Annual Forced Outage Rate (%):** \_\_\_\_\_

(This rate should include only forced outages and unplanned maintenance, not planned maintenance.)

4. **Expected Average Annual Maintenance Requirements (days/year):** \_\_\_\_\_

5. **Is proposed plant AGC controllable?**

Yes \_\_\_\_\_ No \_\_\_\_\_

5.a Low AGC Point (lowest output than can be achieved while the unit is on AGC)

\_\_\_\_\_

5. b High AGC Point (highest output than can be achieved while the unit is on AGC)

\_\_\_\_\_

6. **Minimum on-line time** \_\_\_\_\_

(minimum time between the generator breaker closing and re-opening)

7. **Minimum downtime** \_\_\_\_\_

(minimum time the generator needs to be off-line prior to restarting)

8. **Start time - (unit has been off-line for six hours)** \_\_\_\_\_

(the time it takes for the unit to start, close breaker and reach minimum load)

9. **Start time - (unit has been off-line for eight hours)** \_\_\_\_\_

(the time it takes for the unit to start, close breaker and reach minimum load)



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**10. Start time - unit has been off-line for 12 hours)** \_\_\_\_\_  
(the time it takes for the unit to start, close breaker and reach minimum load

**11. Start time - unit has been off-line for 3 days)** \_\_\_\_\_

**12. Lowest operating point** \_\_\_\_\_  
(lowest point where the unit can maintain stability)

**13. High operating limit** \_\_\_\_\_  
(highest MW output the unit can maintain stability)

**14. AGC Ramp Rate** \_\_\_\_\_  
(rate at which the unit responds to frequency changes while on control (MW/minute)

**15. Normal Ramp Rate** \_\_\_\_\_  
(rate at which the unit can increase output while on manual control (MW/minute)

**16. Emergency Ramp Rate** \_\_\_\_\_  
(rate at which the unit can increase output only for emergency situations MW/minute)

**17. Ten-minute Start Capability** Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, achievable unit loading 10 minutes after synchronizing to system \_\_\_\_\_

**18. Black Start Capability** Yes \_\_\_\_\_ No \_\_\_\_\_

**Form E1 - Heat Rate Information**

For proposals involving a tolling or other fuel-indexed-based arrangement, please enter the average heat rate for summer and winter. Heat rate information must be stated in Btu/kWh, Higher Heating Value (HHV), and based on the appropriate reference conditions noted below.

Summer reference conditions for the facility are full loading of the facility with, if applicable, supplemental capacity (e.g., duct firing), at an ambient temperature of 90 degrees Fahrenheit (F) dry-bulb, and 68% relative humidity.

Winter reference conditions for the facility are full loading of the facility with, if applicable, supplemental capacity, at an ambient temperature of 6 degrees Fahrenheit (F) dry-bulb, and 68% relative humidity.

<b>Unit Loading</b>	<b>Summer Load (MW)</b>	<b>Summer Net Heat Rate (Btu/kWh)</b>	<b>Winter Load (MW)</b>	<b>Winter Net Heat Rate (Btu/kWh)</b>
Low operating point as specified in Form D				
Loading at low AGC point as specified in Form D				
25% of base capacity				
50% of base capacity				
75% of base capacity				
100% of base capacity				
100%, plus supplemental capacity				

**Additional Notes:**

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**Form F - Fuel Information**

1. Is the proposal for a tolling arrangement or an electric energy sale arrangement? **Tolling** **Energy Sale**

\_\_\_\_\_

2. For energy sale (non-tolling) bids in which bidder plans to acquire and manage the fuel supply, describe supply plan and identify all contracts that support the supply of firm transportation and firm supply to the proposed plant.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. For gas-fired facilities, identify the pipeline to which the bidder plans to interconnect.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4. For gas-fired facilities, describe the gas interconnection facilities that have been included in the Form C1 bid price, including the size, length and location of the lateral interconnection and fuel delivery point. (attach a USGS-based map showing the gas pipeline delivery point, the location of any lateral lines, compressors and meters.)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. Describe any ancillary equipment which may utilize fuel when the facility is off-line, including volumes and cost responsibility.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Form F - Fuel Information**

6. If secondary on-site fuel storage is proposed, describe the fuel type, including quality specifications, quantity, and maximum number of full-load run hours on secondary fuel.

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7. For gas-fired facilities, indicate the gas delivery pressure required at each of the following points.

plant burner tip pressure: \_\_\_\_\_  
gas interconnection point: \_\_\_\_\_  
gas interconnection point: \_\_\_\_\_

8. For gas-fired facilities, identify the pressure **guaranteed** by the interconnecting pipeline at the fuel delivery point.

\_\_\_\_\_

9. For gas-fired facilities, indicate the maximum daily and hourly gas consumption at the proposed plant and the amounts required on a firm a basis:

	<u>Summer</u>	<u>Winter</u>
Maximum Daily Consumption (MMBtu/day)	_____	_____
Maximum Hourly Consumption (MMBtu/hour)	_____	_____

10. For gas-fired facilities, list any gas quality restrictions and indicate if the pipeline(s) listed in #3 have acceptable gas quality.

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**Form G - Emission Rates**

Please provide the following emission rate information for proposed generator(s), including supplemental capacity (duct-firing, steam injection, etc.), if applicable.

Emission Rates on **Primary Fuel**

	<b>Base Capacity (lb/MMBtu)</b>	<b>Full Load w/ Supplemental Capacity (lb/MMBtu)</b>
Oxides of Sulfur	_____	_____
Oxides of Nitrogen	_____	_____
Carbon Dioxide	_____	_____
Carbon Monoxide	_____	_____
Volatile Organic Compounds	_____	_____
Particulate Matter - PM10	_____	_____
Particulate Matter - PM2.5	_____	_____
Lead	_____	_____
Mercury	_____	_____

Maximum NOx emission rate (in parts per million): \_\_\_\_\_

Maximum CO emission rate (in parts per million): \_\_\_\_\_

Maximum permitted/permittable annual capacity factor (%): \_\_\_\_\_

Emission Rates on **Secondary Fuel** (if applicable)

	<b>Base Capacity (lb./MMBtu)</b>	<b>Full Load w/ Supplemental Capacity (lb/MMBtu)</b>
Oxides of Sulfur	_____	_____
Oxides of Nitrogen	_____	_____
Carbon Dioxide	_____	_____
Carbon Monoxide	_____	_____
Volatile Organic Compounds	_____	_____
Particulate Matter - PM10	_____	_____
Particulate Matter - PM2.5	_____	_____
Lead	_____	_____
Mercury	_____	_____

Maximum NOx emission rate (in parts per million): \_\_\_\_\_

Maximum CO emission rate (in parts per million): \_\_\_\_\_

Maximum permitted/permittable annual capacity factor (%): \_\_\_\_\_

**Additional Notes:**

\_\_\_\_\_

\_\_\_\_\_

**Form H - Air and Water Permitting**

1) Describe all air quality permits that will be required for the project.

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2) State whether any air permits have been secured, and if not, whether applications have been filed. Report on the status of any pending applications and any feedback from permitting agencies.

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3) Describe the expected time frame to obtain the necessary air permits after application submittal to the State.

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4) Describe all other federal, state and local environmental permits and approvals that will be required, including but not limited to federal environmental assessments under the National Environmental Policy Act (EA/EIS), wastewater discharge permits, hazardous waste permits, etc. Report on the status of all such permit applications and any feedback from permitting agencies.

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5) Describe the water supply strategy for the project, including a description of water requirements, water supply source(s), discharge plans, new water pipeline requirements, and any work completed to date on the water supply plan.

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6) Report on the status of all required environmental (water, wastewater discharge, hazardous waste, etc.) permit applications and any feedback from permitting agencies.

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Interstate power And Light Company Power Supply RFP  
Appendix C - Required Forms

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**7)** Explain any expected restrictions on operations due to air and/or water permits.

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**Form I - Land Use, Zoning and Permits**

1) Describe all city or county land use permits that are or will be required such as conditional use or special use approvals.

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2) For development projects, report on the status of land use permitting activities, including the status of any pending applications and any feedback from permitting agencies, community or neighborhood groups.

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3) Indicate if the proposed site has an appropriate zoning designation, or whether any subdivision or rezoning is necessary. Describe any rezoning plans and issues.

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4) Indicate whether bidder controls the site through a) ownership of a leasehold interest in, or a right to develop a site for the purpose of constructing the proposed generating facility; b) an option to purchase or acquire a leasehold site for such purpose; or c) an exclusivity or other business relationship between bidder and the entity having the right to sell, lease or grant bidder the right to possess or occupy a site for such purpose.

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5) If site control described in 4) above has not yet been secured, describe plan and schedule for obtaining such site control.

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6) Describe existing and planned land uses in all directions surrounding the proposed site.

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Interstate power And Light Company Power Supply RFP  
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- 7) Attach a USGS-based map showing the location of the proposed site.

**Form J - Construction Milestones**

Insert the proposed date for each milestone shown here as would be found on the detailed Development

<b>Construction Milestone Date</b>	<b>Construction Milestones</b>
	Bidder shall establish credit requirements in accordance to the Model PPA Term Sheet.
	If applicable, Bidder shall provide IPL with a copy of the executed Facility EPC, or other general contractor, agreements.
	Bidder shall provide IPL with copies of executed purchase orders/contracts for the delivery and installation of Facility turbine(s)/generator(s) and the step-up transformer(s).
	Bidder shall provide IPL with copies, as applicable, of executed Facility operating agreements, electric transmission and/or interconnection agreements, and natural gas transportation and/or interconnection agreements.
	Bidder shall provide IPL with documentation that all governmental permits have been obtained or will be obtained by the time needed to meet all Construction Milestones.
	Bidder shall have achieved closing on financing for the Facility or provided IPL with proof of financial capability to construct the Facility.
	Bidder shall have laid the foundation for all Facility buildings, generating facilities and step-up transformation facilities.
	The major equipment shall have been delivered to, and installed at, the Site.
	Bidder shall have the natural gas line and all other necessary fuel supply interconnection facilities in place. Seller shall have constructed Seller's Interconnection Facilities and such facilities are capable of being energized.
	Start-up testing of the Facility commences.
	Commercial Operation Date is achieved. (Commercial Operation Milestone)

**Form K - Delivery Arrangements**

- 1) Provide a detailed description of the point of delivery at which bidder is proposing to deliver the capacity and energy to the IPL electric system; including the location and voltage level of such point. If the proposed point of delivery is also the point of interconnection described on a separate form, the bidder may simply indicate below that the points are the same and refer back to the other form.  

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- 2) For proposals that will require third-party transmission service(s) to deliver, on a firm transmission service basis, the capacity and energy to the point of delivery specified above, provide a detailed description of the interconnection, electric losses, transmission and ancillary service arrangements, by provider, that will be required, including the identity of all third party providers, the location and voltage level of the interconnection point to the interconnection service provider's facilities, any interconnection facilities that bidder owns or intends to construct and own, the specific services provided by each provider, and the line losses, point(s) of receipt and point(s) of delivery associated with each third party transmission service. Attach a USGS-based map that shows the location of the interconnection point with the third-party and the generation facility.  

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- 3) Provide documentation that the third party services discussed in 2) above will be available to bidder during the proposed contract term. This should include: a) any associated transmission studies that directly examined delivery of the proposed energy to the point of delivery, b) detailed information on any an all new transmission facilities and/or upgrades to existing facilities that will be required to deliver the proposed energy to the point of delivery, and c) a detailed discussion of the schedule for siting, permitting, and construction of such new facilities and/or upgrades. Attach documentation to this form as needed.  

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**APPENDIX D**

Notice of Intent to Respond

APPENDIX D - NOTICE OF INTENT TO RESPOND

**Notice of Intent to Respond (NOIR)**

**Interstate Power and Light Company 2012 RFP**

**Notice of Intent to Respond**

Company Name		
Address		
City	State	ZIP
Company Representative Name		
Signature		Date
Email	Phone Number	Fax Number
Project Name		
Net Capability (MW)	Summer Rating (MW)	Winter Rating (MW)
Project Location (City, County, State)	Proposed Commercial Operation Date	PPA – Contract Term or Delivery Period
Notes (as appropriate)		

## APPENDIX E – BID EVALUATION CRITERIA

**APPENDIX E**

## Bid Evaluation Criteria- Existing Resource

Attribute	Weighting
Fuel	
Type	L
Supply Cost	H
Location	
Transmission Interconnection	M
Fuel Supply Interconnection	M
Environmental Compliance	H
Price Attributes	
Energy/VOM Price/Tolling	H
Capacity Price	H
Interconnection Cost Estimates	M
Credit Quality	H
Contract Term	M
Contract Accounting	H
Dispatch	
Operating Mode Flexibility	M
Load Following/Ramping	H
Other Dispatch Limitations	H
Delivery Curtailment or Limitation	M
Availability	
Definition	L
Guarantee	H
Performance Based Mechanism	H
Black Start Capability	L
Maintenance Scheduling	M
Buyout Option (Purchase Power Agreement Only)	M
Capacity	
Quantity Proposed	M
Heat Rate	H



Bid Evaluation Criteria- Proposed New Build

Attribute	Weighting
Fuel	
Type	L
Supply Cost	H
Location	
Transmission Interconnection	M
Fuel Supply Interconnection	M
Environmental Compliance	H
Price Attributes	
Energy/VOM Price/Tolling	H
Capacity Price	H
Interconnection Cost Estimates	M
Credit Quality	H
Contract Term	M
Contract Accounting	H
In-Service Date	H
Dispatch	
Operating Mode Flexibility	M
Load Following/Ramping	H
Other Dispatch Limitations	H
Delivery Curtailment or Limitation	M
Availability	
Definition	L
Guarantee	H
Performance Based Mechanism	H
Black Start Capability	L
Maintenance Scheduling	M
Buyout Option (Purchase Power Agreement Only)	M
Capacity	
Quantity Proposed	M
Heat Rate	H
O&M	
Developer	
Prior Experience	M
Project Financial Viability	H
Project Development Status	H

H = High; M= Medium; L = Low

**APPENDIX F**

Reference Plant Operating Characteristics

➤ <b>Technology</b>	2X1 GE 7FA.05 CCCT
➤ <b>Net Plant Output- Summer 95 deg F</b>	578.8 MW
➤ <b>Net Plant Output- Winter 20 deg. F</b>	646.9 MW
➤ <b>Heat Rate- Summer 95 deg F</b>	6811 btu/kWh
➤ <b>Heat Rate- Winter 20 deg F</b>	6773 btu/kWh
➤ <b>Fuel</b>	Natural Gas
➤ <b>Delivery</b>	The Company confirms that the reference plant meets the delivery requirements specified in the RFP