



**ALL-SOURCE REQUEST FOR
PROPOSALS**

**Issued Date
December 20, 2019**

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LIST OF ABBREVIATIONS/ACRONYMS

Abbreviation/Acronym	Term
Btu/kWh	British thermal units per kilowatt hour
DA	definitive agreement
DR	demand response
IPL	Indianapolis Power & Light Company
IRP	Integrated Resource Plan
IURC	Indiana Utility Regulatory Commission
LCOE	levelized cost of electricity
LRZ	Local Resource Zone
MISO	Midcontinent Independent System Operator
MMBtu	million British Thermal Units
MW MWh	megawatt(s) megawatt hour(s)
PPA	power purchase agreement
RFP	request for proposal
UCAP	unforced capacity

1. INTRODUCTION

Indianapolis Power & Light Company (IPL) is engaged primarily in generating, transmitting, distributing, and selling electric energy to more than 500,000 retail customers in Indianapolis and neighboring areas, with the most distant point being about 40 miles from Indianapolis. IPL's service area covers about 528 square miles. IPL is subject to the regulatory authority of the Indiana Utility Regulatory Commission (IURC) and the Federal Energy Regulatory Commission. IPL fully participates in the electricity markets managed by the Midcontinent Independent System Operator (MISO). IPL is a transmission company member of ReliabilityFirst. ReliabilityFirst is one of eight Regional Reliability Councils under the North American Reliability Corporation, which has been designated as the Electric Reliability Organization under the Energy Policy Act. IPL is part of the AES Corporation, a Fortune 500 global power company with a mission to improve lives by accelerating a safer and greener energy future.

IPL has contracted Sargent & Lundy to manage this RFP process. Sargent & Lundy is an engineering consulting firm providing comprehensive engineering, energy business consulting, and project services for power generation and delivery systems. Sargent & Lundy will act as an independent third-party consultant on behalf of IPL to execute the RFP and evaluate proposals.

1.1 BACKGROUND

Every three years, IPL submits an Integrated Resource Plan (IRP) to the IURC in accordance with Indiana Administrative Code IAC 170 4-7 to describe expected electrical load requirements, a discussion of potential risks, possible future scenarios, and a preferred resource portfolio to meet those requirements over a forward-looking 20-year study period based upon analysis of all factors. This process includes input from stakeholders during what is known as a "Public Advisory" process.

The IRP is viewed as a guide for future resource decisions made at a snapshot in time. Resource decisions, particularly those beyond the five-year horizon, are subject to change based on future analyses and regulatory filings. New resource additions, including supply-side and demand-side resources, may require regulatory approval.

As part of the new IRP development, IPL has hosted five public advisory meetings throughout 2019. This 2019 IRP was developed in an environment with unprecedented expectations for technological change and power market evolution over the planning horizon. Changing customer preferences and expectations, declining costs of renewables and storage, and a changing regional resource mix have all played into IPL's planning strategy and process for this IRP.

1.2 PURPOSE OF THE REQUEST FOR PROPOSAL

The 2019 IRP identified a need for approximately 200 megawatts (MW) of near-term replacement unforced capacity (UCAP). The purpose of this all-source request for proposal (RFP) is to competitively procure

replacement capacity available beginning in the 2023-2024 MISO Planning Year. Competitive proposals for capacity available earlier than the 2023-2024 MISO Planning Year will also be accepted for evaluation. IRP modeling indicates that a combination of wind, solar, storage, and energy efficiency would be the lowest cost options for the replacement capacity, but IPL will assess the type, size, and location of resources after bids are received.

Preserving flexibility and optionality benefits customers; therefore, IPL is pursuing a gradual approach and only planning to retire units where the optionality value is not economically prudent. A phased retirement approach with small capacity impacts over time mitigates large rate impacts and exposure to the market. Further, a more diverse, scalable, and balanced fleet helps protect against fuel price swings and capacity factor variances of different generation sources. Simply put, diverse fleets optimize the customer position in varying economic and political scenarios.

In addition to the 200 MW of near-term replacement UCAP, the 2019 IPL Preferred Resource Portfolio contains the following elements:

- **Retirement of 630 MW of coal by 2023:** Based on extensive modeling, IPL has determined that the cost of operating Petersburg Units 1 and 2 is less attractive than alternative resources. Retiring these units allows the company to diversify the portfolio and transition to cleaner resources while maintaining a reliable system at the reasonable least cost.
- **Target 1 % of annual sales in demand-side management and energy efficiency programs:** IPL plans to continue to be a state leader in demand-side management implementation and will target approximately 145,000 MWh of demand-side management in the 2021–2023 plan. This target is cost effective and delivers a sustained level of demand-side management programs despite historically effective lighting programs becoming saturated. As part of the demand side management portfolio, IPL has approximately 38 MW of demand response capacity through air conditioning load curtailment (load control switches and smart thermostats). Additionally, IPL has approximately 15 MW of conservation voltage reduction deployed across its distribution system. Both the air conditioning load curtailment and conservation voltage reduction are registered load modifying resources with MISO.

1.3 RFP SCOPE OF SUPPLY

IPL is issuing this RFP for capacity resources, preferably within or connected to, the IPL service territory. IPL forecasts that 200 MW of additional UCAP will be needed for the 2023-2024 MISO Planning Year. Proposals will be accepted for all or a portion of the capacity needs. IPL will estimate the UCAP for wind and solar resources from the methodology described in the MISO Renewable Integration Impact Assessment Version 6, dated December 2018. Proposed resources must be capable of delivering capacity to the MISO Local Resource Zone (LRZ) 6. Proposed resources may include transfer of new or existing assets, power purchase agreements, and demand-side management opportunities. The capacity resources may be proposed for any of the following:

1.3.1 Asset Transfer Proposal

IPL prefers asset transfer proposals over PPA proposals because of long-term benefits to IPL's customers.

The generating facility must be located on land controlled by the Respondent, with land rights transferred to IPL as part of the generation facility acquisition. The generating facility and transmission interconnection must be in conformance with MISO's various reliability agreements, procedures, protocols, and standards. Respondents are also encouraged to propose options through alternative financing or sharing of commercial risks that would reduce the cost to IPL and its customers.

IPL does not prohibit Respondents from proposing transfer of a facility at the development phase. For those proposals, Respondents shall at least have finished early phase development activities such as obtaining site control, performing feasibility studies, and initiating permitting & interconnection processes.

1.3.2 Power Purchase Agreement Proposal

A PPA, ranging from a minimum duration of 10 years to a maximum duration of 20 years, shall include capacity, associated energy, and ancillary services from a renewable or thermal resource that can meet the capacity and reliability criteria requirements described herein. The generating facility and transmission interconnection must be designed and constructed in conformance with MISO's various reliability agreements, procedures, protocols, and standards. The Respondent will own and operate the facility and is responsible for development, permitting, financing, and construction of the facility.

1.3.3 Demand Response Proposal

A demand response (DR) proposal under an asset transfer or a DR purchase agreement, shall provide a minimum of 5 MW for a minimum of 1 year in firm load reduction with MISO's response requirement. The facility must meet load modifying resource requirements for participation in MISO as a demand response resource, including any future changes to MISO's requirements for load modifying resource requirements for the term of the proposal.

1.4 GENERAL REQUIREMENTS

All proposals must be provided in the format required by Section 4 and otherwise conform to the content and other requirements of this RFP. Sargent & Lundy requests that all attachments, documents, schedules, etc. submitted as a part of a proposal be clearly labeled and organized in a fashion that facilitates easy location and review.

All proposed resources including capacity and associated energy will be certified as being (i) in full compliance with all applicable federal, state, and local laws and regulations, and requirements of MISO, North American Reliability Corporation, ReliabilityFirst, and (ii) registered for full operation within the MISO capacity, energy, and ancillary services markets. All MW of proposed capacity will be certified as qualifying to meet the MISO requirements for Unforced Capacity (UCAP) under Module E of the MISO Tariff.

Respondents may submit more than one proposal if they are identified separately in accordance with Section 2.4. The pricing contained in each proposal shall reflect compliance with all applicable federal, state, and local environmental laws and regulations currently in effect. Sargent & Lundy reserves the right to estimate the expected

impacts of future environmental laws and regulations on Respondents' proposals. IPL will not be responsible for any environmental costs or expenses not expressly included in the pricing proposal provided by Respondent. Similarly, IPL will not be responsible for any costs or expenses incurred by or on behalf of Respondent because of any change in law or regulation applicable to Respondent or the resource or the sale of capacity and associated energy from the resource. Respondents are advised that prior to IPL signing definitive documentation, Respondent will be required to provide evidence of their ability to provide required credit support.

All Capacity must be provided at the UCAP value for the resource, which shall be determined in accordance with the MISO adjustments for the Equivalent Forced Outage Rate Demand (XEFORd) for the Resource. Adjustments will be made during evaluation of new resources in accordance with the XEFORd values for the respective class of generation as provided by MISO.

The location of proposed resources will be a crucial factor in evaluating the delivery risk associated with any proposal. Respondents must consider the following factors in any proposal submitted pursuant to this RFP:

- The physical delivery limitations of energy and capacity to the IPL 138 kV load-serving transmission system.
- Resources must qualify as MISO internal generation. Those resources physically located outside the MISO territory and pseudo tied into MISO are not allowed in this RFP.
- Resources must be qualified to receive Zonal Resource Credits for MISO LRZ 6 consistent with MISO Planning Resource Auction.
- IPL prefers Resources with energy settled or directly delivered to the IPL.IPL node. If the IPL.IPL node cannot be achieved, Resources shall have energy settled or delivered to at least to the Indiana Hub.
- Differences in congestion and loss cost components in the locational marginal price between the Resource Commercial Pricing node and the IPL.IPL node.

2. INSTRUCTIONS TO RESPONDENTS

2.1 COMMUNICATION

All questions or other communications regarding this RFP should be submitted via the question form on the RFP website IPLPower.com/RFP. Questions submitted through the question form will be sent directly to IPL's consultant, Sargent & Lundy, for response. IPL will not accept questions or comments in any other form.

This RFP and all subsequent revisions, including responses to questions and other supplementary information, will be available on the RFP website (IPLpower.com/RFP). Potential Respondents are responsible for checking the RFP website for subsequent updates, notices, and postings.

2.2 SCHEDULE

Milestone dates for the RFP process are presented below in Table 2-1. IPL reserves the right to extend or otherwise modify any portion of this schedule at any time or terminate this RFP process at its discretion at any time prior to contract execution without liability to any party. Any such changes will be posted on the RFP website (IPLpower.com/RFP).

Table 2-1 — Milestone Schedule

Milestone	Date
RFP Released to Public	December 20, 2019
Bidder Notice of Intent Due	5:00 p.m. CST January 24, 2020
Bidder Clarification Submittal Deadline	5:00 p.m. CST February 14, 2020
Bidder Proposal Submissions Due	11:59 p.m. CST February 28, 2020 ¹
Selection of Shortlisted Proposals	April 17, 2020
Selection of Proposals for Contract Negotiation	Second Quarter 2020
Due Diligence and Negotiation Period	Second and Third Quarter 2020
Definitive Agreement(s) Executed with Selected Respondent(s)	Third and Fourth Quarter 2020

2.3 NOTICE OF INTENT TO RESPOND

Each Respondent shall advise Sargent & Lundy by the date shown in Section 2.2 of its intent to submit a proposal by submitting a Notice of Intent to Respond using the form in Appendix A. Respondents will be required to upload the Notice of Intent using the link provided on the RFP website. Respondents will be required to include a contact name, email address, and company name. The uploaded documents will be automatically sorted by this information. The link will automatically expire after the submittal deadline.

¹ IPL also reserves a right to expedite selection and contract negotiation process for proposals for wind projects that are seeking eligibility for full or higher production tax credits.

2.4 DEADLINE AND METHOD FOR SUBMITTING PROPOSALS

Proposals must be submitted in the complete name of the party expecting to execute any resulting definitive documentation with IPL. The proposal must be executed by a person who is duly authorized to bind Respondent.

All proposals submitted in response to this RFP must be received by Sargent & Lundy no later than 11:59 pm Central Standard Time on the date shown in Section 2.2. Sargent & Lundy will not accept proposals received after the specified date and time and said proposals will be disqualified from further evaluation.

A link is provided on the RFP website for proposal submissions. Respondents will be required to include a contact name, email address, and company name. The uploaded documents will be automatically sorted by this information. Respondents may upload any number of documents but must use the exact same contact name, email address, and company name for each upload. Respondents will not be able to see or edit uploaded documents once sent. The link will automatically expire after the submittal deadline.

2.5 QUESTIONS AND INTERPRETATION OF RFP

Respondents shall submit any questions or clarification requests through the question form on the RFP website. Written responses to all submitted questions will be posted to the RFP website. Sargent & Lundy will not be responsible for other explanations or interpretations of this RFP. Questions will be accepted up to seven business days before the proposal submittal date identified in Section 2.2. Respondents should check the website periodically for updates and postings. Please note that such questions will not be treated as confidential. Questions and answers that are posted on the RFP website will be scrubbed of information identifying the party that originally asked the question.

Respondents are responsible to identify any conflicting statements, need for clarification, or omissions of pertinent data from this RFP to Sargent & Lundy before bids are due. Any questions not resolved by the proposal submittal date identified in Section 2.2 shall be identified in the proposal and a statement made as to the basis of the unresolved question(s).

Under no circumstance should Respondents attempt to contact IPL or Sargent & Lundy employees directly with any matters related to these RFPs.

2.6 PROPOSAL VALIDITY

All proposed pricing and terms & conditions must be open for acceptance by IPL through the Fourth Quarter 2020 when definitive agreement execution with selected Respondent(s) is expected.

3. PROPOSAL EVALUATION

Respondent proposals will be evaluated in two phases:

- **Phase 1:** Initial Screening and Shortlisting of Proposals Based on Qualitative and Initial Pricing Evaluation
- **Phase 2:** Selection of Proposals for Contract Negotiations Based on Qualitative and Portfolio Evaluation of Shortlisted Proposals

The evaluation will use the information supplied by the Respondent in the proposal data forms and term sheets contained in the RFP appendixes.

The Respondent must provide the information listed in the Proposal Completeness Checklist by the proposal submittal date to be included in the evaluation. The proposal evaluation process is described in the following sections.

3.1 PHASE 1: INITIAL SCREENING AND SHORTLISTING OF PROPOSALS

The initial screening and shortlisting of proposals in Phase 1 will be performed by Sargent & Lundy according to a qualitative and initial pricing evaluation. The evaluation will consist of the following steps:

- Verify that the Respondent has provided all information listed in the Proposal Completeness Checklist.
- Organize the proposals into groups according to the proposed technology.
- Review the information supplied by the Respondent in the proposal data forms, Appendix C, Schedules A through F.
- Develop an initial qualitative score according to the information supplied by the Respondent in Appendix C, Schedule B for the proposed technology. The qualitative score will be based on technical viability, development status, developer experience, and financing plan and qualifications.
- Calculate the levelized cost of electricity (LCOE) for each proposal.
- Determine the composite Phase 1 score from the weighted qualitative score and LCOE.
- Develop a shortlist from the highest scoring proposals within each technology category.

The Phase 1 scoring will be weighted as follows:

Table 3-1 — Phase 1 Scoring

Category	Points Available
LCOE	350
Technical Viability	100
Development Status	200
Developer Experience	200
Financing Plan and Qualifications	150
Total	1,000

The Phase 1 pricing evaluation will consider the all-in costs that each proposal is expected to impose on IPL’s customers, to the extent that the evaluation team is able to quantify such costs. These will include:

- Annual debt service and equity returns on the initial capital costs of the asset
- Projected annual operations and maintenance and fuel costs
- PPA charges, including pass through costs and fuel, where applicable
- Costs for required transmission reinforcements
- Costs for required distribution reinforcement
- System impacts including, but not limited to, impact on transmission transfer capability, and MISO capacity requirements and deliverability

The LCOE is defined as the present value of the estimated annual costs of a proposal or cost component of a proposal over the evaluation period (20 years) divided by the equivalent present value of the energy (or capacity) that resource is estimated to produce over the same period. Levelized cost is expressed in \$/MWh or \$/kW-year. The lowest LCOE within each technology category will receive 100% of the LCOE points available (350 points). The remaining proposals within the technology category will each receive a fraction of the LCOE points available, the fraction calculated as lowest LCOE divided by the LCOE of each proposal.

The Phase 1 qualitative evaluation will consider the technical viability (100 points maximum), development status (200 points maximum), developer experience (200 points maximum), and financing plan and qualifications (150 points maximum). The scoring for each category will be based on the Respondent’s information provided in Appendix C, Schedule B – Initial Scoring Criteria for the applicable technology.

During the screening process, Sargent & Lundy may request additional information or clarifications from the Respondents. These requests, and any communications with a Respondent during the evaluation process, shall not be construed as contract negotiations. Requests made by Sargent & Lundy for additional information or clarifications will be in writing via email (IPL-ASRFP@sargentlundy.com) and Respondents shall have five business days from the transmission of each request to respond. Proposals with outstanding requests beyond the response period may be removed from consideration and further evaluation. During the Phase 1 evaluation process, all Respondents’ identities will remain confidential and will not be disclosed to IPL.

At the conclusion of the Phase 1 evaluation, Respondents will be notified as to whether their proposals were shortlisted for further evaluation in Phase 2.

3.2 PHASE 2 – SELECTION OF PROPOSALS FOR CONTRACT NEGOTIATIONS

The Phase 2 pricing evaluation will refine the Phase 1 pricing evaluation and determine the cost effectiveness of the shortlisted proposals. The Phase 2 detailed pricing evaluation will include and reflect information received in response to any clarifying questions, interviews, site visits, and other due diligence. This may include an assessment of cost effectiveness of portfolios of shortlisted proposals evaluated using IPL's production cost model.

The Phase 2 qualitative evaluation will consider the following criteria:

Table 3-2 — Phase 2 Qualitative Criteria

Item	Category/Criteria
A	Technical Viability
B	Development and Schedule Risk
C	Permitting Risk
D	Environmental Impacts
E	Contractor Experience
F	Financing Plan and Qualifications
G	T&D System Integration
H	Site Control
I	Community Impacts and Acceptance
J	Operations and Maintenance Plan
K	Fuel Supply Plan
L	Exceptions to Agreements

The Phase 2 qualitative evaluation will refine the Phase 1 qualitative evaluation, using the information supplied by the Respondent in the proposal data forms and term sheets contained in the RFP Appendixes, considering the following criteria:

- A. Technical Viability: The evaluation team will review each proposal for conformance to the technical requirements in the RFP.
- B. Development and Schedule Risk: The evaluation team will assess the completeness and feasibility of the proposed project implementation and evaluate the likelihood of meeting the milestone dates and expected performance.

- C. Permitting Risk: The evaluation team will examine the Respondent's permitting plan and schedule and the likelihood that the Respondent can obtain required permits. This examination will include whether the Respondent has identified the relevant permits and approvals necessary for construction and operation of the proposed project.
- D. Environmental Impacts: The evaluation team will assess the overall impact on the environment, whether the project will likely result in potentially significant environmental impacts, and the degree to which potential impacts can be satisfactorily mitigated. This will include an examination of any known sensitive environmental features on or adjacent to the site such as waterways, wetlands, floodplains, archaeology and architectural resources, historic properties, degraded ambient air quality, contamination, ongoing hazardous materials remediation, threatened and endangered species, airports, residences or other sensitive noise receptors, and a discussion of storm-resistant features and other reliability features to determine the suitability of the project at the proposed site location.
- E. Contractor Experience: The evaluation team will evaluate the proposed contractor's experience and success in developing projects of a similar design and size to the proposed project.
- F. Financing Plan and Qualifications: The evaluation team will evaluate the Respondent's proposed financing plan and experience in successfully financing projects of a similar size and complexity. The evaluation will also determine if the Proposer has any financing commitment for the project that will be provided by a creditworthy entity that is likely to be acceptable in form and substance to IPL.
- G. T&D System Integration: The project's technical characteristics will be evaluated in order to identify those projects that address IPL's system needs as defined in the RFP and IPL's Integrated Resource Plan. The evaluation team will evaluate risk to reliability (voltage control, reactive capability, protection coordination, frequency response, etc.) and deliverability to the IPL 138 kV system.
- H. Site Control: Issues to be considered with respect to the project site include: whether the site is owned or leased (and for what term) by the Respondent or, if not, whether the Respondent has executed an option to lease/purchase, a Memorandum of Understanding ("MOU") or a Letter Of Intent ("LOI") for the project site; and whether there are any significant issues that could prevent the Respondent from obtaining timely site control or beginning construction on the proposed site.
- I. Community Impacts and Acceptance: The evaluation team will review the proposal for potential socioeconomic benefits and harm to the community. The committee will assess known community support or opposition of a Respondent's project including the Respondent's plan to manage community relations.
- J. Operations and Maintenance Plan: Respondents are asked in Appendix C, Schedule A of the RFP to provide information about their operations and maintenance plan, as applicable, including contract term, scope, experience, and pricing.
- K. Fuel Supply Plan (if applicable): Respondents are asked to provide information about their fuel supply plan, as applicable, including contract term, fixed and variable costs, price escalation factors, quality of service (firm, secondary firm, interruptible), length of term of transport service and other factors that affect price or quality of service.
- L. Exceptions to Agreements: Respondents are asked to review the term sheets in the RFP appendix and provide alternative contract language to any proposed exceptions. The evaluation team will review the proposed changes and alternative contract language to assess the number and extent of exceptions, the benefits and risks such exceptions impose on IPL and the likelihood IPL would be able to negotiate an acceptable agreement with the Respondent.

Following completion of the Phase 2 qualitative and pricing evaluations, the evaluation team will recommend proposals to proceed with contract negotiations. Selection of a proposal for contract negotiations shall not be construed as a commitment by IPL to execute an agreement. During the period between Sargent & Lundy's recommendation(s) to IPL and the date of execution of any agreement, IPL will conduct additional due diligence on the proposals which may include, but not be limited to, onsite visits, management interviews, environmental, legal and regulatory due diligence, detailed engineering assessments, and facility dispatch modeling.

3.3 PROPOSAL DATA FORMS

The evaluation will use the information supplied by the Respondent in the proposal data forms and term sheets contained in the RFP Appendices:

- Appendix A – Notice of Intent to Respond
- Appendix B – Proposal Completeness Checklist
- Appendix C – Proposal Data Forms
 - Schedule A – Project Description
 - Schedule B – Initial Scoring Criteria
 - Schedule C – Pricing Proposal
 - Schedule D – Renewable Energy Production Forecast
 - Schedule E – Guaranteed Performance
 - Schedule F – Suppliers for Major Plant Equipment
- Appendix D – Non-Disclosure Agreement
- Appendix E – Asset Transfer Term Sheet
- Appendix F – Power Purchase Agreement Term Sheet
- Appendix G – Credit Application

The following sections describe IPL's requirements for the proposal content as they relate to asset transfers, PPAs, and demand-side management.

3.3.1 Asset Transfer Proposal Requirements

IPL prefers asset transfer proposals over PPA proposals because of long-term benefits to IPL's customers. For asset transfer proposals, IPL will only consider proposals for facilities with the following characteristics:

- The estimated remaining useful life must be 10 or more years.
- Resources must qualify as MISO internal generation. Those resources physically located outside the MISO territory and pseudo tied into MISO are not allowed in this RFP.
- Resources must be qualified to receive Zonal Resource Credits for MISO LRZ 6 consistent with MISO Planning Resource Auction.

- IPL prefers Resources with energy settled or directly delivered to the IPL.IPL node. If the IPL.IPL node cannot be achieved, Resources shall have energy settled or delivered to at least to the Indiana Hub.
- Specific point(s) of interconnection including the type(s) of transmission service (e.g. 50 MW NRIS and 25 MW ERIS) shall be identified.
- Nodal economic analyses (for 2023, 2028, and 2033) under base case (n-1) and outage scenarios (n-1-1) must be performed to identify expected congestion impacts on energy production.
- Costs of any infrastructure costs required for fuel delivery shall be included.
- Costs of any property, state, and local taxes and tax abatements shall be identified and included.
- The facility must be complete and commercially operable and available for the 2023-2024 MISO Planning Year.
- The acquisition date and title transfer must occur before the start of the 2023-2024 MISO Planning Year and processes must be followed consistent with MISO Tariff and Business Practice Manuals to ensure Zonal Resource Credits qualify for the 2023-2024 Planning Resource Auction.
- The asset must utilize an existing proven technology.
- The operating and maintenance history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C, D, and E, shall describe (i) dates of maintenance events and findings based on original equipment manufacturer recommendations, (ii) service agreements and other contracts, (iii) outage reports, and (iv) awarded UCAP and its relation to the indicated equivalent forced outage rate demand, installed capacity, and renewable energy production.
- Expected outages and approximate durations over the next 10 years of operation shall be indicated.
- Expected changes in future operating and maintenance, compared with the historical information provided, shall be explained.
- The fuel delivery history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C, and E, shall describe (i) fuel sourcing, (ii) fuel supply contract provisions, and (iii) fuel supply and storage infrastructure.
- Audited or unaudited financial statements including balance sheets, income statements, and cash flow statements for the proposed asset(s) for the past three years (if existing resource).
- Environmental and other permits must be assignable to IPL and any operating limitations must be explained.
- Any identified environmental liabilities (e.g., potential site remediation requirements) shall be explained.
- Any material actions, suits, claims, or proceedings (threatened or pending) against the Respondent or involving the asset transfer shall be identified.
- The purchase price indicated in Appendix C, Schedule C shall be inclusive of all costs associated with providing a completed generating asset whose full output will be accredited to the MISO LRZ 6, including transmission interconnection costs, studies, siting, permitting, construction, start-up, testing, and inventories. Terms of payment and interest during construction shall be identified.
- The financing plan indicated in Appendix C, Schedule A shall include either the Respondent's or guarantors' senior unsecured debt and/or corporate issuer ratings documentation from Fitch, Moody's,

and Standard & Poor's showing the name of the rating agency, the type of rating, and the rating of the Respondent or guarantor.

- Production forecasts for renewable energy facilities indicated in Appendix C, Schedule D and performance guarantees indicated in Appendix C, Schedule E shall be subject to performance tests and remedies such as liquidated damages to be negotiated with IPL.
- IPL does not prohibit Respondents from proposing transfer of a facility at the development phase. For those proposals, Respondents shall at least have finished early phase development activities such as obtaining site control, performing feasibility studies, and initiating permitting & interconnection processes.

A term sheet for an Asset Transfer Agreement is included in the RFP Appendix E. Respondent(s) with proposals selected for contract negotiation and IPL shall use this term sheet, along with any proposed changes and alternative contract language by the Respondent(s), as a basis for contract negotiations. Selection of a proposal for contract negotiations shall not be construed as a commitment by IPL to execute an agreement. Execution of any agreement is contingent upon IPL receiving all required regulatory approvals.

3.3.2 Power Purchase Agreement Proposal Requirements

IPL will consider meeting its resource requirements through medium and/or long-term PPAs. IPL will only consider PPAs that have a term of 10 to 20 years. IPL prefers asset transfer proposals over PPA proposals because of long-term benefits to IPL's customers. For PPA proposals, IPL will only consider proposals for facilities with the following characteristics:

- The estimated remaining useful life must be 10 or more years.
- The PPA term must be between 10 and 20 years.
- Resources must qualify as MISO internal generation. Those resources physically located outside the MISO territory and pseudo tied into MISO are not allowed in this RFP.
- Resources must be qualified to receive Zonal Resource Credits for MISO LRZ 6 consistent with MISO Planning Resource Auction.
- IPL prefers Resources with energy settled or directly delivered to the IPL.IPL node. If the IPL.IPL node cannot be achieved, Resources shall have energy settled or delivered to at least to the Indiana Hub.
- Specific point(s) of interconnection including the type(s) of transmission service (e.g., 50 MW NRIS and 25 MW ERIS) shall be identified.
- Nodal economic analyses (for 2023, 2028, and 2033) under base case (n-1) and outage scenarios (n-1-1) must be performed to identify expected congestion impacts on energy production.
- Costs of any infrastructure required for fuel delivery shall be included.
- Costs of any property, state, and local taxes and tax abatements shall be identified and included.
- The facility must be complete, commercially operable and available for the 2023-2024 MISO Planning Year.

- The PPA start date must occur before the start of the 2023-2024 MISO Planning Year and processes must be followed consistent with MISO Tariff and Business Practice Manuals to ensure Zonal Resource Credits qualify for the 2023-2024 Planning Resource Auction.
- The asset must use an existing proven technology.
- The operating and maintenance history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C, D, and E, shall describe (a) dates of maintenance events and findings based on original equipment manufacturer recommendations, (b) service agreements and other contracts, (c) outage reports, and (d) awarded UCAP and its relation to the indicated equivalent forced outage rate demand, installed capacity, and renewable energy production.
- The fuel delivery history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C, and E, shall describe (a) fuel sourcing, (b) fuel supply contract provisions, and (c) fuel supply and storage infrastructure.
- Any operating limitations under environmental and other permits must be explained.
- Any identified environmental liabilities (e.g., potential site remediation requirements) shall be explained.
- Any material actions, suits, claims, or proceedings (threatened or pending) against the Respondent or involving the PPA shall be identified.
- The PPA pricing indicated in Appendix C, Schedule C shall be inclusive of all costs associated with constructing and operating a completed generating asset for which full output will be accredited to the delivery point.
- The financing plan indicated in Appendix C, Schedule A shall include either the Respondent's or guarantors' senior unsecured debt and/or corporate issuer ratings documentation from Fitch, Moody's and Standard & Poor's showing the name of the rating agency, the type of rating, and the rating of the Respondent or guarantor.
- Production forecasts for renewable energy facilities indicated in Appendix C, Schedule D and performance guarantees indicated in Appendix C, Schedule E shall be subject to performance tests and remedies such as liquidated damages to be negotiated with IPL.

A term sheet for a PPA is included in the RFP Appendix F. IPL and the Respondent(s) with proposals selected for contract negotiation shall use this term sheet, along with any proposed changes and alternative contract language by the Respondent(s), as a basis for contract negotiations. Selection of a proposal for contract negotiations shall not be construed as a commitment by IPL to execute an agreement. Execution of any agreement is contingent upon IPL receiving all required regulatory approvals.

3.3.3 Demand Response Proposal Requirements

IPL will consider DR proposals under an asset transfer or a DR purchase agreement. IPL will only consider proposals for facilities with the following characteristics:

- The estimated remaining useful life must be one or more years.
- The DR purchase agreement term must be one or more years.

- The facility must meet load modifying resource requirements for participation in MISO as a DR resource, including any future changes to MISO's requirements for load modifying resource requirements for the term of the proposal.
- The facility must be sourced from locations entirely within the MISO LRZ 6.
- If the facility is located within Indiana, Respondent must identify how the proposal conforms with any requirements of the local utility and state law to offer resources for capacity accreditation within the MISO market under Module E or successor.
- The facility must be complete, commercially operable, and available for the 2023-2024 MISO Planning Year.
- The acquisition date and title transfer (if applicable) must occur before the start of the 2023-2024 MISO Planning Year and processes must be followed consistent with MISO Tariff and Business Practice Manuals to ensure Zonal Resource Credits qualify for the 2023-2024 Planning Resource Auction.
- The DR purchase agreement (if applicable) start date must occur before the start of the 2023-2024 MISO Planning Year and processes must be followed consistent with MISO Tariff and Business Practice Manuals to ensure Zonal Resource Credits qualify for the 2023-2024 Planning Resource Auction.
- The facility must use an existing proven technology.
- Appendix C, Schedule A shall include a description of the individual DR customer, or the aggregation of the program participants, and expected load drop values (MW), equipment, and technology.
- Appendix C, Schedule A shall include a description of the Respondent's plans for recruiting, engaging, and maintaining program participants.
- Appendix C, Schedule A shall identify the experience, qualifications, and financial strength of the Respondent and other key contributors including the specific number of months the Respondent has been providing DR services in MISO. Responses should indicate whether the Respondent has ever been assessed a performance penalty in association with the resource and, if so, when any penalties were assessed.
- For Curtailment Events initiated by IPL (that are physically interconnected with IPL's system) the Respondent shall agree to and be capable of meeting, throughout the entire term of the DR purchase agreement, the capacity/load reduction capability within the response time indicated by the Respondent in Appendix C, Schedule E.
- For Curtailment Events initiated by MISO, the Respondent shall agree to and be capable of meeting, throughout the entire term of the DR purchase agreement, all notification and performance requirements applicable to capacity performance DRs. The DR Supplier shall comply with all MISO Module E's (or successor) measurement and verification requirements.
- IPL prefers resources that can provide a more rapid response and/or ramp up or down in response to specific control signals. Respondents are urged to detail the full, demonstrated capability of the proposed resource.
- The purchase price indicated in Appendix C, Schedule C (if applicable) shall be inclusive of all costs associated with providing a completed DR facility. Terms of payment and interest during construction shall be identified.
- The DR purchase agreement pricing indicated in Appendix C, Schedule C shall be inclusive of all costs associated with constructing and operating a completed DR facility.

- Under a DR purchase agreement, the Respondent, and not IPL, will be responsible for communicating with and managing the program participant relationships.
- The Respondent shall be responsible for managing load reductions, including all notices, communications, controls, equipment, or other processes required. Communication terms shall be at the discretion of IPL.
- The Respondent shall be responsible for paying penalties assessed pursuant to the DR purchase agreement due to the non-performance of the DR facility.
- Costs of any property, state, and local taxes and tax abatements shall be identified and included.
- The financing plan indicated in Appendix C, Schedule A shall include either the Respondent's or guarantors' senior unsecured debt and/or corporate issuer ratings documentation from Fitch, Moody's and Standard & Poor's showing the name of the rating agency, the type of rating, and the rating of the Respondent or guarantor.
- Any material actions, suits, claims, or proceedings (threatened or pending) against the Respondent or involving the asset transfer or the DR purchase agreement shall be identified.
- Performance guarantees indicated in Appendix C, Schedule E shall be subject to performance tests and remedies such as liquidated damages to be negotiated with IPL.
- The Respondent shall be responsible for, and shall indemnify IPL for, any non-performance penalties, costs, charges, or other amounts assessed by MISO and incurred by IPL because of non-performance attributable to the Respondent's DR facility.

Term sheets for an asset transfer agreement and a PPA are included in the RFP in Appendix E and Appendix F. Respondent(s) with proposals selected for contract negotiation and IPL shall use either of these term sheets as applicable, along with any proposed changes and alternative contract language by the Respondent(s), as a basis for contract negotiations. Selection of a proposal for contract negotiations shall not be construed as a commitment by IPL to execute an agreement. Execution of any agreement is contingent upon IPL receiving all required regulatory approvals.

3.4 PROPOSAL EVALUATION FEE

Respondents may submit up to three proposals at no cost in response to this RFP. Respondents submitting more than three responses will incur a proposal evaluation fee of \$5,000 for each additional proposal submitted. Sargent & Lundy will have sole discretion to determine whether a submission is deemed a single or multiple proposal. Generally, proposals with the same project characteristics (e.g. site, technology, size, etc.) but only offering a different structure (i.e. asset transfer or PPA) will be considered one proposal.

Respondents shall contact Sargent & Lundy at IPL-ASRFP@sargentlundy.com for proposal fee payment instructions.

3.5 CREDIT TERMS AND CONDITIONS

The credit and commitment of any bid will be a critical part of the bid evaluation process. A Respondent must have a credit rating for its senior unsecured debt and/or corporate issuer rating of BBB+ or higher for Standard & Poor's (or Baa1 or higher for Moody's). If a Respondent is unrated or does not meet this minimum credit rating requirement, the Respondent may provide credit support from a corporate guarantor that meets the requirement. Respondent may also provide credit support in the form of a letter of credit from any United States commercial bank(s) or financial institution(s) or a United States branch or subsidiary of a foreign commercial bank(s) or financial institution(s) having, or guaranteed or confirmed by an entity having, a long-term unsecured senior debt rating of any two of the following: (i) at least A3 or better by Moody's, (ii) at least A- or better by S&P or (iii) at least A- or better by Fitch.

As part of a final binding contract, and depending on the structure of the transaction, IPL will further review the credit of the Respondent and the risk associated with the transaction to determine what, if any, additional credit requirements may be necessary to protect its ability to serve its customers in a reliable manner.

For an asset transfer proposal, a Respondent shall have the corresponding obligation to post definitive agreement (DA) collateral as determined in accordance with its proposal if selected for the definitive agreement phase of the RFP. DA collateral must be posted at the execution of the DA and will be in force until the transfer of title to IPL for generating asset proposals.

For PPA proposals and demand response proposals, winning Respondents may be required to post operating collateral over the term of any PPA or DR agreement consistent with the terms and conditions of final agreements as negotiated between IPL and the Supplier.

In each case, the collateral must be in the form of either: (a) a letter of credit or (b) cash. IPL and Sargent & Lundy reserve the right to require a Respondent to post DA collateral in an amount that exceeds the amounts listed herein as conditions warrant.

3.5.1 Definitive Agreement Collateral and Operating Security Requirements

During the negotiation of the DA, IPL and Sargent & Lundy will determine the required form of DA collateral a Respondent must satisfy at the execution of the DA (development security or maintenance security). The DA collateral to be posted will be dependent on the type of capacity asset reflected in the selected Respondent's proposal.

<u>Capacity Asset</u>	<u>DA Collateral</u>	<u>Collateral Amount</u>
New Generation Facility	Development Security	\$20.00/kilowatt at execution of DA
New Generation Facility	Development Security	\$75.00/kilowatt at regulatory approval
Existing Generation Facility	Maintenance Security	12 months expected total operations and maintenance expense

In addition, winning Respondents may be required to post operating collateral over the term of any PPA or DR agreement consistent with the terms and conditions of final agreements as negotiated between IPL and the Supplier.

<u>Capacity Asset</u>	<u>Operating Collateral</u>	<u>Collateral Amount</u>
PPA	Operating Security	Lesser of \$200/MW or 12 months expected revenues
DR Resource	Operating Security	12 months expected revenues

3.6 RESERVATION OF RIGHTS

Nothing contained in this RFP shall be construed to require or obligate IPL to select any proposals or limit IPL's ability to reject all proposals in its sole and exclusive discretion. IPL further reserves the right to withdraw and terminate this RFP at any time prior to the proposal submittal date, selection of bids, or execution of a contract. IPL also reserves the right to solicit additional proposals it deems necessary and the right to submit additional information requests to Respondents during the proposal evaluation process. All final contracts will be contingent on IURC approval.

All proposals submitted to IPL pursuant to this RFP shall become the exclusive property of IPL and may be used by IPL for any reasonable purpose. IPL shall consider materials provided by Respondent in response to this RFP to be confidential only if such materials are clearly designated as *confidential*. Respondents should be aware that their proposal, even if marked confidential, may be subject to discovery and disclosure in regulatory or judicial proceedings that may or may not be initiated by IPL. Respondents may be required to justify the requested confidential treatment under the provisions of a protective order issued in such proceedings. If required by an order of an agency or court of competent jurisdiction, IPL may produce the material in response to such order without prior consultation with the Respondent.

This RFP shall not, by itself, give any right to any party for any claim against IPL. Furthermore, by submitting a proposal, the Respondent shall be deemed to have acknowledged that IPL assumes no liability with respect to this RFP or any matters related thereto. Respondent acknowledges and agrees that IPL may terminate this RFP at any time and for its convenience without liability to Respondents, its advisors, consultants, and agents. By submission of a proposal, the Respondent, for itself as well as for its successors and assignees (if any), agrees that, as between Respondent and IPL, Respondent is to be solely responsible for all claims, demands, accounts, damages, costs, losses, and expenses of whatsoever kind in law or equity, known or unknown, foreseeable or unforeseeable, arising from or out of this RFP or its proposal.

IPL reserves the right to modify this RFP for any reason and at any time. Such changes prior to bidding will be communicated to Respondents who submit a valid Notice of Intent to Respond.

3.7 CONTINGENCIES AND REGULATORY APPROVAL

Pursuant to the terms of the definitive agreement(s), the Respondent will agree to use its reasonable best efforts including, if necessary, providing data and testimony to obtain any and all state, federal, or other regulatory approvals required for the consummation of the transaction.

Approval by the IURC, MISO, and the Federal Energy Regulatory Commission may be required before the transaction can be consummated between the selected Respondent and IPL. As part of the regulatory process, responses to the RFP may be provided to parties who have executed a non-disclosure agreement/confidentiality agreement, specifically acknowledging that they are neither affiliated with any party responding to the RFP or serving as a conduit for any party responding to the RFP.

4. PROPOSAL SUBMISSION

IPL or Sargent & Lundy shall not reimburse Respondent, and Respondent is responsible for any cost incurred in the preparation or submission of a proposal(s), in negotiations for an agreement, and/or any other activity contemplated by the proposal(s) submitted in connection with this RFP. The information provided in this RFP or on IPL's RFP website has been prepared to assist Respondents in evaluating this RFP. It does not purport to contain all the information that may be relevant to Respondent in satisfying its due diligence efforts.

4.1 PROPOSAL ORGANIZATION

Respondent understands that IPL will rely on the representations contained in Respondent's proposal in its evaluation and consideration of proposals submitted pursuant to this RFP. Respondent further understands that its inability to substantiate and verify any such representations may result in the termination of further consideration and/or evaluation of its proposal. All such representations made in the proposal shall be true, accurate, and complete to the best of Respondent's knowledge and belief.

All Proposals shall include the following minimum components in the order provided:

1. Notice of Intent to Respond (see Appendix A)
2. Proposal Completeness Checklist (see Appendix B)
3. Project Description (see Appendix C, Schedule A)
4. Initial Scoring Criteria (see Appendix C, Schedule B)
5. Pricing Proposal (see Appendix C, Schedule C)
6. Renewable Energy Production Forecast (see Appendix C, Schedule D)
7. Guaranteed Performance (see Appendix C, Schedule E)
8. Suppliers for Major Plant Equipment (see Appendix C, Schedule F)
9. Non-Disclosure Agreement (see Appendix D)
10. Asset Transfer Term Sheet (see Appendix E)
11. Power Purchase Agreement Term Sheet (see Appendix F)
12. Credit Application (see Appendix G)

4.2 PROPOSAL CONTENT

For consideration in the evaluation process, proposals must contain the information outlined in the following sections, as applicable.

4.2.1 Project Description

Respondents shall provide a project description using the forms in Appendix C, Schedule A, covering the following categories:

- Basic project description, including (a) project name; (b) site location (including map and site layout); (c) technology; (d) generating capacity; (e) air emission and water pollution controls; (f) fuel and water supply; (g) grid connection point and electrical one-line diagrams; (h) ancillary service capabilities; (i) commercial operation date; and (j) ownership structure.
- Site ownership, usage, and development status.
- Current permitting and licensing status, including water rights.
- Environmental permitting plan addressing all potentially applicable environmental permits (federal, state, and local) including the following, as applicable:
 - List of potential application permits evaluated or to be evaluated;
 - Result of applicability analysis for each potentially applicable permit or status of evaluation; and
 - Planned approach to obtain applicable permits including the following:
 - List of key activities necessary to obtain each applicable permit(s) and associated timing;
 - Identification of key individuals or consultants; and
 - Experience of those individuals in specific jurisdictions of project.
- Fuel supply and transportation contract descriptions, detailed pricing, key provisions, and status, if Respondent is supplying fuel.
- Transmission upgrade plans, status of interconnection or transmission service requests, and status of related agreements and approvals.
- The status and results of all interconnection facilities studies, system impact studies, deliverability tests, and other studies and analyses. These analyses should establish the required interconnection facilities and system upgrades and prove the deliverability of all capacity and associated energy of the resource to the MISO market.
- The name of the MISO Commercial Pricing node for the resource; a detailed description and drawings of transmission and substation facilities associated with the resource, and descriptions of any special protection schemes associated with the resource and their use.
 - IPL requires resources that offer operational flexibility and that IPL can offer into the MISO capacity, energy, and ancillary services markets. Respondent must provide a detailed description of the scheduling or dispatch process, ramp rates, automatic generation control, existing or planned Inter-Control Center Protocol ties to MISO and any energy magnitude and

duration limitations. Describe the capability, if any, of the Resource to provide reactive support ancillary service and dynamic reactive reserve.

- Respondent's design and development experience with the proposed technology.
- Respondent's operating experience with the proposed technology.
- Financing plan, including (a) sources of debt and equity; (b) equity percentage by sponsor; (c) financing rates and other terms; (d) level of commitment by potential lenders for construction financing and permanent financing; and (e) tax credit qualifications
- Respondent's management team and key individuals for permitting, financing, design, construction, and operation.
- Major milestone schedule, including provisions for (a) site acquisition, control, and development; (b) permitting and licensing; (c) transmission upgrades and interconnection; (d) fuel supply and delivery facilities; (e) financing; (f) engineering, procurement, and construction; and (g) testing.
- For each of the above categories, Respondents shall provide references to any supporting documents or attachments. Respondent's design and development experience and operating experience with the proposed technology shall include a list with the following information:
 - plant name,
 - plant location,
 - technology configuration and capacity,
 - fuel type,
 - major equipment manufacturers,
 - engineering, procurement, and construction contractor, and
 - commercial operation year.

4.2.2 Initial Scoring Criteria

Respondents shall complete the initial scoring criteria form in Appendix C, Schedule B, for the applicable technology being proposed.

4.2.3 Pricing Proposal

Respondents shall complete the forms in Appendix C, Schedule C, Pricing Proposal.

Asset Transfer Pricing

For Asset Transfer proposals, the pricing in Appendix C, Schedule C shall indicate:

- Acquisition Date
- Purchase Price
- Terms of Payment
- Historical Costs and Output (last five years, if the asset is already in service)

- Net generation (MWh)
- Equivalent availability factor (%)
- Equivalent forced outage rate (%)
- Non-fuel operations and maintenance costs (\$/year)
- Fuel costs (\$/year)
- Other costs (\$/year)
- Capital expenditures (\$/year)

Power Purchase Agreement Pricing

For PPA proposals, the pricing in Appendix C, Schedule C shall indicate:

- PPA Start Date
- PPA Term (minimum of 10 years; maximum of 20 years)
- Indexed Payments (first year PPA value escalates according to a specified rate or published index)
 - Capacity payments (\$/kilowatt-year, first year value, and escalation index)
 - Energy payments (\$/MWh, first year value, and escalation index)
 - Fuel payments (determined by the Respondent's heat rates, startup fuel amounts, and fuel source)
- Non-Indexed Payments
 - Capacity payments (\$/kilowatt-year, specified by Respondent for each year)
 - Energy payments (\$/MWh, specified by Respondent for each year)
- Confirmation of Pricing Inclusiveness
 - MISO Network Upgrade costs assigned to the project (Yes or No)
 - Transmission interconnection costs (Yes or No)
 - Pipeline interconnection costs and upgrades (Yes or No)
 - Property taxes (Yes or No)
 - Other (Yes or No)

Demand Response Pricing

For DR proposals, the pricing in Appendix C, Schedule C shall indicate:

- Acquisition Date
- Purchase Price
- Terms of Payment
- Contract Start Date

- Term (years, months)
- Payments (first year contract value escalates according to a specified rate or published index)
 - Monthly payments (\$/month, first year value, and escalation index)
 - MW-day payments (\$/MW-day, first year value, and escalation index)
 - Other payments (first year value and escalation index)

4.2.4 Performance

Respondents shall specify performance for the project using the forms in Appendix C, Schedule D and Schedule E, as applicable.

Renewable Resources

For renewable resources, whether an asset transfer or PPA proposal, the guaranteed performance in Appendix C, Schedule E shall indicate the forecasted P10, P50, and P90 annual energy forecast in MWh for each day and hour (8,760 entries). The forecasted values shall account for long-term performance degradation.

Thermal Resources

For thermal resources, whether an asset transfer or PPA proposal, the guaranteed performance in Appendix C, Schedule E shall indicate:

- Start-Up Performance for Hot, Warm, and Cold starts:
 - Outage duration (range of hours) that defines the type of start
 - Start-up time (hours, minutes)
 - Start-up fuel consumption (MMBtu/start)
- Minimum Up-Time (hours, minutes)
- Minimum Down-Time (hours, minutes)
- Ramp Rates:
 - Minimum load to 50% load (MW/minute)
 - 50% load to 75% load (MW/minute)
 - 75% load to 100% load (MW/minute)
- Installed capacity (MW) (summer average, winter average, and yearly average, with and without duct firing)
- Net Plant Heat Rate (Btu/kilowatt hour, higher heating value) (summer average, winter average, and yearly average)
 - 100% load (with and without duct firing)
 - 75% load

- 50% load
- Minimum load
- Equivalent Full-Load Outages
 - Forced (hours/year)
 - Scheduled (hours/year)
- Emission Rates (maximum at 100% load) for each generating unit
 - Sulfur dioxide (lb/MMBtu and tons/yr)
 - Oxides of Nitrogen (lb/MMBtu and tons/yr)
 - Carbon monoxide (lb/MMBtu and tons/yr)
 - Carbon dioxide, (lb/MMBtu and tons/yr)
 - Greenhouse gases as CO2 equivalents (lb/MMBtu and tons/yr)
 - Volatile organic compounds (lb/MMBtu and tons/yr)
 - Particulate matter (lb/MMBtu and tons/yr)
 - Particulate matter less than 2.5 micrometers in diameter (lb/MMBtu and tons/yr)
 - Single highest HAP (lb/MMBtu and tons/yr)
 - Total HAPs (lb/MMBtu and tons/yr)
- Total water consumption (annual average and maximum gallons/hour) and water source for each applicable use
- Wastewater discharge (gallons/hour; average and maximum rate) and associated projected wastewater characterization for each discharge and receiving waterbody;
- Any water treatment additives that may be used which includes any fugitive dust applications (SDS, usage rate, and LC50 data);
- Wastes generated and characterization as hazardous or non-hazardous (annual and monthly maximum (lbs))

The guaranteed values shall account for long-term performance degradation.

Energy Storage

For energy storage proposals, whether an asset transfer or PPA, the guaranteed performance in Appendix C, Schedule E shall indicate:

- Guaranteed Capacity (MW / MWh)
- Charge Ramp Rate (MW/min)
- Discharge Ramp Rate (MW/min)
- Round Trip Efficiency (%)
- Guaranteed Availability (%)

- Maximum and Minimum State of Charge (%)
- Capacity and System Efficiency Degradation

The guaranteed values shall account for long-term performance degradation. Energy storage proposals shall clearly include an overbuild or augmentation plan to meet the guaranteed capacity for the asset life. Asset transfer energy storage proposals shall also include O&M costs to execute the augmentation plan.

Demand Response

For demand response proposals, whether an asset transfer or PPA, the guaranteed performance in Appendix C, Schedule B shall indicate:

- Whether the facility/proposal meets MISO load modifying resource requirements (Yes or No)
- Whether the facility/proposal meets performance requirements in the RFP document (Yes or No)
- Capacity/Load Reduction Capability Provided (MW)
- Response time (minutes)
- Whether the facility can follow a real time signal (Yes or No)

4.2.5 Suppliers for Major Plant Equipment

Respondents shall indicate the anticipated suppliers, models, and countries of manufacture for major plant equipment using the forms in Appendix C, Schedule F.

4.3 DISQUALIFICATION OF PROPOSAL

IPL reserves the right, without qualification and in its sole discretion, to reject any and/or all proposals and to consider alternatives outside of this solicitation.

A proposal may be disqualified at any point in the evaluation process if IPL determines, at their discretion, that the bidder has attempted to gain an advantage through conduct deemed as unethical, a conflict of interest, by interference, or any such means.

By submitting a proposal in response to this RFP, the Respondent certifies that the Respondent has not divulged, discussed, or compared its proposal with other Respondents and has not colluded whatsoever with any other Respondent or parties with respect to this or other proposals. IPL may reject any proposal if it is perceived that this criterion has been violated.

Appendix A. Notice of Intent to Respond

Company Name	
Company Mailing Address	
Primary Contact Information	
Name	
Title	
Phone	
Email	

Respondent's Signature

Date

Due: January 24, 2020

Submit at IPLpower.com/RFP

Appendix B. Proposal Completeness Checklist

Please check the following boxes (where applicable) to indicate that your proposal meets the minimum requirements for the RFP.

- Appendix C, Schedule A – Project Description
 - Supporting documents or attachments
 - Description includes items listed in Section 4.2.1
 - Requirements of Section 3.3.1 are met (if Asset Transfer proposal)
 - Requirements of Section 3.3.2 are met (if Power Purchase Agreement proposal)
 - Requirements of Section 3.3.3 are met (if Demand Response proposal)
- Appendix C, Schedule B – Initial Scoring Criteria (for applicable resource)
 - CCGT Form
 - Coal Form
 - DR Form
 - ICE Form
 - SCGT Form
 - Solar + Storage Form
 - Solar Form
 - Storage Form
 - Wind + Storage Form
 - Wind Form
- Appendix C, Schedule C – Pricing Proposal
- Appendix C, Schedule D – Renewable Energy Production Forecast
- Appendix C, Schedule E – Guaranteed Performance
 - Correction curves, if applicable
- Appendix C, Schedule F – Suppliers for Major Equipment
- Appendix D, Non-Disclosure Agreement
- Appendix E, Asset Transfer Term Sheet (if applicable)
- Appendix F, Power Purchase Agreement Term Sheet (if applicable)
- Awarded UCAP of the resource for the last four MISO planning years (if existing resource)
- Expected UCAP for the first five MISO planning years beginning June 1, 2023 based on current MISO rules for the resource

- Summary of all legal proceedings, claims, actions, or suits against the Respondent, Guarantor, or involving the facility or site
- Proposal Evaluation Fee (if required)

Appendix C. Proposal Data Forms

(see file *Proposal Data Forms*)

- Schedule A – Project Description
- Schedule B – Initial Scoring Criteria
 - *CCGT Form.xlsx*
 - *Coal Form.xlsx*
 - *DR Form.xlsx*
 - *ICE Form.xlsx*
 - *SCGT Form.xlsx*
 - *Solar + Storage Form.xlsx*
 - *Solar Form.xlsx*
 - *Storage Form.xlsx*
 - *Wind + Storage Form.xlsx*
 - *Wind Form.xlsx*
- Schedule C – Pricing Proposal
- Schedule D – Renewable Energy Production Forecast
- Schedule E – Guaranteed Performance
- Schedule F – Suppliers for Major Plant Equipment

Appendix D. Non-Disclosure Agreement

(see file IPL Mutual Non-Disclosure Agreement)

Appendix E. Asset Transfer Term Sheet

(see file *Asset Transfer Term Sheet*)

Appendix F. Power Purchase Agreement Term Sheet

(see file Power Purchase Agreement Term Sheet)

Appendix G. Credit Application

IPL requires credit support and security arrangements that will provide protection in the event that Respondent breaches or fails to perform under any agreement arising from this RFP. Performance security will address the risks, among others, associated with (i) Respondent's completion of a new Resource and Respondent's ability to deliver contracted Capacity and associated Energy by the scheduled delivery date, (ii) the ability of Respondent to deliver contracted Capacity and associated Energy from a new or existing Resource throughout the term of the contract and/or (iii) in the case of acquisition of a new or existing Resource, Respondent's post-closing indemnification obligations.

Respondent shall provide performance security upon execution of the applicable Power Purchase Agreement, Tolling Agreement or Purchase and Sale Agreement which shall remain in place throughout the duration thereof. The amount of the performance security will be negotiated and will be determined based upon the specific characteristics and the potential risk of contract default associated with Respondent's proposal. IPL will consider performance security mitigating factors such as, but not limited to, subordinate liens on project assets and step-in rights. Respondents shall include in their proposals their proposed performance security and any mitigating factors.

Based on Respondent's credit quality and tangible net worth, the amount of the performance security will vary. Performance security must be provided in the form of cash or cash equivalents (U.S. dollars or U.S. government bonds) deposited with an issuer acceptable to IPL (Deposits), an irrevocable standby letter of credit drawn on an issuer acceptable to IPL (Letter of Credit), and/or a company guarantee (Guarantee) from an investment-grade rated entity (Guarantor), in each case, in a form acceptable to IPL. IPL may limit its maximum credit exposure to Respondents or their Guarantors. The credit limit in the table below shows the maximum unsecured credit that IPL may apply towards Respondent's or Guarantor's total required Performance Security; however, IPL reserves the right to amend its stated limits to factor in, for example, qualitative characteristics of the entities involved (such as tangible net worth considerations or placement on a credit ratings agency watch list), unforeseen industry conditions that can have a material impact on Respondent or its Guarantor(s) (e.g., the bankruptcy of one of its committed major suppliers), or other factors that place IPL at additional contractual risk. A credit limit will be calculated for each Respondent or Guarantor based on the lower of the company's senior unsecured debt rating or corporate issuer rating set forth in the table. For nonpublic companies, IPL will reasonably determine a credit score.

Credit Limit Table

Senior Unsecured Debt / Issuer Rating	Credit Limit
AAA+/Aaa to AA-/Aa3	\$50,000,000
A+/A1 to A-/A3	\$40,000,000
BBB+/Baa1 to BBB/Baa2	\$25,000,000
BBB/Baa2 to BBB-/Baa3	\$10,000,000
Below BBB-/Baa3	\$0

A minimum of twenty percent (20%) of the Performance Security must be provided in the form of Deposits and/or a Letter of Credit. The remaining Performance Security shall be in the form of one or more Guarantees, Deposits, and/or Letters of Credit. Performance Security in excess of the Respondent's Credit Limit shall be in the form of Deposits and/or a Letter of Credit. The credit limit table shall be recalculated and the form of Performance Security adjusted based on Respondent's/Guarantor's most recent fiscal year end audited financial statements or within five (5) business days of Respondent or IPL becoming aware of any change in Respondent's/Guarantor's senior unsecured debt rating or corporate issuer rating.