

Q & A's -- 2009 Renewables Request for Proposal

Revised 10-19-09

1. **Question:** Is there a particular format you require for our Notice of Intent to Bid on this RFP?

Answer: An email to 2009renewablesrfp@avistacorp.com by October 7, 2009, expressing your intent to bid and project information such as resource type, size and location.

2. **Question:** May bidders propose a build-transfer proposal on the Reardan project for this RFP?

Answer: For further explanation, see the document under "Reardan Project Turnkey Proposals" <http://www.avistautilities.com/inside/resources/renewables/Pages/default.aspx>

3. **Question:** Will Avista consider projects outside its service territory or the Western Interconnect?

Answer: You may submit a bid for projects outside of Avista service territory. All projects must be compliant with Washington State RCW 19.285, indicating projects must be in the Pacific Northwest as defined by the Northwest Power Act or delivered on a real-time basis.

4. **Question:** Will projects over 35 aMW be considered as Avista is actually seeking a total of 50aMW from the 2009 Integrated Resource Plan?

Answer: Avista prefers wind projects less than 35 aMW for geographic diversity.

5. **Question:** Do I need a Large Generator Interconnect Agreement to bid into Avista's RFP?

Answer: If the project is larger than 20 MW, a Large Generator Interconnect request is required in the host balancing area. To meet Avista's desired online date, developers must have the large generator interconnect studies well underway in the host balancing area. Generators under 20MW are not required to have an interconnection request at this time.

6. **Question:** Will Avista accept a bid from a proposed wind project with less than one year of data.

Answer: Avista will accept a bid with less than one year of wind data however the data must be correlated to an existing long-term wind measuring station by a professional meteorologist in order for Avista to assess the data accurately.

7. **Question:** In Section III Evaluation Process in the RFP, can you clarify "Capacity Deferral"?

Answer: If the project has capacity, it would help Avista meet its capacity needs in the future thus, an added benefit.

8. **Question:** Is a commitment letter from the turbine manufacturer sufficient to meet threshold criteria?

Answer: Please provide all of the pertinent information that you have on your major equipment. Avista desires projects that can be complete before the federal tax subsidies currently expire with a firm transmission path to Avista's system.

Question: Could you elaborate on what Avista is looking for in describing Closing in Paragraph 3 in the RFP?

Answer: If you are offering a turn-key project or a flip structure, please describe how you propose to close the deal. Describe how you propose to transfer property rights and permits, assets, equipment, components, facilities, interconnection agreements, spare parts, intellectual property, and other contractual expansion rights you may have. Describe other items or information that will be needed to transfer the ownership of the project to Avista.

9. **Question:** Will Avista accept proof from OASIS that ATC and firm transmission exists to the point of delivery on Avista's system?

Answer: Avista will accept a copy of the OASIS document that demonstrates the availability of long-term firm PTP to the point of delivery on Avista's system. Bidders must recognize that the long-term transmission can be purchased by another party at anytime.

10. **Question:** When does Avista expect to release a proforma Power Purchase Agreement (PPA)?

The draft PPA will be release to the bidders during the short-list time period.

11. **Question:** Does Avista require projects located outside of Avista' balancing authority area (BAA) to self-provide ancillary services?

Answer: Projects located outside of Avista's BAA must meet all OATT requirements of the host BAA to schedule and transmit the power to Avista.