

**Western Area Power Administration
Request for Interest
Regarding the Purchase of Renewable Energy Products
December 2008**

1. **PURPOSE:** Western Area Power Administration (Western), a power marketing administration within the U.S. Department of Energy, is seeking interest from any supplier regarding the long term purchase (10 to 15 years) of renewable energy with or without Renewable Energy Certificates (RECs). The energy may be delivered to the Upper Great Plains Region (UGP), the Rocky Mountain Region's (RMR) Loveland Area Projects (LAP), the Colorado River Storage Project (CRSP), and/or the Desert Southwest Region (DSW). All available points of delivery are located within the Western Interconnection. The Upper Great Plains Region is not seeking energy delivered within the Eastern Interconnection at this time.

An expression of interest in providing renewable energy products is not binding or promissory. Responses will be used for planning purposes in determining the cost and available resources for firming Western's long term power contracts with renewable energy products. In addition, failure to respond to this Request for Interest (RFI) does not preclude the ability to respond to any future Request for Proposals (RFPs) for the purchase of renewable energy products issued at a later date.

This RFI is not subject to the Federal Acquisition Regulation (FAR). This RFI is issued solely for information and planning purposes; it does not constitute a Request for Proposal (RFP) or a promise to issue an RFP. This RFI does not commit Western to contract for any supply or service. Western is not at this time seeking proposals. Responders are advised that Western will not pay any cost incurred in response to this RFI. All costs associated with responding to this RFI will be solely at the interested party's expense.

2. **BACKGROUND:** Western markets and delivers reliable, cost-based hydroelectric power and related services within a 15-state region of the central and western United States. Western is one of four power marketing administrations within the U.S. Department of Energy whose role is to market and transmit electricity from multi-use water projects. Western's transmission system carries electricity from 57 power plants operated by the Bureau of Reclamation, U.S. Army Corps of Engineers and the International Boundary and Water Commission. Together, these plants have an installed capacity of 10,395 megawatts.
3. **DEFINITIONS:** The definitions of certain terms used in this RFI are as follows:
 - 3.1 **Renewable Energy:** Section 203 of the 2005 Energy Policy Act (Pub.L. 109-58): The electric energy, measured in megawatt-hours (MWh), which is generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new

hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project, and is physically delivered into the electric grid.

3.2 Renewable Energy Certificate (REC): Also known as a Tradable Renewable Certificate (TRC) or “green tag,” or “carbon offset,” represents the environmental, social, and other positive attributes of power generated by renewable resources. One REC is created with each MWh of renewable electric generation. A REC shall only have one owner at any point in time. The REC contains all of its original environmental attributes.

3.3 On-peak Hours: Hours ending 0700 - 2200 (6 a.m. - 10 p.m.) Pacific Time, Monday through Saturday not including NERC holidays.

3.4 Off-peak Hours: Hours ending 2300 - 0600 (10 p.m. - 6 a.m.) Pacific Time, Monday through Saturday, including all hours on Sunday and NERC holidays.

4. DESCRIPTION: Western is seeking interest from any supplier regarding the long term purchase of renewable energy to supplement four of its regions connected by contiguous transmission lines on the Western Interconnection. These regions span a large area including Arizona, New Mexico, Utah, Colorado, and Wyoming. Western would prefer renewable energy with RECs but will entertain offsets on price for renewable energy without RECs. Delivery points and approximate amounts of energy desired for each region are listed in subsections 4.1 through 4.4 below. The amount of energy desired is subject to change and shouldn't discourage potential suppliers from responding to this Request for Interest. In addition, CRSP has the ability to take delivery of energy at both Ault and Pinnacle Peak. This would allow CRSP to share a delivery point with LAP and/or DSW respectively.

4.1 Desert Southwest Region:

Delivery Points: Blythe, Liberty, Mead or Pinnacle Peak.

Approximate capacity with energy desired:

- Up to 5 MWs per on-peak hour during specific months of the year. (May be shared with CRSP if delivered at Pinnacle Peak.) Energy required will vary each year.

4.2 Colorado River Storage Project:

Delivery Points: Pinnacle Peak, Four Corners 345, San Juan 345, Midway, Craig, or Ault.

Approximate capacity with energy desired:

- 25 MWs per on-peak hour and 15 MWs per off-peak hour during the winter season (October 1 through March 31).
- 15 MWs per on-peak hour and 10 MWs per off-peak hour during the summer season (April 1 through September 30).

4.3 Loveland Area Projects:

Delivery Points: Ault, Dave Johnston (DJ), Stegall West, or Sidney West.

Approximate capacity with energy desired:

- 10 MWs per on-peak hour and 5 MWs per off-peak hour all seasons.

4.4 Upper Great Plains Region:

Delivery Points: Ft Peck or Great Falls.

Approximate capacity with energy desired:

- 4 MWs per on-peak hour all seasons and 2 MWs per off-peak hour all seasons.

5. **RFI SUBMISSION REQUIREMENTS:** At this time Western is only requesting information concerning renewable energy priced at or below \$ 100.00 per MWh. Western requests that entities interested in the sale of Renewable Energy with or without RECs provide written response identifying the following:

- Name and description of company/organization, as appropriate, including designated point of contact and contact information.
- Type of renewable product(s) with capacity and/or energy available.
- Type of product with regard to firm or non-firm, with or without reserves, intermittent or non-intermittent.
- Availability of seller provided firming services (reserves) and regulation.
- Available contract terms.
- Staffing or other services required to schedule specific type of renewable energy product.
- Price estimates including price breakdowns based on the length of contract.
- Available delivery points.
- Length of contract term required.
- Availability of RECs with product.
- Estimated date resource would be available.
- Other considerations.

6. PROCESS AND TIMING:

6.1 Timing: Interest submitted in response to this RFI must be received by Western on or before December 18, 2008, at 4:00 p.m. MDT to be considered.

6.2 Submission of Interest: Western will accept letters of interest that are submitted by mail via the U.S. Postal Service or an equivalent private mail carrier such as UPS or FedEx. (To use FedEx please provide the CRSP Energy Management and Marketing Office main phone number 970-240-6200.) The address for submission of interest via the U.S. Postal Service or private carrier is:

Western Area Power Administration
Colorado River Storage Project
Energy Management and Marketing Office
ATTN: Tim Vigil
1800 South Rio Grande Avenue
Montrose, CO 81401

Interest may also be faxed to Western at (970) 240-6295, ATTN: Tim Vigil.

6.3 Questions: Questions regarding this RFI will be accepted via e-mail to renewable-rfi@wapa.gov.

6.4 Notification of Receipt: An acknowledgement of receipt of interest will not be provided. Those interested are strongly encouraged to ensure that adequate tracking measures are taken with respect to their mailed or faxed offer.

7. CONFIDENTIALITY AND USE OF INFORMATION: Western will share information contained in responses with other Western staff. Those wishing to have part or their entire response not made available to the public should so indicate by marking the applicable portions "Confidential."

8. CONTACT INFORMATION

Tim Vigil
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Colorado River Storage Project
Energy Management and Marketing Office
1800 South Rio Grande Avenue
Montrose, CO 81401
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