



Request for Proposals
for
Renewable Energy Resources
("2021 Renewable RFP")

Issued: June 8, 2021
Proposals Due: July 20, 2021

Revision Log

Revision or Change Number	Effective Date	Affected Page Numbers	Description of Revision/Change
1	06/10/2021	Table of Contents Page 3, Page 5	Inserted sentence to Section 2.1.4 (3 rd to last sentence)
2	6/23/2021	Section 2.1.7 (pages 6), Section 5.4.4 (page 11) Section 9 Exhibit A (page 13)	Corrected from “31.3 percent of BESS rating” to “32.9 percent of BESS MW rating.” Corrected Jan & Feb Mon-Fri 6am-10 am and 7pm-10pm percentage from “115%” to “116%”.

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1.0 INTRODUCTION

1.1 TVA Overview

The Tennessee Valley Authority (TVA) is a corporate agency of the United States that provides electricity for business customers and local power distributors (Local Power Companies or LPCs), serving more than ten million people in parts of seven southeastern states. TVA receives no taxpayer funding, deriving its revenues almost exclusively from sales of electricity. In addition to operating and investing its revenues in its electric system, TVA provides flood control, navigation, and land management for the Tennessee River system and assists Local Power Companies and state and local governments with economic development and job creation.

1.2 Description of Solicitation

This announcement constitutes a Request for Proposals (RFP) notice, soliciting proposals in supplying delivered energy, capacity, and environmental attributes to TVA. This RFP does not constitute a commitment, implied or otherwise, that TVA will take action in this matter. TVA will not be responsible for any costs Respondents incur in furnishing TVA responsive information.

Although a competitive bidding process is not legally required for TVA power purchases, in certain circumstances a process such as this presents on balance the most advantageous method of proceeding. TVA is interested in procuring up to 200 MW of new stand-alone renewable energy resources or renewable energy + battery energy storage systems (BESS), including all the associated environmental attributes (Renewable Energy Credits/Certificates, etc.). TVA is also interested in procuring BESS for existing utility scale solar projects signed out of the 2017, 2019 or 2020 Renewable RFPs with Power Purchase Agreements (PPA) that do not have BESS currently. All resources must be located in the TVA service territory or delivered to TVA's interface with neighboring transmission systems. If any proposal is delivered to the TVA interface, it must have all of the cost components included for an all in energy price. Notwithstanding the above stated target, TVA reserves the right to vary from this target energy quantity based on evaluation of bids that are received. Any transaction resulting from the RFP will be in the form of a PPA.

2.0 GENERAL TERMS

2.1 Product Specifications

- 2.1.1 Energy, Capacity, and Environmental Attributes proposed must be from new renewable energy sources.
- 2.1.3 The minimum generation nameplate capacity at the point of interconnection for each site will be 2 MW. The maximum generation nameplate capacity at the point of interconnection for each site will be 200 MW. Solar generation sites greater than 5 MW must utilize central-type inverters rated 500 kVA or higher or other equipment TVA may approve which demonstrates equivalent or better performance. Solar resources must be tracking.
- 2.1.4 Projects must follow and adhere to the TVA generator interconnection procedures and business practices as may be updated from time to time. Respondents shall be prepared to coordinate closely with TVA transmission and provide any necessary information in a timely manner that supports the interconnection process. Projects must have a valid Interconnection Request with queue position (TVA or LPC) prior to the proposal deadline. The output reflected in the bid must not exceed the maximum output of valid queue position(s) in the TVA Interconnection Queue. For energy storage facilities, the grid charging capability reflected in the bid must not exceed the maximum grid charging capability of the valid queue position(s) in the TVA Interconnection Queue. It is recommended that projects have their applications submitted to the TVA Interconnection team no later than 30 days prior to the proposal submittal deadline in order to be processed for a queue position. If a project has not signed a Feasibility Study Agreement prior to the RFP proposal deadline, the Respondent must move into System Impact Study and not request the optional Feasibility Study in order to be considered for this RFP. Interconnection requirement information is posted on TVA's OASIS page. For additional information on TVA's interconnection procedures, Respondents should contact Chris Methvin at wcmethvin@tva.gov or interconnection@tva.gov.
- 2.1.5 Projects must be commercially operational and providing renewable energy within the period between September 30, 2024 and December 18, 2024 or earlier, as agreed to by both parties.
- 2.1.6 All projects must be electrically connected to the TVA transmission system or a TVA Local Power Company's distribution system, if located inside the TVA service area. All projects must be able to support grid operation, including voltage regulation, frequency response, voltage and frequency ride-through in accordance with NERC PRC-024, and active power control with curtailment

to be administered through TVA’s Energy Management System. Respondents will be assigned costs to the project as required in the TVA and/or the Local Power Company’s Interconnection and/or Affected System procedures in relation to interconnecting the project. Bids shall include costs for Direct Assignment facilities on the TVA transmission system and LPC distribution system. Respondents may use the cost estimates for the potential Direct Assignment costs as shown in the table below as a guide for the potential TVA Direct Assignment cost assumptions, but the Respondent is responsible for covering actual costs for Direct Assignment associated with their project and should bid accordingly. Bids shall include any costs identified to fund network upgrades on the TVA transmission system based on the updated business practice posted on OASIS for TVA network upgrade funding requirements. Respondent shall provide the estimated network upgrade costs they have calculated into their bid price and the associated \$/MWh impact to the bid.

TVA Direct Assignment Cost Estimates

Interconnection Configuration	Direct Assignment Cost (\$k)
LPC Connected < 5 MVA	Up to \$100
LPC Connected 5 - 25 MVA	Up to \$4,000
TVA Transmission Line Tap *	\$3,000 - 6,000
TVA New Breakered Station *	\$10,000 - 15,000

* Refer to TVA OASIS generator interconnection business practices for information on when a line tap may be utilized in lieu of a breakered station.

** Local Power Company (LPC) costs are not included in the table.

2.1.7 Respondents are requested to submit proposals for delivery periods of both 15 and 20 years. Each Respondent will be required to provide a bid security. TVA may later request a Respondent provide a \$/MWh adder for 24/7 reactive power support for solar only facilities (utilizing inverters that are capable of producing or absorbing reactive power at minimum of 30 percent of their rating 24/7 including at night), **but this shall not be added to Respondent’s bid.** For solar projects paired with BESS, TVA is requiring the BESS be available to supply reactive power (up to 32.9 percent of BESS MW rating) and primary frequency response (with a maximum 5 percent droop and ±0.036 Hz deadband) at all times, including when not charging or discharging, and this capability **should be included in the Respondent’s bid.**

2.1.8 TVA is a corporate agency and instrumentality of the federal government and accordingly must conduct or approve an environmental review under the

National Environmental Policy Act (NEPA) for any federal action. The environmental impact of the proposed renewable facility and any connected actions (e.g., transmission system upgrades) will be evaluated in the NEPA review, which must be completed prior to any ground disturbance, tree clearing, or grading of the proposed site. Additionally, as a federal agency, TVA has certain obligations under the Endangered Species Act (ESA), National Historic Preservation Act (NHPA), and other applicable environmental laws, which may require studies and consultation with appropriate regulatory agencies such as the U.S. Fish and Wildlife Service and State Historic Preservation Offices. The Respondent will be responsible for reimbursing TVA for all costs incurred by TVA for its obligations under NEPA, ESA, NHPA, and other applicable environmental review requirements, including the cost of implementing any mitigation measures necessary to comply with these requirements. Please note that an environmental review can take between 12 and 24 months to complete depending on project/site complexity. The Respondent shall be prepared to coordinate closely with TVA on any necessary reviews by providing information and schedules necessary to complete the environmental review and necessary federal consultations in a timely manner that supports the proposed facility construction timeline. For any project that secures a PPA, there is a requirement to sign a tri-party agreement between Seller, Seller's environmental consultant and TVA. The PPA sets forth the requirement that the tri-party agreement be executed within one month of the date the PPA is executed and also sets forth restrictions on use of the land prior to the completion of TVA's environmental review.

- 2.1.9** The Respondent's proposal and project must comply with all applicable federal and state laws, both during construction and during operation of the project. All federal, state, and local approvals, permits, licenses, fees, emissions allowances, environmental reviews, and other environmental requirements are the responsibility of the Respondent for the entire term covered by each proposal. This shall include any rezoning, land-use permits, and other discretionary approvals that may be required.

3.0 COMMUNICATIONS

3.1 Communications during RFP Process

- 3.1.1** TVA will utilize Power Advocate, a web-based sourcing platform, to organize all RFP documents and communicate with Respondents. Respondents shall view the RFP package, message TVA, and submit their proposals and RFP-related communications through Power Advocate.

4.0 RFP SCHEDULE

The following schedule is based on TVA’s expectations as of the release date of this RFP. TVA reserves the right to modify the schedule at its sole discretion.

RFP Schedule

Action	Date
RFP Release Date	June 8, 2021
Pre-Bid Conference Call	June 16, 2021 (monitor Power Advocate for details)
Question Submittal Deadline	July 8, 2021
Proposal Submittal Deadline	July 20, 2021
Evaluation of Proposals	August - October 2021 (tentative)
Selection of Proposals	October 2021-February 2022 (tentative)
Contract Execution	December 2021-February 2022 (tentative)

5.0 PROPOSAL PROCESS

5.1 General Requirements

- 5.1.1 Information regarding this RFP can be found on the TVA website under the “Doing Business with TVA” link. All technical information and documents will be placed on the Power Advocate website.

5.2 Proposal Expenses

- 5.2.1 Each Respondent will bear any and all costs and expenses required to prepare its proposal.

5.3 Proposal Submittal Fee

- 5.3.1 Each proposal shall be submitted with a \$125/MW net AC capability submittal fee to be capped at five thousand dollars (\$5,000.00) in the form of a wire transfer to the Tennessee Valley Authority. The submittal fee will be required for each project submitted. Multiple offers for the same project may be submitted with one submittal fee. If the Respondent is providing a

proposal on a combined renewable resource with battery storage at the same point of interconnection, only one submittal fee is required. Proposals submitted without the submittal fee will be returned to the Respondent and will not be evaluated by TVA. Wire transfers should be made to the following account:

Bank Name: TREAS NYC (Official Abbreviation)
 Bank Address: New York Federal Reserve Bank
 33 Liberty Street
 New York, New York 10045
 ABA Number: 021030004
 Account No.: 00004912
 Beneficiary: Tennessee Valley Authority
 Taxpayer ID: 62-0474417
 OBI: Provide your organization name and
 reference 2021 Renewable RFP

5.3.2 The submittal fee is non-refundable.

5.3.3 TVA requires a bid security from all Respondents. The bid security for a renewable project or renewable plus energy storage project will be a \$/MW security based on the net AC capability of the renewable resource as illustrated in the below table. The bid security for a storage project proposed for an existing solar PPA project will be calculated based on the net AC capability of the battery using the below table.

Project Size	\$/MW
2-5 MW	\$17,500
over 5 MW to 75 MW	\$14,750
over 75 MW to 200 MW	\$13,500

The bid security guarantees that Respondent’s bid, as reflected in Power Advocate, will be honored throughout the duration and until the conclusion of the 2021 RFP process.

The bid security will be required to be posted by the proposal submittal deadline in a form and substance acceptable to TVA by means of (i) cash or (ii) a letter of credit in the form of Exhibit E. Terms and Conditions for a letter of credit are found in Exhibit F. For Respondents that are satisfying the bid security requirement with cash, the wiring instructions are found in Section 5.3.1. For Respondents satisfying the requirement with a letter of credit, the letter of credit must be issued by a U.S. commercial bank domiciled in the United States, or from a U.S. branch of a foreign bank, with such bank having

a credit rating on its long-term senior unsecured debt of (1) “A3” or higher from Moody’s or (2) “A-” or higher from S&P, or if rated by both Moody’s and S&P, both (1) and (2).

- 5.3.4 TVA will return bid securities for all Respondents that are not ultimately selected by TVA for a project.

5.4 Method for Submitting Proposals

- 5.4.1 Each project proposed by a Respondent must have a different proposed point of interconnection. Respondents may propose multiple projects, each with a separate submittal fee. Respondents may submit multiple proposals for any single project with a single submittal fee. Multiple proposals for the same project consist of different terms (15 and 20 year offers required) or different MW capacity (so long as the interconnection queue position supports the MW capacity values proposed).
- 5.4.2 All proposals submitted must be received by the submittal deadline. Proposals received after the deadline may be accepted by TVA in its sole discretion.
- 5.4.3 All proposals must be submitted through Power Advocate. The RFP is listed as solicitation event # 115760: 2021 Renewable RFP. The following link will allow Respondents to register and request access the event.
<https://www.poweradvocate.com/pR.do?okey=115760&pubEvent=true>
- 5.4.4 Proposals may be submitted in either or both of the following configurations:

Not configured with energy storage: Where a proposed project is not coupled with energy storage, the maximum output of the project must not exceed the proposed amount as stated in the transmission queue position(s).

Configured with energy storage: Proposals interconnected to the TVA transmission system may contain storage which may be charged by the renewable resource or directly from TVA’s grid subject to the limitations set forth in the PPA. A Respondent with a currently active utility scale solar PPA with TVA (contracted from the 2017, 2019 or 2020 Renewable RFPs) may bid a battery energy storage system (BESS) option to pair with the solar project.

Per the terms of the PPA, TVA will compensate Seller for recaptured ITC in the event of excess grid charging and will not grid charge during the first 5 years unless there is a system emergency, but it should be noted any change of law that would reduce these grid charging restrictions will be incorporated into the PPA by the parties.

The maximum output of the project must not exceed the proposed amount as stated in the interconnection queue position(s) and the grid charging capability reflected in the bid must not exceed the maximum grid charging capability of the valid queue position(s).

TVA is seeking BESS with the greatest capacity at the least-cost with evaluation based on the ability of the BESS to meet TVA system peaks and for energy shifting purposes. The BESS should maintain ability to deliver contract capacity for 4 consecutive hours over the term of the agreement. The BESS should be sized to provide sufficient storage capacity equal to 380 equivalent cycles annually. An equivalent cycle is equal to the battery contract capacity in MW multiplied by 4 hours as discharged energy measured at the Delivery Point. For example, a 50 MW, 4 hour battery with 380 equivalent cycles annually has a maximum annual energy dischargeable to the Delivery Point of 76,000 MWh.

The project must provide an AC-coupled solution. Flexibility in charging/discharging periods will be necessary due to uncertainty in demand profiles and will be directed by TVA subject to the terms of the PPA. The BESS will be maintained at an average state of charge of 50% or less during a Delivery Period. The BESS shall be available to supply reactive power (up to 32.9 percent of BESS MW rating) and primary frequency response (with a maximum 5 percent droop and ± 0.036 Hz deadband) at all times, including when not charging or discharging. Proposals will submit Minimum Round Trip Efficiency values for each Delivery Period for evaluation by TVA. Per the terms of the PPA, the Respondent will be responsible for parasitic and auxiliary load (this does **not** include Round Trip Efficiency energy which is TVA's payment responsibility) associated with the project which may require a station service agreement with the Distributor or TVA.

6.0 PROPOSAL REQUIREMENTS TEMPLATE AND ORGANIZATION

Exhibit G provides the proposal template with the information that must be provided for each project submitted into the RFP. A clean Word version of the proposal template will also be posted to Power Advocate by TVA. The proposal and all attachments will be provided to TVA in the form of the template as a PDF document or in the format requested in the proposal template and uploaded to Power Advocate as "Proposal - Project Name". All Attachments requested for the proposal will be uploaded to Power Advocate using the italicized instructions provided in the proposal template.

7.0 PROPOSAL EVALUATION

7.1 Evaluation Process

7.1.1 TVA may select none, one, or more than one proposal for contract award.

- 7.1.2 TVA will use least-cost planning approaches in all evaluations. TVA also considers the following: (i) conformance to TVA's standard PPA (ii) the ability to meet the Expected Initial Delivery Date, and (iii) existing, or potential for existing, sensitive environmental and cultural resources located within the potential facility location. However, upon review, TVA may choose, in its sole discretion, to work with a Respondent on a potential facility in a certain area of TVA's service territory if that is to TVA's benefit.

7.2 Contract Approval

- 7.2.1 TVA's selection of the successful Respondent(s) shall not be implied as a commitment until a suitable PPA has been approved by the TVA Board of Directors, or its designee, and the PPA has been executed by TVA.

8.0 RESERVATION OF RIGHTS

8.1 General

- 8.1.1 This RFP is an invitation to submit a proposal and does not create a binding offer or agreement.
- 8.1.2 All material submitted in response to the RFP will become the property of TVA.
- 8.1.3 Following selection, a Respondent may be required to participate in negotiations and to submit via Power Advocate any price, technical, or other revisions to its proposal that may result from such negotiations.
- 8.1.4 TVA reserves the right to procure renewable resources through other means instead of, or in addition to, this RFP.

8.2 Right to Reject

- 8.2.1 This RFP does not commit TVA to award a contract, pay any cost associated with the preparation of a proposal, or purchase power from any project. TVA reserves the right to accept or reject any or all responses to this RFP or cancel this RFP in whole or in part at any time.

8.3 Limitations

- 8.3.1 TVA may ask Respondents to clarify the information in their proposals, but the Respondents shall not alter their proposals or otherwise submit any additional information after the proposal due date unless requested by TVA to do so.

8.4 Confidentiality

8.4.1 TVA recognizes that certain information contained in proposals submitted may be considered confidential and, as permitted by applicable law, will treat as confidential any information clearly labeled as such. TVA reserves the right to share proposal information, on a confidential basis, with any existing or future customers of TVA or its LPCs. If TVA is formally requested and required by any regulatory or judicial authority, or is otherwise required by law, to disclose information with regard to a proposal, TVA will disclose such information in accordance with applicable laws and regulations.

9.0 Exhibits

Exhibit A Price Ratios for Renewable Energy

Months		Time of Day (CPT)	
	July & August	Mon-Fri 2pm-7pm	140%
		Mon-Fri 6am-2pm and 7pm-12am; Sat & Sun 6am-12am	116%
		Everyday 12am-6am	85%
	June & September	Mon-Fri 12pm-8pm	119%
		Mon-Fri 6am-12pm and 8pm-12am; Sat & Sun 6am-12am	97%
		Everyday 12am-6am	80%
	January & February	Mon-Fri 6am-10am and 7pm-10pm	116%
		Mon-Fri 10am-7pm	99%
		Mon-Fri 10pm-12am; Sat & Sun 6am-12am	91%
		Everyday 12am-6am	91%
	December & March	Mon-Fri 6am-10pm	95%
		Mon-Fri 10pm-12am; Sat & Sun 6am-12am	83%
		Everyday 12am-6am	111%

		Mon-Fri 6am-10pm	91%
	April, May, October & November	Mon-Fri 10pm-12am; Sat & Sun 6am-12am	78%
		Everyday 12am-6am	73%

Exhibit B Monthly Weighting Factors for BESS Capacity Payments

MONTH	Weighting Factor
January	2.0
February	2.0
March	0.5
April	0.5
May	0.5
June	1.0
July	1.5
August	1.5
September	1.0
October	0.5
November	0.5
December	0.5

Exhibit C Site Control Affidavit

[Insert Bidder's Letterhead] [Insert Date]

Tennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee
37402

RE: Tennessee Valley Authority's 2021 Renewable RFP – Site Control

Ladies and Gentlemen:

In accordance with the provisions of Tennessee Valley Authority's (TVA) 2021 Renewable Energy RFP, *[Insert Bidder's full legal name]*, a *[Insert Bidder's form of entity and state of organization]* ("**Bidder**"), submits this Affidavit on behalf of the party ("**Seller**") that will execute the 2021 Renewable Power RFP power purchase agreement ("**PPA**") with TVA. For Bidder to be eligible for participation, Bidder or Seller, as applicable, must, among other things, possess Site Control, as such term is defined below. Capitalized words used without definition here have the meaning shown in the RFP.

Bidder hereby represents, warrants, or covenants that:

1. The Facility described in the bid will be located at *[Insert parcel number and GPS coordinates of the Site]* ("**Site**")
2. Bidder or Seller, as applicable, has obtained control of the Site in the form specified below ("**Site Control**") [check one]. Bidder or Seller:
 - (a) Owns the Site (evidenced by a deed recorded in the county property records)
 - (b) Leases the Site (pursuant to a current binding written agreement between Seller and the owner or lessor of the Site)
 - (c) Holds an option to purchase the Site (pursuant to a current binding written agreement between Seller and the owner of the Site)
 - (d) Holds an option to lease the Site (pursuant to a current binding written option agreement with the owner or lessor of the Site).
 - (e) Holds a current binding easement or license from the owner or lessor of the Site that grants Bidder or Seller express rights to construct, install, operate, maintain and repair the Facility at the Site.
3. The above-selected Site Control is free and clear of any lien, right, contract, or other encumbrance that would prevent, limit, or otherwise impede or impair the construction,

installation, or commissioning of the Facility or the operation, maintenance, or repair of the Facility during the Term of the PPA.

4. To the extent not otherwise addressed in Paragraph 2 above, Bidder or Seller is or will be the holder of each and every right-of-way grant, easement, or similar instrument(s) necessary for access to the Site, or otherwise to enable the construction, installation, and commissioning of the Facility and the operation, maintenance, and repair of the Facility during the Term of the PPA.
5. Bidder or Seller has recorded, or has the right to record, a deed, memorandum, or other instrument in the county property records evidencing its Site Control in a form sufficient to put third parties on notice of its right to control the Site.
6. The Site is adequate for the Facility and lawfully zoned for the Facility, or if not already appropriately zoned, Bidder or Seller agrees to obtain appropriate zoning, and any and all other governmental approvals required for use of the Site, prior to Seller's execution of the PPA;
7. Bidder will promptly notify TVA in writing of any change in the status of Site Control; and
8. Upon request, Bidder will provide to T V A a copy of all documents necessary to demonstrate satisfactory legal evidence of Site Control, including the lease, deed, option, or easement, as applicable, comprising the Site Control noted above.

Bidder does solemnly swear or affirm, under penalty of perjury, that the information Bidder has provided in this Affidavit is based on Bidder's own personal knowledge and is true, complete and correct and that Bidder is authorized to submit this Affidavit on behalf of the bid.

[Insert Bidder's full legal name]

By:

Name:

Title (if applicable):

Date:

**State of
County of**

On this day of __, before me appeared *[Insert Bidder's full legal name]*, the person who signed the Site Control Affidavit in my presence and who swore or affirmed that he/she understood the document and freely declared it to be truthful.

Official Signature of the Notary

Official Seal of the Notary

My Commission Expires:

Exhibit D Safety and Environmental Performance

SAFETY PERFORMANCE

1. Complete the following:

Year	Experience Modification Rate (EMR)	total # mhrs worked - all projects	# of Lost Workday cases and lost time rate (LTR)	# days away from work	# of Fatalities *	# work related injuries/illnesses w/out lost workdays and recordable incident rate (RIR)	All Injury Rate (AIR)	Workers comp cost \$/mhr	Severity Incident Rate
2020									
2019									
2018									
2017									
2016									
2015									

*Provide a summary of any fatalities including root cause and preventative measures implemented for prevention of further events.

2. Violation Information for past 5 years (2020 - 2015)

Year	Citation - State Civil/Criminal/Enforcement	Description of Event	Status Open/Closed/Pending
2020			
2019			
2018			
2017			
2016			
2015			

ENVIRONMENTAL PERFORMANCE

Complete the following:

1. Violation Information since 2015

Year	State/Federal Civil/Criminal/Enforcement	Description of Event	Status Open/Closed/Pending
2020			
2019			
2018			
2017			
2016			
2015			

Exhibit E Form Letter of Credit

[LETTERHEAD]

[DATE]

Irrevocable Standby Letter of Credit No.

Beneficiary:

Applicant:

Tennessee Valley Authority
400 West Summit Hill Drive, WT 4C
Knoxville, TN 37902-1401

Attn: Kirk A. Kelley
Director, Corporate Credit & Insurance

Dear Madam or Sir:

We hereby establish for the account of _____ (Seller) _____ (“Seller’s name” or “Applicant”), our irrevocable standby letter of credit in your favor for an amount of USD _____ (_____ Dollars United States currency). Applicant has advised us that this letter of credit is issued in connection with the _____ Agreement dated as of _____, 20__, between Applicant and Beneficiary (as amended and as may be further amended, supplemented or otherwise modified, the “_____ Agreement”). This letter of credit shall; (i) become effective immediately for the term of one (1) year and shall expire on _____ (the “Expiration Date”), and (ii) is subject to the following:

1. Funds under this letter of credit shall be made available to Beneficiary against its draft drawn on us in the form of Annex 1 hereto, accompanied by (a) a certificate in the form of Annex 2 hereto, appropriately completed and signed by an authorized representative of Beneficiary, dated the date of presentation and (b) the original of the letter of credit (the “Accompanying Documents”) and presented at our office located at _____, attention _____ (or at any other office that may be designated by us by written notice delivered to you). A presentation under this letter of credit may be made only on a day, and during hours, in which such office is open for business (a “Business Day”). If we receive your draft and the Accompanying Documents at such office on any Business Day, all in strict conformity with the terms and conditions of this letter of credit, we will honor the same by making payment at sight on the same day of presentation. Upon any draw of the letter of credit, unless otherwise agreed to by Tennessee Valley Authority, Applicant shall be obligated to replenish the amount of the letter of credit draw within twenty (20) days.

2. This letter of credit shall terminate upon the earliest to occur of (i) our receipt of a notice in the form of Annex 3 hereto signed by an authorized representative of Beneficiary, accompanied by this letter of credit for cancellation, (ii) our close of business at our aforesaid office on the Expiration Date, or if the Expiration Date is not a Business Day, then on the succeeding Business Day. This letter of credit shall be surrendered to us by you upon the earlier of presentation or expiration.

3. It is a condition of the letter of credit that it shall be deemed to be automatically extended without amendment for periods of one (1) year from the present or any future expiration date, unless at least forty-five (45) days prior to any such expiration date we send you notice by registered mail, return receipt requested or courier service or hand delivery at the above address that we hereby elect not to consider this letter of credit extended for any such additional period.

4. This letter of credit is issued and subject to the International Standby Practices 1998 (ISP98).

5. This letter of credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1, 2 and 3 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as otherwise provided in this paragraph 5.

6. Communications with respect to this letter of credit shall be in writing and shall be addressed to us at the address referred to in paragraph 1 above, and shall specifically refer to this letter of credit no. _.

Very truly yours,

[LOC Issuer]

Authorized signature

**ANNEX 1
TO LETTER OF CREDIT NO. _____**

Draft under Letter of Credit No. _____

[Month, Day , Year]

On Sight

Pay to Tennessee Valley Authority U.S. \$ _____ [not to exceed amount available to be drawn]
400 West Summit Hill Drive, WT 4C
Knoxville, TN 37902-1401

[insert any wire instructions]

For value received and charge to account of Letter of Credit No. _____ of

By: _____

Title: _____

ANNEX 2
TO LETTER OF CREDIT NO. _____

Drawing under Letter of Credit No. _____

The undersigned, a duly authorized representative of the **Tennessee Valley Authority**, a corporate instrumentality and agency of The United States of America ("Beneficiary"), hereby certifies on behalf of Beneficiary to _____ with reference to irrevocable standby Letter of Credit No. _____ (the "Letter of Credit") issued for the account of _____, ("X"), that:

- 1) [pursuant to the _____ Agreement between Beneficiary and X, as of the date hereof Beneficiary is entitled to draw under the Letter of Credit;]

--or--

[Beneficiary has received notice from the Issuing Bank pursuant to Section 3 of the Letter of Credit and, as such, as of the date hereto Beneficiary is entitled to draw under the Letter of Credit;]

- 2) by presenting this certificate and the accompanying sight draft, Beneficiary is requesting that payment in the amount of \$_____, as specified on said draft, be made under the Letter of Credit by wire transfer or deposit of funds into the account specified on said draft;
- 3) the amount specified on the sight draft accompanying this certificate does not exceed the amount to which Beneficiary is entitled to draft under said _____ Agreement.

In witness whereof, Beneficiary has caused this certificate to be duly executed and delivered by its duly authorized representative as of the date and year written below.

Date: _____

By: _____

Title: _____

ANNEX 3
TO LETTER OF CREDIT NO. _____

Notice of surrender of Letter of Credit No. _____

Date: _____

Attention: Letter of Credit Department

Re: Letter of Credit No. _____ issued for the account of _____ (Seller)

Ladies and Gentlemen:

We refer to your above-mentioned irrevocable standby Letter of Credit (the "Letter of Credit"). The undersigned hereby surrenders the Letter of Credit to you for cancellation as of the date hereof. No payment is demanded of you under this Letter of Credit in connection with this surrender.

Very truly yours,

By: _____

Title: _____

Exhibit F Letter of Credit Terms & Conditions

TVA will accept a standby letter of credit as a form of performance assurance. With respect to the letter of credit, TVA must review and approve the form of the letter of credit, as well as the issuing commercial bank. Additionally, the following conditions must also be met:

1. The issuer of the letter of credit must be (1) a U.S. commercial bank domiciled in the United States, or (2) a U.S. branch of a foreign bank, and either must possess and maintain a Qualified Rating on its senior unsecured long-term debt, not supported by thirdparty enhancements, as determined by Moody's Investor Service, Inc. ("Moody's"), or its successor, Standard & Poor's Corporation ("S&P"), or its successor, and Fitch Ratings ("Fitch"), or its successor.

The term "Qualified Rating" is defined in this paragraph to be a rating during the time when at least two of the following three conditions exist: the senior unsecured long-term debt, not supported by third-party enhancements, of the issuing bank (a) is 'A3' or above as rated by Moody's, (b) is 'A-' or above as rated by S&P, or (c) is 'A-' or above as rated by Fitch.

2. The letter of credit must be issued for a term of at least one (1) year with an automatic renewal clause for a similar term thereafter, unless otherwise approved by TVA.
3. The letter of credit must remain in effect for the term of the contract and should be renewed at least forty-five (45) days prior to the expiration date.
4. A letter of credit issued by a commercial bank that does not satisfy the criteria noted in #1 above, must be confirmed by a correspondent bank that possesses and maintains a Qualified Rating

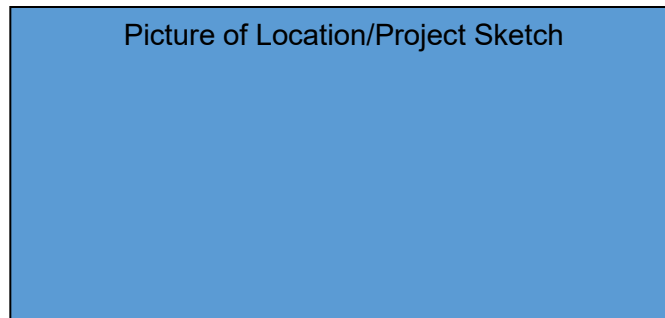
Exhibit G Template Proposal Requirements Submittal



2021 Renewable RFP

TVA Solar, LLC Proposal

Proposal Submittal Date



Project Name



TENNESSEE
VALLEY
AUTHORITY

Cover Letter

6.2 Company Data and Experience

6.2.1

Company name, address, and telephone number

6.2.2

Legal form, date formed, jurisdiction of organization, and any relevant affiliates

6.2.3

Company history and experience in the areas of development, financing, construction, and operation of renewable generation facilities

6.2.4

Familiarity and experience with TVA and its requirements

6.2.5

Existing renewable generation facilities owned or operated

6.2.6

Company safety and environmental performance. See Exhibit D of the RFP for the Safety and Environmental Performance documentation.

Note: The safety and environmental performance document will be uploaded to Power Advocate using the naming convention (Attachment 0 – Safety and Environmental – Project Name).

6.3 Project Description

6.3.1

Provide a complete description of the proposed Project including technology, nameplate capacity, location, size (acreage), historical and current usage of the land, nearby structures or facilities, estimated timeframe for construction and current site environmental conditions.

6.3.2

Respondent shall provide adequate evidence of site control. Adequate evidence of site control means an effective purchase or lease option that covers a minimum of 5 acres per 1 MW of project capacity. The Respondent will provide TVA a signed Site Control Affidavit with their bid.

See Exhibit C of the RFP for the Site Control Affidavit.

Note: The signed Affidavit and, if requested by TVA, related purchase or lease options will be uploaded to Power Advocate using the naming convention (Attachment 1 - Site Control Affidavit – Project Name).

6.3.3

Each respondent's proposal shall provide copies of any permits that have already been obtained. If no permits have been obtained, then the Respondent shall provide a plan for obtaining all required permits including a list of all required permits, permitting status of each (including expiration dates), and key risks to securing necessary future permits approvals.

Note: The permits will be uploaded to Power Advocate using the naming convention (Attachment 2 – Permits -Project Name).

6.3.4

All respondents shall state the expected annual generation output from the project and include the expected 8760 generation shapes. If a Respondent submits an intermittent resource combined with a BESS the 8760 shapes shall include the output of the intermittent resource as well as the charging and discharging shape of the BESS.

The 8760 file will be posted as an Excel file to Power Advocate in the Download Documents tab.

Note: The 8760 file will be uploaded to Power Advocate using the naming convention (Attachment 8760 - Shapes -Project Name).

6.3.5

Respondent shall provide a comprehensive one-line diagram describing the electrical equipment and the point of interconnection at which the project will connect to the TVA transmission system or the power system of a TVA Local Power Company. The Respondent shall also provide latitude and longitude coordinates for its point of interconnection. The point should reference the location on the line segment or station at which the Respondent proposes to interconnect its generator, the voltage level, and whether interconnecting to TVA, the LPC, or another system.

Note: The One-Line Diagram will be uploaded to Power Advocate using the naming convention (Attachment 3 - One Line Diagram – Project Name).

6.3.6

Respondent shall provide a status of interconnection including current status, queue number, required system upgrade cost estimate, and estimated completion date. All projects connecting to the TVA transmission system must have a queue number submitted in accordance with TVA's interconnection procedures posted on OASIS prior to submission to the RFP. The renewable resource generation MW amount shall not exceed the queue position MW amount and, if applicable, the BESS MW amount that is bid into the RFP.

Any projects connecting to a LPC must have submitted an application for interconnection to the LPC. TVA will study all LPC connected generation as an Affected System. The project details, including the interconnection application submitted to the LPC, and a status of the request to the LPC shall be provided to TVA and TVA's interconnection contact listed in Section 2.1.4 of the RFP, as part of a submission to the RFP. Provide verification or documentation this information has been provided to the TVA interconnection contact.

6.4 Project Execution Plan & Schedule

6.4.1

Respondent should provide a description of how it intends to complete the project and deliver renewable energy to TVA.

6.4.2

Respondent will be required to keep TVA informed of project progress during development which includes providing and updating the schedule using industry standard software (i.e. Primavera P6). A description of the process that would be used to update TVA on project progress, including any changes to the schedule, should be included in the proposal.

6.4.3

Respondent shall attach to its proposal a project development plan and associated schedule to complete the project by its expected delivery date. The following is a list of required information, but TVA may request additional information at its discretion:

- Timing for all permits
- Financial milestone dates
- Engineering and design timing and dates
- Environmental review milestone dates
- Major equipment purchase dates
- Materials procurement plan (major components)
- Contracting dates and milestones
- Construction timing
- Commercial operation date
- Updated project drawings will be provided to TVA

Note: The project development plan and schedule will be uploaded to Power Advocate using the naming convention (Attachment 4 - Project Development Plan and Schedule – Project Name).

6.5 Financial Plan

6.5.1

The proposal shall include sufficient financial information regarding the developer and investors to establish creditworthiness satisfactory to TVA in TVA's sole discretion. The proposal shall include, as a minimum, the following information regarding the Respondent and the proposed developer:

- Audited financial statements for the three (3) preceding years that include balance sheets, income statements, statements of cash flows, and notes to the financial statements.
- Bank name, address, phone number, and officer contact.
- Credit references from three (3) sources that include name, address, phone number, and contact.
- Annual report or company brochure, if available.

Note: The audited financial statements will be uploaded to Power Advocate using the naming convention (Attachment 5 - Audited Financial Statements) and the Annual report as (Attachment 6 - Annual Report).

6.5.2

TVA requires secure and reliable physical delivery of the capacity and associated energy under all PPAs. Security (performance assurance) covering both the physical delivery of capacity and energy will be provided in the form of either a:

- (1) Letter of Credit issued by a U.S. commercial bank domiciled in the United States, or from a U.S. branch of a foreign bank, with such bank having a credit rating on its long-term senior unsecured debt of (1) "A3" or higher from Moody's or (2) "A-" or higher from S&P, or if rated by both Moody's and S&P, both (1) and (2).
- (2) Cash Deposit
- (3) Various combinations of the foregoing, as TVA determines to be acceptable.

State the method of performance you intend to have issued if you are awarded a PPA including details about the entities that will be involved.

6.5.3

The cost of such credit assurance must be borne by the Respondent. TVA will provide the initial performance assurance schedule to Respondents selected for a PPA.

6.5.4

The financial plan shall include the project's short-term financing and long-term ownership plan. Proposals that include actions and plans that have been taken to maximize the Federal ITC should detail how that credit is expected to be secured.

6.6 Additional Proposal-Specific Benefit and Risk Factors

6.6.1

Written support for the solar development by the top elected official and/or a body of elected officials and/or its economic development designee/agency within the local unit of government possessing zoning and/or permitting authority over the proposed property, will be considered a value contribution to the RFP response. Proposals that do not provide letter(s) of support will be considered less favorably.

Note: The written support will be uploaded to Power Advocate using the naming convention (Attachment 7 - Written Support – Project Name).

6.6.2

Respondents shall include known environmental resources at/near the project site with an emphasis on cultural resources, wetlands, and habitat information. In addition, the proposal will include a map of the project site in the form of a project GIS shapefile or KMZ file.

Note: The map of the project site in the form of a project GIS shapefile or KMZ file will be uploaded to Power Advocate using the naming convention (Attachment 8 - Environmental Resources – Project Name).

6.6.3

Respondents shall include in their proposal any economic development impacts (jobs, total investment) on the local communities that could result from the project.

6.6.4

Respondent's business history in relation to other projects or prior work with TVA should be included in their proposal.

6.7 Pricing

6.7.1

All contract pricing must be firm from the time of proposal submittal through the term of the PPA.

6.7.2

Firm pricing shall be provided in a \$/MWh price for the renewable resource that will include all energy, capacity, transmission, ancillary services, and environmental attributes from the facility. TVA prefers seasonal and time of day pricing that escalates through the term of the PPA for all intermittent renewable resources and a fixed \$/kw-mo capacity charge for the BESS. Bids shall include any costs identified to fund network upgrades on the TVA transmission system based on the updated business practice posted on OASIS for TVA network upgrade funding requirements. Respondent shall provide the estimated network upgrade costs they have calculated into their bid price and the associated \$/MWh impact to the bid. TVA requests that all Respondents provide pricing as follows for each project configuration: (i) complete Data Sheet(s) under Commercial Data tab in Power Advocate labeled “15 Year” and “20 Year” and (ii) table summarizing detailed project pricing to be included in the proposal.

Pricing ratios for time of day pricing and monthly weighting factors for BESS capacity payments are included in Exhibits A and B of the RFP.

6.7.3

Pricing shall be all-inclusive, including any necessary development, design, procurement, permitting, financing, and construction costs.

6.8 Additional Information of Interest

6.8.1

Use this section, if necessary, to include any additional information of importance about the project that was not requested by TVA in the template proposal.

6.9 Mark-Up of Standard PPA

6.9.1

Each bidder must provide a mark-up of the PPA(s) to indicate any non-material clarifications and Facility- and Site-specific changes to the Standard PPA (Attachment 8a - Solar PPA, Attachment 8b - Solar and Storage PPA).

Each bid must include (i) a “red-lined version” of the Standard PPA in Microsoft Word reflecting any and all necessary changes by showing the specific additions (**bold and underlined**) or deletions (~~strike-through~~) that bidder requires in order to enter into the PPA; (ii)

a separate document explaining every change; and (iii) a statement confirming that the substantive terms and conditions of the Standard PPA is acceptable to the bidder. TVA will not consider any material or substantive exception, change, or modification that would affect the value of a bidder's proposal, or that would substantively change the risks and benefits as outlined in the Standard PPA. If a bidder's red-lined version suggests material changes, TVA cannot consider such changes and the bid may be disqualified.

The Standard PPAs are posted to Power Advocate under the Download Documents tab.

Note: The PPA mark-ups and statement confirming acceptance of PPA terms will be uploaded to Power Advocate using the applicable naming convention (Attachment 8a - Solar PPA Redline), (Attachment 8b – Solar PPA Explanation), (Attachment 8c – Solar PPA Acceptance), (Attachment 8d - Solar and Storage PPA Redline), (Attachment 8e – Solar and Storage PPA Explanation), (Attachment 8g – Solar and Storage PPA Acceptance) .