

## Bidder Questions WE 11/24/2023

1. What are the terms and conditions for the \$200/kW Security posted by a short-list bidder? E.g., draw mechanics, refundability, etc.
  - a. The Seller Credit Support in a form of a security, if the Seller does not have a credit rating for its senior unsecured debt of BBB or higher (for Standard & Poor's) or Baa2 or higher (for Moody's), shall be available to pay any amount due MP pursuant to this PPA, and to provide MP security that Seller will properly and timely develop, construct, operate and maintain the Facility and deliver Accreditable Capacity and Contract Energy to the Point of Delivery pursuant to this Agreement.
  - b. The Security shall also provide security to MP to cover damages, including but not limited to Replacement Power Costs, Liquidated Delay Damages, Actual Damages, damages for missed project milestones (refundable if achieves COD on schedule), liquidated damages for failure to achieve COD, and any amounts for which MP is entitled to indemnification under this PPA. Seller shall replenish the Security to such required level within fifteen (15) Business Days after any draw on the Security by MP. Seller shall maintain the Security at such required level throughout the remainder of the PPA Term.
  - c. Note that draw mechanisms will not be enacted until after the PPA is executed.
2. Can the Security be provided with a bond in addition to cash, L/C, or corporate guarantee?
  - a. Security shall be comprised of either a letter of credit or performance bond or a cash escrow, at Seller's option, or a combination of these options if the total amount of Security is no less than required. A corporate guaranty will not be accepted as security.
3. If a shortlist bidder that has already posted the \$200/kW Security is selected, must that Security roll forward to meet the PPA Security requirement or can a Security replacement be made?
  - a. The security must roll forward if the bidder does not meet the credit rating requirements.
4. Does the BOT have the same Security requirement as the PPA? The language indicates "Seller Credit Support acceptable to Buyer" but isn't as explicit as the PPA document.
  - a. The final agreements will set the security requirement for the BOT which have not been provided in the bid packet. The \$200/kW security is required during the shortlist phase but is subject to change as final agreements for BOT are negotiated and executed.
5. Prevailing wage and Union labor are both referenced but not always together. Please confirm whether the requirement is Union labor or prevailing wage.
  - a. Union labor is required for the solar project. Bidder must detail how they intend to comply with applicable workforce requirements, including but not limited to federal prevailing wage and apprenticeship utilization standards attached to tax credits under the Inflation Reduction Act, and for projects located in Minnesota, state prevailing wage requirements that apply to large generation projects.
6. Follow up from a previous question: If we have the same project location but two proposed interconnection points, would that count as a separate bid? Or would that be allowed under the 5 pricing structures per project (since the different interconnection points will have different costs)?
  - a. If the same project location is proposed with two separate interconnection points and there are 5 pricing structures proposed in aggregate, there is one \$10,000 bid fee.
7. Just so I know whether I should be tracking the RFP website closely: will full Q&A from all respondents be posted on the RFP website?
  - a. Yes, questions and responses will be posted at least weekly on the Solar RFP Website.
8. The release of this RFP was November 15, 2023 with a request for bid submission on 1/5/2024. Is there an opportunity to extend the bid submission date to give potential bidders a longer period to prepare a more complete and accurate proposal?
  - a. At this time we are not anticipating an extension to our bid submission date.

9. Bidder would like to submit a proposal to Minnesota Power's Solar RFP, but given the response preparation windows covers many holidays, we request an extension to at least 1/8 at 5pm CT to submit our proposal. We would appreciate the extra time to line up investment committee approvals and prepare the best proposal possible.
  - a. At this time we are not anticipating an extension to our bid submission date.
10. How long does Minnesota Power expect MPUC Regulatory Approval to take after applying in Q3 2024?
  - a. We are unsure of the time that it will take MPUC Regulatory Approval as several factors impact this timing that Minnesota Power is not in control of.
11. Can you please confirm the expected timing of the \$200/kW letter of credit described in the Creditworthiness section of the RFP which is copied below? Does this say that after Proposal Evaluation and upon the start of Negotiations with Selected Bidders (Q2 2024) that all bidders would have to post this letter of credit? Can you confirm that Minnesota Power expects a 200 MWac solar project selected for negotiations, but before the execution of a contract to post a \$40,000,000 letter of credit?

*"Alternatively, if a bidder is unrated or does not meet the above minimum credit rating requirement and the bidder does not provide credit support from a suitable corporate guarantor, the bidder must certify and state in its proposal that, if selected, it will provide to MP within two weeks of short list notification cash or a letter of commitment from an acceptable bank for \$200/kW of the proposed capacity of the project in the form of an irrevocable letter of credit."*

- a. The Seller Credit Support in a form of a security shall be available to pay any amount due MP pursuant to the PPA upon notice of short listing and beginning of negotiations and prior to executing a contract with Minnesota Power. Please note that draw mechanisms will not be enacted until after the PPA is executed with the selected bidder.