

2015 REQUEST FOR PROPOSALS

FOR

WHOLESALE POWER SUPPLY

For

CITY OF AZTEC, NM



ISSUE DATE: May 21, 2015

DUE DATE: June 30, 2015

1.0 INTRODUCTION

The City of Aztec, New Mexico (“Aztec” or “City”) is issuing this Request for Proposals for Wholesale Power Supply (“RFP”) to serve the City’s load within the city limits of Aztec for a term of at least five (5) years but no longer than ten (10) years beginning July 1, 2016. Additional information may be found at <http://www.aztecnm.gov/purchasing/office.htm> as it is made available.

Aztec is seeking binding proposals from wholesale power suppliers (“Bidders”) to provide the Supplemental Requirements of Aztec under a fixed-price long-term power purchase agreement. “Supplemental Requirements” as used in this RFP means the Capacity and Energy required to serve the City of Aztec electric system load minus: 1) the capacity and energy provided under Aztec’s agreement with the Western Area Power Administration (“WAPA”) associated with its allocation of hydropower from WAPA’s Colorado River Storage Project; and 2) an allowance for the purchase by Aztec of renewable energy as described further in this RFP. Aztec currently takes bundled wholesale service from Public Service Company of New Mexico (“PNM”). PNM provides firm Supplemental Requirements service to Aztec bundled with Integration Services associated with Aztec’s WAPA hydropower allocation and delivered via Network Integrated Transmission Service from PNM and Point-to-Point transmission service from Farmington Electric Utility System (“FEUS”). Aztec intends to make similar transmission service arrangements for delivery to their system concurrent with the execution of agreements for service associated with this RFP but requires that delivery under this RFP be made to one or more of the following:

- Shiprock 345kV (*Preferred)
- San Juan 345kV
- Four Corners 345kV
- Other Delivery Points acceptable to Aztec in its sole discretion

2.0 BACKGROUND

The City of Aztec Electric Department is a small municipal electric utility located in the northwest corner of New Mexico, the Four Corners region where New Mexico, Arizona, Colorado and Utah meet. The City is approximately 15 miles northwest of Farmington, New Mexico and 15 miles south of the Colorado border. It has a compact electric system with only 39 miles of distribution lines. The City does not own any generation facilities and receives service off a 69 kV transmission line through a single substation, the Aztec Substation. The City’s financial documents are available for review on the City’s website at <http://www.aztecnm.gov/transparency.htm>.

The City contracts the majority of its power from PNM through a bundled Supplemental Requirements agreement. The Supplemental Requirements contract with PNM expires in June of 2016. The balance of its power supply, approximately 20%, is provided from WAPA from a Federal Hydropower Allocation. Aztec, through the Supplemental Requirements agreement, has

provided for PNM to act as the agent for Aztec for purposes scheduling and related services associated with the WAPA hydropower allocation and delivery.

Transmission service is provided for within the current Power Purchase Agreement (“PPA”) with PNM. Aztec receives fully bundled service delivered to the Aztec substation through a Network Integration Transmission Service Agreement (“NITSA”) with PNM and a related Point-to-Point (“PTP”) Wholesale Transmission Service Agreement between PNM and FEUS. The Balancing Authority for FEUS is WAPA and Aztec may return to the WAPA Balancing Authority subsequent to this RFP process.

The total Aztec System load peaks at just over 9 Megawatts and energy consumption averages over 49,000 Megawatt-Hours (“MWh”) per year. The Aztec average 2014-2015 Winter Season Sustainable Hydro-Power (“SHP”) WAPA allocation consists of approximately 1.51 Megawatts per Hour Capacity and approximately 776 MWh per month of associated energy delivery. Forecasted loads for ten (10) years beginning in year 2016 are included as Exhibit “C”.

3.0 PURPOSE AND SCOPE

This RFP is intended to engage qualified wholesale electric providers to offer binding competitive proposals to supply the Supplemental Requirements of Aztec. The proposals will be required to address the supplemental wholesale power needs of the City beginning July 1, 2016 and extending for a contract period of at least five (5) years but not more than ten (10) years.

As indicated above Aztec receives Supplemental Requirements service and bundled transmission and ancillary services through its current contract with PNM. In addition, PNM serves as agent for the purposes of scheduling the WAPA hydro-power allocation. Bidders should include a similar provision to act as agent for purposes of scheduling the WAPA hydro-power capacity and energy allocation.

Aztec does not own any generation, however, development of renewable energy resources in the City, including both customer sited/net-metered installations as well as potential utility scale projects, may be of interest to the City. Bidders should assume that Aztec will acquire some renewable energy in the future and Bidders should include an allowance in its projection of up to 10% of Aztec utility owned/controlled renewable energy.

As an option, in addition to supplying the Supplemental Requirements and scheduling, Bidders may also include a provision for a renewable energy asset as a component of their proposal. Optional renewable energy asset proposals should include a lease/purchase arrangement that ultimately results in an Aztec utility controlled/owned renewable energy asset within the Aztec city limits. Bidders are encouraged to fully specify any limitations or special considerations related to renewable energy development by Aztec regardless of whether or not the Bidder is proposing to include an optional renewable energy asset in its proposal. ***Please note that renewable energy proposals will only be considered as an option and in addition to Bidder’s proposal to provide Supplemental Requirements service as described in this RFP.***

3.1 Product Definition

Aztec seeks to procure firm Supplemental Requirements wholesale electric power supply and scheduling services for the electric load within the Aztec city limits and any lawful extensions thereof. Bidders should include the transmission costs and ancillary services required including reserves, scheduling, energy imbalance, and losses necessary to deliver to one of the acceptable delivery points noted below:

- Shiprock 345kV (Preferred)
- San Juan 345kV
- Four Corners 345kV
- Other Delivery Points acceptable to the Aztec in its sole discretion

Concurrent with this RFP process, Aztec will pursue transmission arrangements to facilitate delivery of the Supplemental Requirements from one or more of the above delivery points to the Aztec Substation, the ultimate receipt point for the firm power supply contemplated in this RFP.

4.0 RFP SCHEDULE AND COMMUNICATIONS

4.1 RFP Schedule

The following schedule and deadlines apply to this RFP. Aztec reserves the right to revise this schedule at any time and will notify Bidders of any such changes. Notifications regarding any schedule revisions will be emailed to the Bidder's Primary Contact and posted on the RFP website <http://www.aztecnm.gov/purchasing/office.htm>.

Activity	Date
RFP Issued – The Date the RFP will be released by the City of Aztec and posted on the Procurement Website	May 21, 2015
Initial RFP Conference Call – A Conference call will be held to allow all Bidders to be introduced to the Procurement team, get additional information about the RFP and ask questions. The Conference Call-in number is (605) 562-0020 Meeting ID: 526-841-025	June 2, 2015 10:00 AM MDT
Bidder Information Letter Due – Interested Bidders are encouraged to submit a Bidder Information Letter to acknowledge receipt of the RFP, express an interest in the RFP and ensure that the Procurement Specialist has correct contact information in case there are amendments to the RFP distributed following the initial release.	June 4, 2015
Q&A Closes – All questions received prior to this date will be answered and the questions and answers posted on the Procurement Website.	June 10, 2015 COB

Activity	Date
<p>Proposal Submission Deadline – Proposals (one (1) original, five (5) hardcopies and one electronic copy-searchable PDF on CD or Flash drive) must be submitted in sealed envelopes clearly labeled with City of Aztec RFP for Wholesale Power Supply 2015-0502 and delivered to the address shown below. The Procurement Specialist will review each proposal submission for completeness and compliance with proposal requirements. Proposals deemed non-responsive will be returned to Bidder(s) and such Bidder (s) will be provided with written instructions for protesting any “non-responsive” determination.</p>	<p>June 30, 2015 5:00 PM MDT</p>
<p>Proposal Evaluation – The Procurement Specialist and a Selection Committee will review each proposal. Each Committee member will allocate points. Each member's point totals will be translated into a numeric ranking of all proposals. The individual member rankings will be totaled together to determine the overall ranking of proposals.</p>	<p>30 days from Submission Deadline</p>
<p>Interviews and Negotiations – Aztec may conduct interviews with one or more Bidders whose Proposals are top ranked in order to obtain additional information or clarification necessary to determine the highest ranked proposal. Aztec will invite the Bidder with the highest ranked proposal to enter into negotiations for a definitive agreement. The Selection Committee may recommend award upon successful conclusion of negotiations.</p>	<p>TBD</p>
<p>Contract Award - Formal Contract Award will be made following approval by the Aztec City Commission.</p>	<p>TBD</p>
<p>Results Notifications – The Procurement Specialist will notify all finalists in writing of the final results of the overall selection process. Bidders may retrieve all but one copy of their proposals once a formal award of the bid has been made.</p>	<p>TBD</p>

Sealed Proposal Responses must be submitted in hardcopy to:

The City of Aztec
RFP for Wholesale Power Supply #2015-0502
Finance Department
201 W. Chaco St.
Aztec, NM 87410

4.2 Communications

All communications should be directed to the Procurement Specialist. The Contact information for the Procurement Specialist is:

Procurement Specialist

Purchasing Office
City of Aztec
201 W. Chaco St.
Aztec, NM 87410
Ph: 505-334-7651

5.0 QUESTIONS

All questions regarding this RFP must be submitted in writing to the Procurement Specialist via email at kfarmer@aztec.gov or to the RFP procurement website at:

<http://www.aztecnm.gov/purchasing/office.htm> .

All questions submitted to the Procurement Specialist will be answered two (2) days following the close of the Q&A period and all questions and answers will be distributed to all Bidders from which a Bidder Information Letter has been received via email and/or posted on the RFP procurement website. All identifying information will be redacted from the questions and responses prior to distribution or posting to the RFP website.

6.0 BIDDER INFORMATION LETTER

Bidders shall submit, to the Procurement Specialist via email, a Bidder Information Letter to indicate the Bidders' intent to provide a proposal response by June 30, 2015. The Letter should describe the company, primary contact person for the purpose of this RFP process and relevant experience in providing similar services under a Full/Supplemental Requirements power purchase agreement arrangements. Bidder Information Letters are due on June 4, 2015, as shown in Section 4.1 RFP Schedule.

Bidder Information Letter Shall Include:

1. Company Name
2. Company Address
3. Bidder Primary Contact
 - a. Name
 - b. Phone number
 - c. Email address
 - d. Fax number
 - e. Address of Primary Contact (if different from Company Address)
4. Relevant Experience - A brief description of experience in relevant energy markets.
5. Reference Customers with Contact Person/Info (up to 3 Current and/or Past)
6. Any Specific Limitations preventing Bidder from providing all the necessary services described in this RFP.

6.1 Forecasted Load Requirements

The forecasted monthly energy and peak demands for the first year period July 1, 2016 thru June 30, 2017 are shown below for Aztec. The forecasted load projections are "net" of the energy deliveries associated with Aztec's WAPA hydro-power allocation and any existing "behind-the-meter" customer owned renewable energy installations currently installed and operating in the Aztec system. Aztec's WAPA Contract Rate of Delivery ("CROD") of 2.584 MW is subject to reductions based on available hydro-power resources. As such, the maximum Sustainable Hydro-Power ("SHP") in the time period from which the forecast was developed was 1.896 MW. The projected needs by month and year for the full potential term of ten (10) years covered under this RFP are attached as Exhibit "C."

Month	Aztec 2016/2017 Est. Peak Demand (MW)	Aztec 2016/2017 Est. Energy (MWh)
July	7.19	4,048
August	7.24	3,789
September	6.20	3,396
October	3.70	2,605
November	4.15	2,679
December	5.17	3,363
January	4.79	3,347
February	4.59	2,876
March	4.07	2,861
April	4.62	3,066
May	5.40	3,142
June	6.52	3,379

6.2 Response Content Requirements

Bidders are encouraged to provide proposals to serve the wholesale power requirements of Aztec for a term between five (5) and ten (10) years. Bidders submitting proposals for multiple contract terms are requested to please provide separate pricing proposals for each of the contract term options specifically noting differences in pricing, delivery options, and/or ancillary services being provided in each of the contract term proposals.

Bidders shall specify in detail any limitations or qualifications of each offer including any minimum or maximum monthly demand levels, demand ratchets or other pricing elements that are assumed in the prices being proposed. In particular, please indicate which Ancillary Services (Schedules 1 through 6) are included/excluded in the pricing for each contract term option being proposed.

The responses should, in the following order include:

1. General narrative describing the company, generation assets contemplated to be used to provide service, general experience in the southwest region of the WECC and capabilities related to provision of ancillary services.
2. A detailed statement disclosing any exceptions to, or deviations from, the obligations set forth in this RFP that are required by Bidder.
3. Please indicate the level (maximum MW demand if any) of electric power requirements are being proposed to be served. If submitting multiple proposals please provide separately, each of the content elements for each proposal.
4. Delivery Point(s) – Please indicate to which of the delivery points Bidder is intending to deliver the firm power.

5. Pricing – The price should be reflective of the total cost per MWh of power delivered to the delivery point(s) as indicated in 3) above. The Pricing may be in the form of a Firm Energy Price (\$/MWh) or may be structured with a Monthly Demand Charge (\$/kW-Month) and separate Energy Charge (\$/MWh). For pricing proposals that contain a demand charge please include specific description of how the monthly demand is intended to be determined and an example showing how the demand calculation will be applied. If the pricing includes any form of escalation mechanism please explicitly describe the escalation mechanism, provide an example of how the escalation mechanism is intended to be applied, and include a table indicating the actual prices on a year by year basis.
6. Bidders shall specify which of the following ancillary services are being provided to the Delivery Point(s): Schedule 1) Scheduling, System Control and Dispatch Service; Schedule 2) Reactive Supply and Voltage Control from Generation or Other Sources Service; Schedule 3) Regulation and Frequency Response Service; Schedule 4) Energy Imbalance Service; Schedule 5) Operating Reserve – Spinning Reserve Service; Schedule 6) Operating Reserve – Supplemental Reserve Service; and indicate whether Energy Losses and Redispatch Service are being provided to the delivery point.
7. Bidders must specify any additional pricing elements not specifically identified in elements 2) through 6) above.
8. Optional Renewable Energy Asset Proposal

Bidders electing to provide proposals for renewable energy assets are encouraged to provide a structure in which the City of Aztec will have the option to purchase the asset during or subsequent to the end of the term of the power purchase agreement. The proposed structure should include the proposed project size in kilowatts capacity, site requirements (in acres), a proposed/estimated Commercial Operation Date (“COD”), energy price effective for the lease period and a project purchase price schedule by year and month indicating the price for which Aztec may acquire the renewable energy asset. Proposals should assume that the project site will be provided by the City and appropriate for the use as proposed. Any risk associated with changes in law shall be borne by Bidder.
9. Agent Authorization & Acknowledgement of Amendments – Bidders must include an explicit Statement of Authorization indicating that the Proposal has been submitted by an Agent authorized to transact on behalf of the Bidder and a statement acknowledging receipt of ALL amendments.
10. Financial Information - The Bidder or its parent company that is providing an unconditional corporate guarantee (“Guarantor”) to support Bidder’s obligations arising pursuant to a power purchase contract must provide the following information indicating financial condition and evidence of creditworthiness.

- a Credit information must include the current senior unsecured long- term debt credit ratings from Standard & Poor's, Moody's, and Fitch, if available, or if not available, a current issuer of corporate credit ratings.
- b Financial information must include: (i) the most recent annual audited financial statements, including a balance sheet, income statement, statement of cash flows, all notes corresponding to those financial statements, and schedules – this requirement should be met by an SEC Form 10-K, if available; (ii) the most recent quarterly unaudited financial statements, including a balance sheet, income statement, statement of cash flows, all notes corresponding to those financial statements, and schedules – this requirement should be met by an SEC Form 10-Q, if available; and (iii) any SEC Form 8-Ks, or the equivalent, filed since the most recent quarterly financial statement.

If these financial statements are not available, the Bidder shall provide substitute financial information that must include: (i) annual audited financial statements for the most recently completed fiscal year, including notes corresponding to the annual financial statements and schedules; (ii) the most recent quarterly unaudited financial statements, including notes corresponding to the quarterly financial statements and schedules; and (iii) any notifications from the company to investors or a government body regarding unscheduled material events affecting the company's investors or the public, which were issued following the most recently completed fiscal year.

All substitute financial information should include an attestation from an authorized officer of the company that certifies the financial statements as accurate and complete, as well as an independent accountant's report that certifies those financial statements are free from material misstatement. Rejecting non- SEC financial reports is at the Procurement Specialist's discretion if the Procurement Specialist deems any non-SEC financial reports to be insufficiently supported.

- c Prior to execution of a power purchase agreement related to this RFP, if there is any subsequent change in Bidder's or Guarantor's credit rating (including watch list actions), litigation, financial commitments, contingencies, or financial condition, a statement describing such material change must be submitted to Aztec within 1 business day of occurrence. Aztec will utilize this financial information to assess the creditworthiness of the Bidder or its Guarantor.

Other forms of performance security may be acceptable to Aztec in its sole discretion.

7.0 GENERAL REQUIREMENTS

The General Requirements section contains specific information about the process and conditions under which this RFP is issued and conditions concerning how the RFP Process will be completed.

The Selection Committee may make such investigations as necessary to determine the ability of the Bidder to adhere to the requirements specified within this RFP. The Procurement Specialist will reject the proposal of any Bidder that the Committee deems is not a responsible Bidder or fails to submit a responsive offer as defined in Sections 13- 1-83 and 13-1-85 NMSA 1978.

- 7.1 Incurring Cost. Any cost incurred by the Bidder in the preparation, transmittal, or presentation of any proposal or material submitted in response to this RFP shall be borne solely by the Bidder.
- 7.2 RFP Amendments. If revisions are required to the solicitation as originally published, such revisions will be by formal amendment only. Bidders are cautioned that any oral or written representations made by any person that appear to change materially any portion of the solicitation shall not be relied upon unless subsequently ratified by a written amendment to this solicitation issued by the Purchasing Office. For determination as to whether any representation made requires that an amendment be issued, contact the Purchasing Office at kfarmer@aztecnm.gov. RFP amendments will be posted on the website and distributed in writing to all recipients of the original RFP who have submitted a Bidder Information Letter acknowledging receipt of the RFP. If an amendment requires a time extension, the proposal submission date will be changed as part of the written amendment. Bidders must acknowledge receipt of amendments as required in section 6.2-9 Agent Authorization & Acknowledgement of Amendments. Failure to acknowledge receipt of addenda may render your proposal as non-compliant.
- 7.3 Amended Proposals. A Bidder may submit an amended proposal before the deadline for receipt of proposals. Such amended proposal must be a complete replacement for a previously submitted proposal and must be clearly identified as such in the transmittal letter. Purchasing Office personnel will not collate or assemble proposal materials.
- 7.4 Bidders' Rights to Withdraw Proposal. Bidders will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The Bidder must submit a written withdrawal request signed by the Bidders duly authorized representative addressed to the Purchasing Office of the City of Aztec. The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is at the discretion of the Purchasing Office.
- 7.5 Proposal Offer Firm – Responses to this RFP, including proposal prices, will be considered firm for one hundred twenty (120) days after the due date for receipt of proposals.

- 7.6 Disclosures by Bidders. *Only the City of Aztec is authorized to release information about projects covered by this RFP. The Bidders must refer to the City of Aztec's Procurement Specialist any requests to release any information that pertains to the work or activities covered by any action or award related to this RFP.*
- 7.7 Disclosure of Proposals. The content of proposals will be kept confidential (other than questions submitted during the Question and Answer period) until written notice of a contract award has been made by the City of Aztec except to the extent Bidder designates and identifies trade secrets or other proprietary data to be confidential. Confidential data is normally restricted to confidential financial information concerning the Bidder's organization and data that qualifies as trade secrets in accordance with the Uniform Trade Secrets Act, 57-3A-1 to 57-3A-7 NMSA 1978. The price of products offered or the cost of services proposed shall not be designated as proprietary or confidential information. Bidders may request in writing non-disclosure of confidential data. Such data should accompany the proposal and be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the data. Bidders are cautioned that materials designated as confidential may nevertheless be subject to disclosure under the New Mexico Inspection of Public Records Act. (NMSA 1978, Section 14-2-1 et seq.)
- 7.8 No Obligation. This procurement in no manner obligates the City of Aztec or any of its departments to the purchase of Proposed Firm Capacity, Energy or related delivery and ancillary services until a valid written contract is awarded, negotiated by the parties, and approved by the City Commission.
- 7.9 Termination. This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when determined such action to be in the best interest of the City of Aztec.
- 7.10 Sufficient Appropriation. Any contract awarded as a result of this RFP process may be terminated if sufficient appropriations or authorizations do not exist. Sending written notice to the awarded vendor will effect such termination. The City of Aztec's decision as to whether sufficient appropriations and authorizations are available will be accepted by the vendor as final.
- 7.11 Legal Review. The City of Aztec requires that all Bidders agree to be bound by the General Requirements contained in this RFP. Any Bidder concerns must be promptly brought to the attention of the Procurement Specialist.
- 7.12 Basis for Proposal. Only information supplied by the City of Aztec in writing through the Purchasing Office or in this RFP should be used as the basis for the preparation of Bidder proposals.
- 7.13 Contract Terms and Conditions. The City of Aztec reserves the right to negotiate with the successful Bidder provisions in addition to those contained in this RFP. The contents of this RFP, as revised and/or supplemented, and the successful Bidder's proposal will be incorporated into and become part of the contract. If a Bidder objects to any of the City of

Aztec's terms and conditions, as contained in this section, that Bidder must propose specific alternative language. The City of Aztec may or may not accept the alternative language. General references to the Bidder's terms and conditions or attempts at complete substitutions are not acceptable to the City of Aztec and will result in disqualification of the Bidder's proposal.

- 7.14 Contract Deviations. Any additional terms and conditions, which may be the subject of negotiation, will be discussed only between the City of Aztec and the selected Bidder and shall not be deemed an opportunity to amend the Bidder's proposal.
- 7.15 Right to Waive Minor Irregularities. The City of Aztec reserves the right to waive minor irregularities. The Procurement Specialist also reserves the right to waive mandatory requirements provided that all of the otherwise responsive proposals failed to meet the same mandatory requirements and the failure to do so does not otherwise materially affect the procurement. This right is at the sole discretion of the Procurement Specialist.
- 7.16 **Penalty for Statute Violations. The Procurement Code, NMSA 1978, § 13-1-28 through 13-1-199, imposes civil, misdemeanor and felony criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.**
- 7.17 Acceptance of Bid. The City of Aztec reserves the right to accept all or a portion of a Bidder's proposal.
- 7.18 Use of Electronic Versions of this RFP. This RFP is being made available by electronic means. If accepted by such means, the Bidder acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of conflict between a version of the RFP in the Bidder's possession and the version maintained by the City of Aztec, the version maintained by the City of Aztec shall govern.
- 7.19 Questions, Inquiries, and Contact with the City of Aztec Officials or Staff Members. Any inquiries regarding the scope of products and services outlined in the RFP may be made to Wholesale Power Supply RFP 2015-0502, Procurement Specialist, 201 W. Chaco St., Aztec, NM 87410, or email kfarmer@aztecnm.gov. All inquiries shall be in written form. **No inquires shall be allowed after June 10, 2015 at 5:00 p.m. MDT** Responses to all inquiries will be distributed to the Bidders' Primary Contacts identified in the Bidder's Information Letter and posted on the City of Aztec website, <http://www.aztecnm.gov/purchasing/office.htm> by June 15, 2015 end of day under the RFP tab.
- 7.20 Responsibility of the Bidder – At all times, it shall be the responsibility of the Bidder to ensure its proposal is delivered on or before the proposal date and time. If the mail or delivery of said proposal is delayed beyond the deadline set for the proposal delivery, the proposal thus delayed will not be considered and will be returned unopened to the sender.

- 7.21 Conflict of Interest: Bidder warrants that it presently has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the Bidder's proposal, selection and award of, and performance under, a power purchase agreement and any related documents. Bidder must notify the Procurement Specialist if any employee(s) of City of Aztec have a financial interest in the bidder.
- 7.22 Campaign Contribution Disclosure Form – Bidders shall complete Exhibit “A” - Campaign Disclosure Form and submit with each copy of the proposal. **NOTE: Failure to comply with this requirement may result in rejection of the proposal.**
- 7.23 Protests - In accordance with Section 13-1-172 NMSA 1978, any Bidder who is aggrieved in connection with the award of a contract may protest to the City of Aztec Purchasing Office. The protest must be submitted in writing within fifteen (15) calendar days after knowledge of the facts or occurrences giving rise to the protest to:

Procurement Specialist

Purchasing Office
City of Aztec
201 W. Chaco St.
Aztec, NM 87410

The 15-day protest period shall begin on the day following the date of written notice of action from the Purchasing Office. Protests must include the name and address of the protestant, the solicitation number, and a statement of grounds for protest, including appropriate supporting exhibits. Protests received after the deadline will not be accepted.

8.0 REQUESTS FOR ADDITIONAL INFORMATION FROM BIDDERS

The Procurement Specialist may contact Bidders to obtain additional clarification regarding the Bidders' RFP Proposals including but not limited to company information, delivery arrangements or assumptions regarding ancillary services. All requests for information from the Procurement Specialist will be issued in writing and delivered via email to the Bidders' Primary Contact.

9.0 EVALUATION OF RESPONSES

- 9.1 The Selection Committee will evaluate the proposals using the scoring and criteria outlined within the request for proposal. Following discussion by the members, scoring may take place over several rounds.
- 9.2 Criteria. Upon receipt of responses to this effect, the Selection Committee will evaluate proposals to determine the best overall value based on the following criteria:

Pricing Structure – Lowest predictable cost of firm energy	60 Pts
Proposed Term – Default Term = 5 Year plus any optional terms	10 Pts
Delivery Point – Preferred = Shiprock	5 Pts
Ancillary Services offered – Service Schedules 1,2,3,4, 5 and 6 combined	10 Pts
Optional Provision for Renewable Energy Asset	10 Pts
Creditworthiness of Company and/or Guarantor	5 Pts
Preferences - NM Resident Bidder or Resident Veteran Bidder (Certificate must be included)*	Up to 10 Pts

*Preference Certification Form is included as Exhibit “B”

- 9.3 The weighting scale is established to determine the total delivered value for each proposal and allow Aztec to select the Bidder whose proposal represents the best solution for the City of Aztec. Based upon the results of scoring, the Selection Committee will determine whether interviews will be conducted, whether to solicit Best and Final Offers from the top respondents, or both. The Selection Committee may develop a short list of the top ranked Bidders reasonably likely to be selected for award and/or the need for further interviews. Interviews may be conducted to:
 - 9.3.1 Promote understanding of the City of Aztec’s requirements and the Bidder’s proposal
 - 9.3.2 Obtain best and final offers.
 - 9.3.3 Gain additional information to facilitate negotiation of a binding contract that will be most advantageous to Aztec taking into account the factors set forth in the proposal.
- 9.4 The Procurement Specialist will coordinate the time, date and place of interviews with each Bidder. The Committee members may question each interviewee. Interviews will be closed to any persons not representing the interviewee. At the conclusion of all interviews, each Selection Committee member shall freshly rate each interviewee in accordance with the criteria and standards stated.
- 9.5 Bidders may be asked to submit revisions to their proposals for the purpose of obtaining best and final offers. Best and final offers may include an opportunity to revise prices or clarify the proposal. After obtaining best and final offers, if requested, negotiations will commence until a definitive agreement is reached.

- 9.6 Aztec's designee shall negotiate a contract with the highest ranked Bidder. If Agreement cannot be reached, Aztec may invite the second highest ranked Bidder to enter negotiations until definitive agreement is reached. The process will repeat with the next ranked Bidder and so on, or may be cancelled at Aztec's sole discretion.
- 9.7 City of Aztec is under no obligation to conduct any interviews or negotiations with any Bidder.

10.0 NOTIFICATION

Bidders will be notified of the results of the RFP by email to the Bidder's Primary Contact or posted to the City's website as described in Section 4.1 RFP Schedule.

11.0 SUBSEQUENT REQUEST TO ENTER INTO NEGOTIATIONS

Aztec will assess the proposals and provide a form of letter request to enter into negotiations for a long-term power purchase agreement with the Bidder whose proposal best fits the needs of Aztec and whose proposal offers the best overall delivered value. In the event Aztec is not able to reach agreement with the first selected Bidder, Aztec may end negotiations with that Bidder and open negotiations with the second ranked Bidder. The terms and conditions of the power purchase agreement will be similar and/or consistent with the terms and conditions of the Western States Power Pool ("WSPP") Master Purchase and Sale Agreement.

12.0 CONFIDENTIALITY

Except for Bidders' questions and answers on the RFP, all information provided to the Procurement Specialist will be considered confidential prior to Contract Award. Information provided during this RFP process shall be subject to applicable state and federal public disclosure laws as described above in Section 7.7.

EXHIBIT A
CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to Chapter 81, Laws of 2006, any prospective Proposer seeking to enter into a contract with any state agency or local public body must file this form with that state agency or local public body. The prospective Proposer must disclose whether they, a family member or a representative of the prospective Proposer has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the Proposer submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the Proposer signs the contract, if the aggregate total of contributions given by the prospective Proposer, a family member or a representative of the prospective Proposer to the public official exceeds two hundred and fifty dollars (\$250) over the two year period.

ANY PROSPECTIVE PROPOSER MUST FILE THIS FORM WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

“Applicable public official” means a person elected to an office or a person appointed to complete a term of an elected office, which has the authority to award or influence the award of the contract for which the prospective Proposer is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

“Campaign Contribution” means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official’s behalf for the purpose of electing the official to either statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

“Contract” means any agreement for the procurement of items of tangible personal property, services, professional services, or construction.

“Family member” means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law.

“Pendency of the procurement process” means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

“Person” means any corporation, partnership, individual, joint venture, association or any other private legal entity.

“Prospective Proposer” means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

“Representative of a prospective Proposer” means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective Proposer.

DISCLOSURE OF CONTRIBUTIONS:

Contribution Made By: _____

Relation to Prospective Proposer: _____

Name of Applicable Public Official:

Sally Burbridge _____

Sherri Sipe _____

Roberta S. Locke _____

Katee McClure _____

Sheri L. Rogers _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s) _____

Nature of Contribution(s) _____

Purpose of Contribution(s) _____

Signature _____ Date _____

Title (position) _____

--OR--

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE to an applicable public official by me, a family member or representative.

Signature _____ Date _____

Title (Position) _____

Exhibit B
Resident Veterans Preference Certification

(This Form Must be submitted with your proposal if you are certified as a New Mexico Resident Veterans business)

_____ (NAME OF PROPOSER) hereby certifies the following in regard to application of the resident veterans' preference to this procurement:

Please check the box that applies:

- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is less than \$1M allowing me the 10% preference discount on this solicitation. I understand that knowingly giving false or misleading information about this fact constitutes a crime.
- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$1M but less than \$5M allowing me the 8% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.
- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$5M allowing me the 7% preference discount on this bid or proposal. I understand that giving false or misleading information about this fact constitutes a crime.

"I agree to submit a report or reports, to the State Purchasing Division of the General Services Department declaring under penalty of perjury that during the last calendar year starting January 1 and ending on December 31, the following to be true and accurate:

"In conjunction with this procurement and the requirements of this business' application for a Resident Veteran Business Preference/Resident Veteran Proposer Preference under Sections 13-1-21 or 13 -1-22, NMSA 1978, when awarded a contract which was on the basis of having such veterans preference, I agree to report to the State Purchasing Division of the General Services Department the awarded amount involved. I will indicate in the report the award amount as a purchase from a public body or as a public works contract from a public body as the case may be.

"I understand that knowingly giving false or misleading information on this report constitutes a crime."

I declare under penalty of perjury that this statement is true to the best of my knowledge. I understand that giving false or misleading statements about material fact regarding this matter constitutes a crime.

(Signature of Business Representative)*

Date

*Must be an authorized signatory for the Business

The representations made in checking the boxes constitutes a material representation by the business that is subject to protest and may result in denial of an award or un- award of the procurement involved if the statements are proven to be incorrect.

**Exhibit C – 2016 through 2025 Load Forecasts
For
The City of Aztec**

Aztec Hourly System Demand minus WAPA (kW)

2016-2025

Summary Data

	2016 Peak MW	2017 Peak MW	2018 Peak MW	2019 Peak MW	2020 Peak MW	2021 Peak MW	2022 Peak MW	2023 Peak MW	2024 Peak MW	2025 Peak MW	2026 Peak MW
January	4.68	4.79	4.90	5.01	5.12	5.24	5.36	5.47	5.60	5.72	5.84
February	4.48	4.59	4.70	4.81	4.92	5.03	5.14	5.26	5.38	5.50	5.62
March	3.97	4.07	4.17	4.27	4.37	4.48	4.58	4.69	4.80	4.91	5.02
April	4.53	4.62	4.72	4.82	4.92	5.02	5.13	5.23	5.34	5.45	5.56
May	5.29	5.40	5.51	5.62	5.74	5.85	5.97	6.08	6.20	6.33	6.45
June	6.40	6.52	6.65	6.77	6.90	7.04	7.17	7.31	7.44	7.58	7.73
July	7.19	7.32	7.46	7.60	7.74	7.89	8.04	8.18	8.34	8.49	8.64
August	7.24	7.37	7.51	7.65	7.80	7.94	8.09	8.24	8.39	8.55	8.70
September	6.20	6.32	6.44	6.57	6.69	6.82	6.95	7.09	7.22	7.36	7.50
October	3.70	3.79	3.89	3.98	4.08	4.18	4.28	4.39	4.49	4.60	4.70
November	4.15	4.25	4.35	4.45	4.56	4.67	4.77	4.88	5.00	5.11	5.23
December	5.17	5.29	5.40	5.52	5.65	5.77	5.89	6.02	6.15	6.28	6.41
System Peak	7.24	7.37	7.51	7.65	7.80	7.94	8.09	8.24	8.39	8.55	8.70

**NOTE: The Highlighted Data is not included in the delivery period and is shown for information only.

Aztec Hourly System Energy Usage minus WAPA (kWh) 2016-2025

Summary Data

	2016 MWh	2017 MWh	2018 MWh	2019 MWh	2020 MWh	2021 MWh	2022 MWh	2023 MWh	2024 MWh	2025 MWh	2026 MWh
January	3,282	3,347	3,412	3,478	3,546	3,614	3,684	3,754	3,826	3,898	3,972
February	2,819	2,876	2,935	2,994	3,054	3,115	3,177	3,240	3,304	3,369	3,434
March	2,803	2,861	2,919	2,978	3,038	3,098	3,160	3,223	3,286	3,351	3,416
April	3,012	3,066	3,121	3,176	3,232	3,289	3,347	3,406	3,466	3,526	3,588
May	3,087	3,142	3,198	3,255	3,312	3,370	3,430	3,490	3,551	3,612	3,675
June	3,320	3,379	3,438	3,498	3,559	3,621	3,684	3,748	3,813	3,879	3,946
July	4,048	4,118	4,188	4,259	4,332	4,405	4,480	4,556	4,633	4,711	4,790
August	3,789	3,855	3,921	3,988	4,057	4,126	4,197	4,268	4,341	4,415	4,490
September	3,396	3,456	3,516	3,577	3,640	3,703	3,767	3,832	3,898	3,965	4,033
October	2,605	2,659	2,714	2,770	2,827	2,884	2,943	3,002	3,062	3,123	3,186
November	2,679	2,735	2,791	2,848	2,906	2,965	3,024	3,085	3,146	3,209	3,272
December	3,363	3,429	3,495	3,563	3,632	3,701	3,772	3,844	3,917	3,991	4,066
Total Energy Delivered	38,205	38,921	39,647	40,385	41,134	41,894	42,665	43,448	44,242	45,049	45,868

**NOTE: The Highlighted Data is not included in the delivery period and is shown for information only.