

**SEMITROPIC WATER STORAGE
DISTRICT**

Addendum No. 1 To:

REQUEST FOR PROPOSAL

District Land Available for Solar Generation

BIDS DUE

SEPTEMBER 15, 2009 12:00 NOON PT

ADDENDUM ISSUED

August 24, 2009

Semitropic Water Storage District – Solar Site Lease RFP

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Semitropic Water Storage District – Solar Site Lease RFP

Section 1 - Introduction

The objective of this Request of Proposal (RFP) is to solicit bids to lease Semitropic Water Storage District (SWSD) vacant lands, certain portions of its canals and spreading pond area for Solar Photovoltaic Sites.

SWSD operates and 27,000 KW Grid. The District also operates an 840 KW Solar generator, hydro generators and diesel generators. The District has constructed just about 56 miles of power lines consisting of approximately 16 miles of 115 KV and about 40 miles of 12KV lines. PG&E has several substations within SWSD boundaries and also has many miles of power lines within SWSD's boundaries.

Attached is a map of SWDS boundaries indicating available District lands for lease; locations of the canal and recharge ponds that are available for solar site projects. Also included in the map are the known sites of PG&E sub-stations and power lines, as-well-as, SWSD sub-stations and power lines. **The canal is located on District owned fee land upon which solar generation facilities could be located (or on adjacent private land) with direct connection to District grid to serve District load. The well field in the upper left area of the enclosed revised map is a future load that could be on the order of 15 to 20 MW.**

Section 2 – Additional Requirements

Term - Lease term is flexible depending upon the proposal. District would consider option to extend Lease term.

Priority – SWSD should be given priority rights or first right of refusal to energy generated from the solar site.

Water Wells & Access – SWSD will retain the right to drill and operate high production Wells on all of its property that will be used for solar sites. Final design and operation must therefore accommodate the construction and operation of Wells including overhead power lines. If overhead lines are objectionable for solar generation then the proposer must pay to provide underground service the Wells. .

Water – SWSD will sell water for construction and maintenance of generation facilities from existing canal and from any operable district owned well at the then current rate established by the District for Special Purpose Water.

Revenue Sharing – SWSD will consider the sale of property (with restrictions), lease arrangement, purchase of power for its own use or revenue sharing; either by receiving a percentage of total KW produced or a percentage of the total revenue earned or any combination of these options.

Solar Sites Layout – All proposed solar sites layouts must be approved by SWSD to allow for access and construction of SWSD facilities.

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Section 3 – Schedule of RFP

Schedule: The following schedule and deadlines apply to this RFP. SWSD reserves the right to extend or otherwise modify any portion of this schedule at any time or terminate the RFP process at its sole discretion.

RFP – Released for Bid August 3, 2009

Proposal Deadline Date – **September 15, 2009, 12 Noon** PM Pacific Standard Time

Selection and execution – **October 2, 2009**

The preparation and submission of all proposals will be at the expense of the bidder. All proposals shall remain sealed until expiration of the Proposal Deadline.

All questions regarding the RFP should be submitted to SWSD District General Manager- Wilmar Boschman either by calling SWSD at (661)758-5113 or via email wboschman@semitropic.com.

Section 4 –Reservation of Rights

SWSD reserves the right, without qualification, to reject any or all proposals and to waive any irregularity in submitted information. There is no assurance, expressed or implied, that SWSD will execute pursuant to this RFP. SWSD also reserves the right to evaluate all offers received in any manner it elects to employ.

This RFP shall not, by itself, give any right to any party for any claim against SWSD. Furthermore, by submitting a proposal, the party on whose behalf the proposal is submitted shall be deemed to have acknowledged that SWSD assumes no liability in any fashion with respect to this RFP or any matter related thereto. By submission of a proposal, the bidder, for itself as well as for its successors and assignees (if any) agrees that, as between bidder and SWSD, bidder is to be solely responsible for all claims, demands, accounts, damages, costs, losses and expenses of whatsoever kind in law or equity, known or unknown, foreseen or unforeseeable, arising from out of this RFP.

Section 5 – Confidentiality

All proposals submitted in response to this RFP become the property of SWSD upon submittal. SWSD will take reasonable precautions and use reasonable efforts to maintain the confidentiality of all bids submitted. Bidders should clearly identify each page of information considered to be confidential or proprietary. SWSD reserves the right to release any proposals to agents or consultants for purposes of proposal evaluation. SWSD's disclosure and standards will automatically bind such agents or consultants. Regardless of the confidentiality claimed, all such information may be subject to review by the appropriate state authority, or any other governmental authority or judicial body with jurisdiction

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relating to these matters and may be subject to legal discovery. Under such circumstances, SWSD will make reasonable efforts to protect bidder's confidential information.

Section 6 – Bidders Responsibility

Timely Submission of Bids – It is the bidder's responsibility to submit all requested material by the deadlines specified in this RFP.

Reliability of Completion – Bidders are responsible for the timely completion of the project and are required to submit proof of their financial and technical capabilities to ensure the successful execution of construction of the project finally agreed upon.

Valid Proposal Duration – Bid pricing must be valid from the Proposal Due Date through the Proposal Evaluation date, upon which time proposals shall expire unless the bidder has been notified and selected as a final award recipient.

Interconnection to SWSD Distribution System – Bidders of new projects will be required to submit generation interconnection applications with SWSD for feasibility, system impact and facilities engineering studies and follow SWSD process to obtain generation interconnection. Cost for electrical interconnection and upgrades associated with proposed projects are the bidder's responsibility.

Compliance with Federal and State Regulations – Bidders must provide documentation that will enable SWSD to assess the bidder's ability to comply with all federal and state regulations, and to obtain all permits, licenses and approvals necessary to construct and operate the project.

Clarification of Proposal – While evaluating proposals, SWSD may request additional information about any item in the proposal. All requests will be made in writing, and the bidder will be required to respond to the request within three (3) business days of the receipt of such request or SWSD may chose to stop evaluating the bid.

Section 7 – Minimum Bid Eligibility Requirements

This section outlines the minimum requirements that all proposals must meet to be eligible to participate in this RFP. Proposals unable to meet the following criteria will be deemed to be ineligible and not be considered for further evaluation.

Proposal must include all applicable content required content described in section 8, including all requested information and completed forms.

Proposal must demonstrate that the bidder's project development members have successfully completed the development, financing and commissioning of at least one project in the United States with characteristics similar to the proposed project, and that it intends to use experienced suppliers and contractors to construct the project.

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Section 8 – Proposal Requirements

This section describes SWSD’s expectations and requirements for the RFP.

All proposals must have a table of contents and provide concise and complete information on all of the following topics:

Bidder Information – Proposals must provide the name of the company, its address, and any company representative(s) name, phone number, and email address.

Experience and References – Provide a general description of the bidder’s background and experience in utility scale solar sites projects similar to its proposal, including any affiliated companies, holding companies, subsidiaries or predecessor companies presently or in the past engaged I developing solar sites projects. In addition, provide three (3) or more references from projects where bidder, or any of its affiliates, has completed the development and construction of a solar site. If the bidder has fewer than three solar site projects, it shall provide as many references as possible.

Executive Summary – Provide an executive summary of the Bid’s characteristic and timeline, including any unique aspects and benefits.

Financial Capability – Provide a general description of bidder’s ability to construct, operate and maintain the project.

Legal Proceedings – List all lawsuits, regulatory proceedings, or arbitration in which the bidder or its affiliates or predecessors have been or are engaged that could affect bidder’s performance of its bid. Identify the parties involved in such lawsuits, proceedings, or arbitration, and the final resolution or ***present status of such matters.***

Facility Information – In addition to completing bid summary, proposal must include narratives containing adequate details to allow SWSD to evaluate the merits and credibility of the proposed solar site. Bidder must document the source of meteorological data used in the required generation production calculations provided. This may include theoretical modeling or a combination of on-site metered data. Bidder must provide the resource data measurement method used to derive the data (for example, whether it was collected on site, at a nearby station, or inferred from satellite data), and must identify the number of years of solar data available and employed in the average expected hourly generation calculations, as-well-as, describe the accuracy of that data. If the measurement method relies entirely or in part, on theoretical data, the bidder should include background information on the firm that conducted the study, the technology employed and any track record attesting to the accuracy of the methods used.

Size – Proposal must provide the desired location and project acreage.

Lease Amount – Proposal must provide the lease payment per acre to paid to SWSD,

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Purchase Land-Must specifically **identify** the location **by land description or Assessors' Parcel No.** and proposed purchase price of land. SWSD will consider sale of property with the restriction that it cannot be used for agriculture and that the District reserves the right to construct Wells for its own use.

Minimum price for land is \$9,000/Ac without any offsetting benefits to the District.

Profit Sharing – Proposal must provide method of profit sharing with SWSD.

Energy Production Profile - All proposals must provide either a “typical week” energy production profile for each calendar month of a typical calendar year or an 8760 hourly energy production profile for a typical calendar year.

Project Layout – SWSD will require prior approval of site layout for access to proposed wells and other facilities, therefore, proposals must anticipate placement of turbines or engines and other projects facilities, including transmission layouts and the Point of Delivery. **Assume District well spacing at ¼ mile minimum with each well site 50 ft x 100 ft fenced area with some additional temporary room of 50 feet for well drilling purposes. A 12 foot wide road and power line to each well site. The road and overhead power line could be planned for Joint use. The Energy Data (Attached) present the District's average annual energy demand. The spreading ground area in the upper right hand side of the map (Revised map attached) could also be used for just facilities that could feed directly into the District's grid and concentration of new wells.**

Interconnection with SWSD Grid – Proposal must consider existing and future district load (available upon request) and provide for use or sale of energy when generation exceeds in district demand. .

Project and Construction Schedule – Schedules must include major milestones such as completion of permitting, financing, regulatory requirements, major construction, testing, commercial operating date, etc.

Environmental Documentation-Essentially all of the land being offered is considered " developed" and not native habitat. The bidder will be required to satisfy all CEQA requirements for project development and SWSD, if appropriate, could be Lead Agency if requested at the project developer's expense.

Financing Plan – If selected, Bidders will be required to provide a proposed financing plan for the project, including:

- 1) A letter of credit from a nationally recognized financial institution or investment source, acceptable to SWSD, that the bidder's project is financeable,
- 2) A statement from a Certified Public Accountant or recognized financial institution, acceptable to SWSD.

Section 9 – Bid Evaluation and Selection Procedures

The objective of the SWSD bid evaluation is to identify the proposal or proposals which best meet the needs identified in this solicitation.

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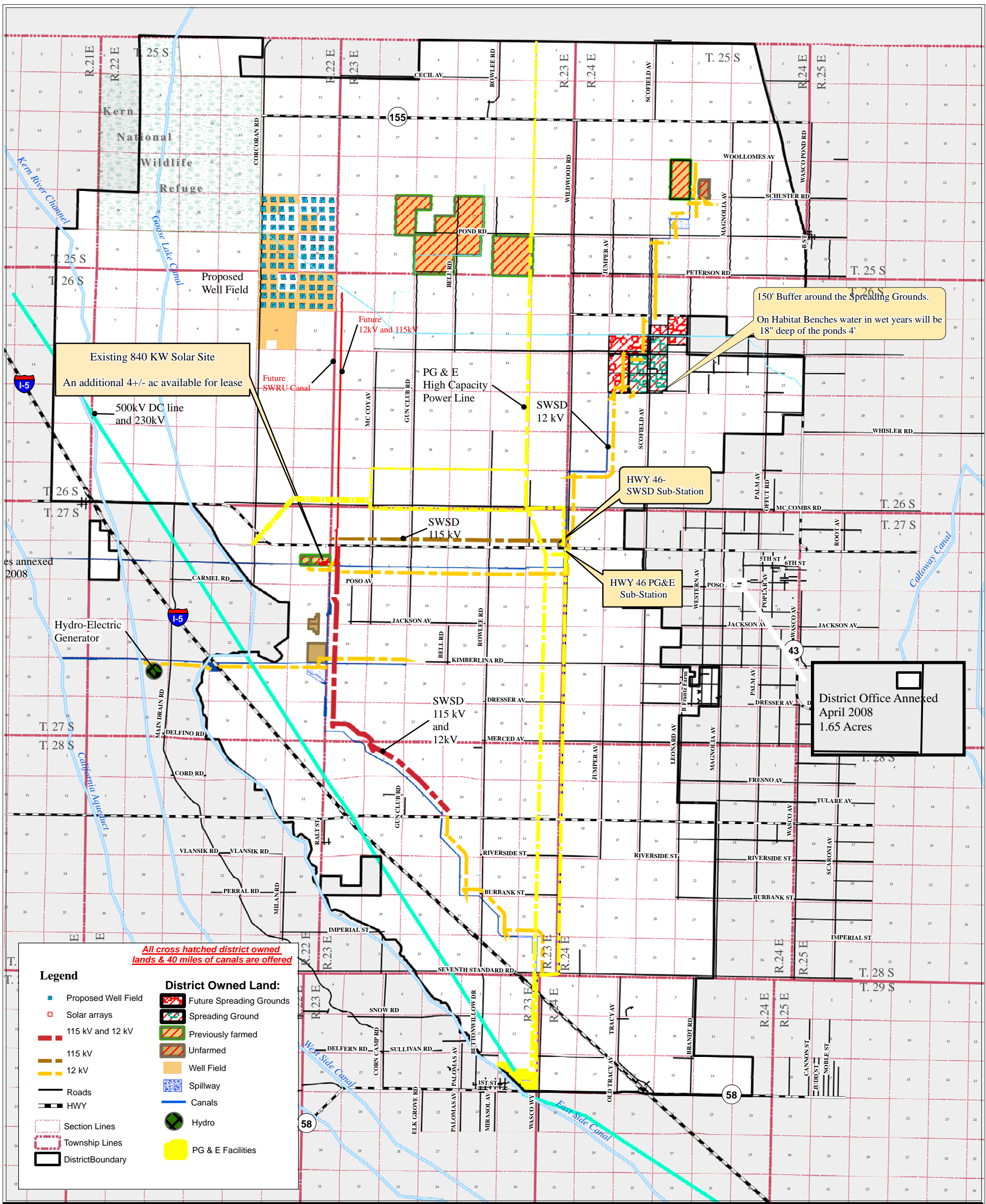
Responses to the RFP will be evaluated as follows, but in no particular order.

- 1) Land Lease and or purchase price per acre.
- 2) Profit sharing amount and method.
- 3) Methodology for priority or first right of refusal for energy use.
- 4) Acreage utilized.
- 5) Flexibility in solar site layout for access to current and/or future well sites and other district facilities.
- 6) Years of experience with successful solar site construction projects, and on-going operations and maintenance of solar site projects.
- 7) Demonstration of financial ability to construct solar sites and on-going daily operations.
- 8) Rate Structure for SWSD to purchase power that feeds directly into its grid and how excess power is managed when generation exceeds in district demand.
- 9) Qualifications.
- 10) References.

All items above will be issued points. Points will be placed into a matrix. Proposal with the highest points will become the best candidate.

Proposals should be submitted to:

Semitropic Water Storage District
1101 Central Ave.
Wasco, Ca. 93280
Care of General Manager – Wilmar Boschman.



District Land Offered For Solar Generation



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