

South Kentucky Rural Electric Cooperative Corporation

Request for Proposals

Introduction:

South Kentucky Rural Electric Cooperative Corporation (SKRECC), headquartered in Somerset, Kentucky, is a distribution cooperative serving over 67,000 members. SKRECC is a member of East Kentucky Power Cooperative (EKPC) and is supplied under an all requirements contract with EKPC. SKRECC has the right within the contract to choose an alternate supplier for a portion of their member needs – EnerVision, on behalf of SKRECC, is issuing this RFP and soliciting proposals pursuant to this contractual right.

Request for Proposals:

SKRECC is requesting proposals for 58 MW of power to serve its members.

Considerations:

- SKRECC desires to procure 58 MW for the period beginning June 1, 2019. Note that the all requirements contract with EKPC requires 18 months' notice prior to delivery.
- Term length – will consider any term length greater than 5 years, but would like proposals to outline a path that could achieve a 20-year supply period.
- Pricing and economic risk, including:
 - All-in pricing estimate including all components of power supply;
 - Fixed price versus variable (e.g., market-based) power supply components;
 - Length/duration for firm pricing components prior to extension periods where pricing is yet to be defined.
- Creditworthiness of counterparty and terms providing for continuity of delivery/service even through unforeseen credit conditions.

Proposal Requirements:

- For each proposal, at a minimum please specify:
 - Quantity – annual capacity/energy; expected pattern of energy delivery;
 - Term – proposed start and tenor, including any potential extension period(s);
 - Delivery Point;
 - Pricing:
 - Demand and/or energy charges;
 - Indexes and/or price escalators upon which demand/fuel/other components may be based;
 - Any market-based or pass-through components of power supply;
 - Pricing to be based on market close on September 29, 2017;
 - Any unit contingencies or assets backing the sale of capacity and/or energy;
 - Credit requirements/expectations of both parties.

Schedule:

Request for Proposal Release Date	September 19, 2017
RFP Response Date	October 3 (e-mail proposals preferred)
Short List Decision Date / Negotiations Begin	Week of October 16
Contract Execution	November 30 (preferred, to coincide with EKPC notice)
Delivery Commencement	June 1, 2019 (preferred)

Additional Information:

- A form of Confidentiality Agreement is being distributed to recipients with this RFP.
- All Respondents have the obligation and responsibility to clearly mark and identify any and all proprietary information included in the Response. SKRECC and its consultants are not restricted from using or disclosing any data that is already obtainable from another public source, without restriction. SKRECC and its legal and engineering consultants will use their best efforts to maintain the confidentiality of any submitted proprietary information, however, should such information be accidentally disclosed, Respondents agree that SKRECC and its legal and engineering consultants shall not be liable for such accidental disclosure.
- All Respondents are responsible for their costs related to the preparation of their respective proposal(s).
- This RFP is not an offer or a contract. SKRECC and/or EnerVision reserve the right to accept or reject any or all proposals and are not obligated to contract for any of the products/services described in this RFP. SKRECC is under no obligation to accept any proposal, nor is SKRECC obligated to accept the lowest cost proposal, as there are many other factors which will be considered in the review and analysis of the proposals. SKRECC may at its sole option determine to revise this RFP at any time. All Respondents, by submitting a proposal, agree that they will not seek any legal recourse against SKRECC for rejection of their respective proposal, or for any other matter related to actions or inactions on the proposal.

Contact information:

- Address all RFP questions, correspondence, confidentiality agreements, and proposals to:
 - Greg Shepler, Managing Principal, EnerVision, Inc.
 - greg.shepler@enervision-inc.com
 - 678-510-2921 office; 678-525-2017 mobile

Next Steps:

- Initiate confidentiality process.
- Ask clarifying questions; responses to FAQs will be distributed to all RFP recipients.
- Begin preparing proposals.

SKRECC Information:

- SKRECC serves over 67,000 members across 13 counties in Southern Kentucky and Northern Tennessee (see maps below).
- SKRECC's rates are regulated by the Kentucky Public Service Commission.

SERVICE AREA

