



Request for Proposals for
Solar Photovoltaic Power, Power Purchase and
Renewable Energy Credit Agreement

Issued by
Dairyland Power Cooperative
La Crosse, Wisconsin

May 15, 2013

Dairyland Power Cooperative

RFP for Solar Photovoltaic Power Development, Power Purchase and Renewable Energy Credits Agreement

I. Summary

Dairyland Power Cooperative (“Dairyland Power”) is seeking proposals for a long term power purchase agreement for power from new major solar installations with a minimum of 500 kilowatts (kW) of solar photovoltaic capacity that will be located within, or have proximity to, the service territory of the Dairyland Power system in Wisconsin, Minnesota, Iowa or Illinois. Dairyland Power will receive ownership of all renewable attributes (i.e. renewable energy credits (RECs), emissions credits, energy efficiency credits, etc.) associated with the energy from the project. Proposal terms of PPAs should not be less than 10 years in length. The preferred term is 10 years, with Dairyland Power having an option to require transfer ownership to Dairyland after 10 years.

The Developer shall deliver the power from a New Project, which has not yet been commissioned or produced power to the grid as of the date of this RFP. The Developer shall deliver the power to Dairyland Power through its power delivery system and be responsible for satisfying all the necessary interconnection requirements for interconnecting to that system. The Developer shall be responsible for all costs associated with interconnection.

Complete proposals are due not later than 2:00 P.M. CDT, August 15, 2013. Dairyland will look most favorably on contracts that begin power delivery at the earliest possible date, with commercial operation to begin no later than December 31, 2015. Dairyland Power reserves the right, without reservation and at its sole discretion, to accept or reject any or all proposals.

II. About Dairyland Power Cooperative

Dairyland Power Cooperative is a member-owned generation and transmission cooperative utility headquartered in La Crosse, Wisconsin. Dairyland Power provides the wholesale power requirements and other services for 25 electric distribution cooperatives and 16 municipal electric utilities in Wisconsin, Minnesota, Iowa, and Illinois. In turn, these cooperatives and municipals deliver electricity to about 600,000 people.

Dairyland Power’s generating resources have a total capacity of about 1,368 megawatts, including coal, hydro, natural gas, landfill gas, and biogas. It also purchases renewable energy from biomass, biogas, wind, and solar generation facilities. Dairyland Power delivers electricity via more than 3,100 miles of transmission lines and nearly 300 substations located throughout the system’s 44,500 square mile service area. Dairyland Power is a member of MISO (Midcontinent Independent System Operator, Inc.).

More information about Dairyland Power, a Touchstone Energy Cooperative, and its member systems can be found at www.dairylandpower.com.

III. Proposal Evaluation Criteria, Process, and Schedule

A. General Proposal Evaluation Criteria

The general proposal evaluation criteria for selecting the solar project are stated as follows. The evaluation criteria are not limited to the items listed below, nor are they necessarily listed in order of importance.

1. Price
2. Capacity
3. Deliverability to the Dairyland Power delivery system or that of one of its member-cooperatives
4. Evidence of site control (i.e. ownership, lease, option, etc.)
5. Quality and experience of the development team
6. Financial capability of the Developer
7. Regulatory qualification as a renewable energy technology under the regulatory requirements in the four-state region (Wisconsin, Minnesota, Iowa, Illinois)
8. Proximity to or location within the service territory of the Dairyland Power system but only in the States of Wisconsin, Minnesota, Iowa, or Illinois
9. Regulatory requirements and approvals, potential legal challenges, environmental compliance, and any possible public opposition of the project(s)

Dairyland Power will evaluate all proposals to determine which are the most economical, feasible, timely, and viable options for meeting Dairyland Power's system needs. The evaluation will consider all evaluation criteria, including both price and non-price factors.

B. Minimum Developer Project Requirements and Responsibilities

The Solar Developer will be responsible for

1. Owning or leasing the real estate upon which the development will be placed
2. Installing the major solar PV equipment of at least 500 kilowatts (kW) of capacity (Direct Current) that will generate the solar electricity
3. Interconnection to the utility grid
4. Delivery Start Date of power and RECs after January 1, 2013
5. Generating the electricity using the PV equipment for the Initial Ten Years of the Project and selling it and all of the Developer's right, title and interest in the associated RECs to Dairyland Power
6. Continually maintaining and promptly resolving any problems with the solar PV equipment
7. Completing and providing to Dairyland Power and EPA the Attestation Form set forth in Exhibit 1 regarding the exclusivity of the sale of RECs to Dairyland Power
8. Minimizing outages

C. Process

The process for this RFP shall consist of the following steps:

1. Request for proposals issued by Dairyland Power
2. Developer provides a complete proposal
3. Dairyland Power evaluates the proposals based on the evaluation criteria and requests additional information as necessary
4. Dairyland Power provides notification to all Developers regarding status of submitted proposals
5. Negotiations and final proposal(s) selection
6. Execution of power purchase agreement (PPA)

Upon completion of the review process, Dairyland Power will inform each Developer of the status of their proposal. Dairyland Power reserves the right, without qualification and in its sole discretion, to select or reject any or all proposals and to waive any formality, technicality, deficiency, requirement, or irregularity in the proposals received. Dairyland Power also reserves the right to request further information, as necessary, to complete its evaluation of the proposals received. Developers who submit proposals do so without recourse against Dairyland Power for either rejection or failure to execute an agreement for purchase of power through a PPA for any reason. Dairyland Power will not reimburse any Developers for any cost incurred in the preparation or submission of a proposal and/or subsequent negotiations regarding a proposal.

D. Confidentiality

Developers are responsible for identifying those portions of their proposals which they consider confidential. Dairyland Power, and its agents, will not disclose to persons other than its employees, agents, or contractors any information contained in the Developer's proposal that is marked "Confidential", unless such disclosures are required by law or by a court or governmental or regulatory agency having appropriate jurisdiction. As an electric cooperative, Dairyland Power may be required to provide proposal information to various government regulatory agencies as part of a regulatory review or legal proceeding.

In the event Dairyland is required to submit copies of proposals or any other information to any governmental or regulatory agency, Dairyland will file such information labeled as "Confidential Business Information". However, Dairyland Power cannot guarantee that such information will be deemed Confidential Business Information by the regulatory agency or court with which the information is filed. If proposals are submitted by Dairyland to third parties, the Developer will be notified by Dairyland Power.

E. Schedule

Public Notice of RFP Issued	May 15, 2013
Developer Notice of Intent to Bid Due	July 1, 2013

Proposals Due	August 15, 2013
Select Short List Proposals NLT	October 15, 2013
Execute Project Agreements NLT	December 13, 2013

Dates are tentative and subject to change.

F. Proposal Submission

Complete proposals are due not later than 2:00 P.M. CDT, August 15, 2013. Proposals must be submitted by e-mail in the form of a Microsoft Word file. Also, one hard copy of each proposal must be submitted by mail. Proposals received without the above electronic file may be considered incomplete and may be rejected.

All proposals and inquiries, with “**Solar Generation RFP**” in the subject line, should be directed to:

Craig Harmes, Manager, Business Development

E-mail: cth@dairynet.com
Address: Dairyland Power Cooperative
3200 East Avenue S., P.O. Box 817
La Crosse, WI 54602-0817
Phone: (608) 787-1310

IV. Required Information

The following information is required to be included in all proposals. Proposals received without the required information, in whole or in part, may be considered incomplete and may be rejected.

1. Project Summary

Provide an overview of the proposal, including the project name, location, capacity (kW), Developer, development status, expected commercial operation date, and the interconnection status. Include any additional information that is particularly noteworthy.

2. Developer

Identify all parties (i.e. Developer, engineer, installer, etc.) participating in the proposal and the subsequent ownership and operation of the project. At a minimum, the following information about the Developer should be provided:

- Corporate structure, including primary and secondary businesses

- Description of the project team and its capabilities and experience with developing and operating solar PV generation projects
- Projects participated in over the last ten years and the current status of those ventures - provide at least one contact (name and phone number) for each existing power supply venture (for reference purposes)
- Description of any past (within 10 years), current, or pending litigation involving the Developer or an affiliate concerning power supply agreements, projects, or power supply arrangements

3. Location of Proposed Solar PV Installation and Siting Description

The Developer should provide site location information including a site description and details including size; aerial photo showing site boundaries and project layout. Submitted proposals must demonstrate site control by showing evidence of site ownership, an option to purchase the site, easements, or an option for long-term lease.

4. Generation Equipment

Identify the technology/type, manufacturer, model, and capacity of the PV panel, mounting structure (fixed or tracking), and inverter. Discuss the projected life-span of each component including performance history. Include information concerning the manufacturers' warranties. Describe how the equipment will be operated and maintained. Discuss the efficiency and performance monitoring systems to be included in the project design and operation. Include any other relevant equipment information. Indicate the current status of generation equipment control showing evidence of purchase obligations, option to purchase, or a plan to purchase.

5. Energy Analysis

Provide an initial analysis of the energy production from the solar PV installation indicating the projected delivered net energy output on a monthly and annual basis through the life of the project.

6. Interconnection and Deliverability

Interconnection of the proposed installation must be to the Dairyland Power power delivery system. The Developer must agree to pay for any required interconnection related studies, facilities, and other interconnection-related costs. Proposals will be evaluated on the ability to economically and reliably deliver power to the Dairyland Power system. Explain the current status of any interconnection request and studies that have been completed or are in process.

7. Regulatory and Environmental Compliance

The Developer is responsible for meeting and satisfying all federal, state, and local permits, licenses, approvals, and/or variances that are currently, or may become in the future, required for the operation of the solar PV installation and the delivery of the power. Describe the status of the project with respect to regulatory approvals needed for its construction and operation. Describe plans for assessing local community siting issues and requirements with respect to the resource.

Dairyland Power will only consider suppliers who demonstrate that their facilities are sited in an environmentally responsible manner and in compliance with all applicable local, state, and federal laws and regulations. Proposals with approved permits and indications of local support will be evaluated more favorably than those without.

8. Financial Status and Structure

Describe how the project will be financed and the current status of all required financing. Identify the proposed financing arrangements including sources of funding. Identify project finance assumptions, including use of federal and/or state PTC, ITC, cash grants, debt financing, etc. Provide a construction budget and pro forma cash flow for the project.

9. Pricing Information and Terms

Indicate the proposed pricing schedule through the duration of the agreement. Prices shall be considered firm until December 13, 2013 unless expressly stated otherwise. If the Developer's pricing policy involves escalation or an index, the escalation terms and conditions or specific index must be included for evaluation. Indices used should be published and available publicly. If the pricing is contingent on any state or federal incentives, indicate the price with and without the incentive. Prices should include all taxes and environmental charges. Any charges attributed to delivering the output of the project to the Dairyland Power power delivery system or that of one of its member-cooperatives or transmission losses shall be those of the Developer and shall be subtracted from the price.

Dairyland Power will be granted any and all current and/or future renewable attributes (i.e. RECs, emissions credits, energy efficiency credits, etc.) associated with the energy delivered to Dairyland Power from the successful project. The pricing schedule should be set accordingly.

10. Term

Proposal terms of PPAs should not be less than 10 years in length. The preferred term is 10 years, with Dairyland Power having an option to require a transfer of ownership to Dairyland after 10 years.

11. Schedule and Commercial Operation

Provide the proposed construction schedule, current status and schedule for commercial operation, and the schedule for obtaining all required permits and approvals. Dairyland will look most favorably on contracts that begin power delivery at the earliest possible date, with commercial operation to begin no later than December 31, 2015.

12. Any Other Information

The Developer may include any other information about the attributes and benefits of the proposed solar PV installation.

V. Consent Decree

This project is subject to requirements under a Consent Decree (Appendix A, Environmental Mitigation Projects) entered in *United States v. Dairyland Power Cooperative* which is located at www.epa.gov/compliance/resources/decrees/civil/caa/dairylandpower-cd.pdf. The development must be consistent with the requirements in the Consent Decree.