



Request for Proposals
for
Carbon-Free Energy Resources
("2022 Carbon-Free RFP")

Issued: July 12, 2022
Proposals Due: December 8, 2022

Revision Log

Revision or Change Number	Effective Date	Affected Page Numbers	Description of Revision/Change
1	9/12/2022	1	Proposal Submittal Deadline update
		5	Interconnection application timing update
		10	RFP Schedule update
		12-13	Configured with Energy Storage requirements updated to remove grid-charging restrictions
		30-31	Site Control requirements for standalone storage clarified
		34	Financial Plan updated to reflect any tax credits
		35	Added 6.6.5 requirement to provide a listing of what project equipment and materials will be produced in the United States and the TVA power service territory
2	9/29/2022	8	Revision of 2.2.2 regarding projects interconnecting to local power company delivery points
3	11/4/2022	10	RFP Schedule update
4	11/29/2022	16	Updated Exhibit A Price Ratios for Renewable Energy

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1.0 INTRODUCTION

1.1 TVA Overview

The Tennessee Valley Authority (TVA) is a corporate agency of the United States that provides electricity for business customers and local power distributors (Local Power Companies or LPCs), serving more than ten million people in parts of seven southeastern states. TVA receives no taxpayer funding, deriving its revenues almost exclusively from sales of electricity. In addition to operating and investing its revenues in its electric system, TVA provides flood control, navigation, and land management for the Tennessee River system and assists LPCs and state and local governments with economic development and job creation.

1.2 Description of Solicitation

This announcement constitutes a Request for Proposals (RFP) notice, soliciting proposals in supplying delivered energy, capacity, and environmental attributes to TVA. Any transaction resulting from the RFP will be in the form of a Power Purchase Agreement (PPA). This RFP does not constitute a commitment, implied or otherwise, that TVA will take action in this matter. TVA will not be responsible for any costs Respondents incur in furnishing TVA responsive information. As used in this RFP, “Respondent” refers to the legal entity that would be bound by a resulting PPA under this RFP. Proposals must be submitted in the legal name of the Respondent. “Respondents” refers to all parties submitting proposals under this RFP.

Although a competitive bidding process is not legally required for TVA power purchases, in certain circumstances a process such as this presents on balance the most advantageous method of proceeding. TVA is interested in procuring up to 5000 MW of carbon-free energy resources with commercial operation dates from 2023 through 2029 including: solar, wind (offshore or land based), hydro, geothermal, biomass, nuclear, green gas, battery energy storage systems (BESS) paired with above resources, standalone BESS, and hybrid combinations of the aforementioned resources. TVA reserves the right to vary from the above stated energy quantity target. The PPA will also require the transfer to TVA of all the applicable associated environmental attributes (renewable energy credits/certificates, etc.). All resources must be located in the TVA service territory or delivered to TVA’s interface with neighboring transmission systems. If any proposal is delivered to the TVA interface, it must have all cost components included for an all-in energy price.

2.0 GENERAL TERMS

2.1 Specifications Applicable to All Products

- 2.1.1** Energy, capacity, and any environmental attributes (if applicable) proposed must be from carbon-free energy sources or intermittent-enabling technologies. These resources may include: solar, solar + BESS, wind (offshore or land based), hydro, geothermal, biomass, nuclear, green gas, BESS paired with above resources, standalone BESS, and hybrid combinations of the aforementioned resources.
- 2.1.2** New projects must be commercially operational and providing carbon-free energy within the period between June 1, 2026, and December 1, 2029, or earlier, as agreed to by both parties. Commercial operation dates between November 15 through January 5 of any given year will not be accepted. Existing projects may be submitted for start dates from June 1, 2023 through December 1, 2029.
- 2.1.3** For all projects connecting directly to the TVA transmission system, Respondent must follow and adhere to the TVA generator interconnection procedures and business practices as may be updated from time to time. Respondents shall be prepared to coordinate closely with TVA transmission and provide any necessary information in a timely manner that supports the interconnection process. Projects must have a valid interconnection request with queue position or have cleared all deficiencies and be awaiting a queue position assignment prior to the proposal submittal deadline. The queue position(s) must be specific to the Product. The output reflected in the bid must not exceed the maximum output of valid queue position(s) in the TVA Interconnection Queue. For energy storage facilities, the grid charging capability reflected in the bid must not exceed the maximum grid charging capability of the valid queue position(s) in the TVA Interconnection Queue. The energy storage queue position shall reflect an AC-coupled solution. It is recommended that projects have their applications submitted to the TVA Interconnection team no later than September 23, 2022, in order to be processed for a queue position. If a project has not signed a Feasibility Study Agreement prior to the RFP proposal submittal deadline, the Respondent must move into System Impact Study and not request the optional Feasibility Study in order to be considered for this RFP. Interconnection requirement information is posted on TVA's OASIS page www.oatiaoasis.com/tva/. For additional information on TVA's interconnection procedures, Respondents shall contact interconnection@tva.gov.

For all projects connecting to systems other than TVA, the neighboring

transmission system interconnection and transmission system procedures must be followed. If the neighboring transmission system is a LPC of TVA, TVA will study the project as an affected system and TVA’s affected system requirements must be followed. TVA may be identified as an affected system as may be determined by other neighboring transmission systems at which time TVA’s affected system requirements must also be followed.

- 2.1.4 All projects must be able to support grid operation, including voltage regulation, frequency response, voltage and frequency ride-through in accordance with NERC PRC-024, and active power control with curtailment to be administered through TVA’s Energy Management System. Respondents will be assigned costs to the project as required in the TVA and/or the LPC’s Interconnection and/or Affected System procedures in relation to interconnecting the project. Bids shall include costs for Direct Assignment facilities on the TVA transmission system and LPC distribution system. Respondents may use the cost estimates for the potential Direct Assignment costs as shown in the table below as a guide for the potential TVA Direct Assignment cost assumptions, but the Respondent is responsible for covering actual costs for Direct Assignment associated with their project and shall bid accordingly.

TVA Direct Assignment Cost Estimates

Interconnection Configuration	Direct Assignment Cost (\$k)
LPC Connected < 5 MVA	Up to \$100
LPC Connected 5 - 25 MVA	Up to \$4,000
TVA Transmission Line Tap *	\$3,000 - \$6,000
TVA New Breakered Station *	\$10,000 - \$15,000

* Refer to TVA OASIS generator interconnection business practices for information on when a line tap may be utilized in lieu of a breakered station.

** LPC costs are not included in the table.

- 2.1.5 Each Respondent will be required to provide a bid security.
- 2.1.6 TVA is a corporate agency and instrumentality of the federal government and accordingly must conduct or approve an environmental review under the National Environmental Policy Act (NEPA) for any federal action. The environmental impact of the proposed renewable facility and any connected actions (e.g., transmission system upgrades) will be evaluated in the NEPA review, which must be completed prior to any ground disturbance, tree clearing, or grading of the proposed site. Additionally, as a federal agency, TVA has certain obligations under the Endangered Species Act (ESA), National Historic Preservation Act (NHPA), and other applicable

environmental laws, which may require studies and consultation with appropriate regulatory agencies such as the U.S. Fish and Wildlife Service and State Historic Preservation Offices. The Respondent will be responsible for reimbursing TVA for all costs incurred by TVA for its obligations under NEPA, ESA, NHPA, and other applicable environmental review requirements, including the cost of implementing any mitigation measures necessary to comply with these requirements. Please note that an environmental review can take between 15 and 24 months to complete depending on project/site complexity. The Respondent shall be prepared to coordinate closely with TVA on any necessary reviews by providing information and schedules necessary to complete the environmental review and necessary federal consultations in a timely manner that supports the proposed facility construction timeline. For any project that secures a PPA, there is a requirement to sign a tri-party agreement between Respondent, Respondent's environmental consultant and TVA. The PPA sets forth the requirement that the tri-party agreement be executed within one month of the date the PPA is executed and also sets forth restrictions on use of the land prior to the completion of TVA's environmental review. Respondent shall ensure that the site remains in substantially the same condition as of the date of submission to this RFP. This means, among other things, that no ground-disturbing activities (including tree clearing, earth moving, grading, or excavating) may take place at the site prior to TVA's determination the Project is environmentally acceptable.

- 2.1.7** TVA has established a Biodiversity Policy that recognizes the importance of biodiversity to the quality of life of the region's residents while seeking to integrate species and habitat conservation into project planning. Respondent's may be requested to engage with TVA and other third parties to promote conservation of biodiversity throughout the life of the PPA. Many opportunities are site specific, but general conservation measures include but are not limited to the siting of infrastructures outside of natural plant and other communities while avoiding threatened or endangered species, incorporation of low growing, native, and/or pollinator plant species adjacent to solar arrays, nocturnal wildlife-friendly practices, exploration of conservation opportunities both on and around ancillary footprint areas, etc.
- 2.1.8** The Respondent's proposal and project must comply with all applicable federal and state laws, both during construction and during operation of the project. All federal, state, and local approvals, permits, licenses, fees, emissions allowances, environmental reviews, and other environmental requirements are the responsibility of the Respondent for the entire term covered by each proposal. This shall include any rezoning, land-use permits, and other discretionary approvals that may be required.

2.2 Solar & Solar plus Storage Resource Product Specifications

- 2.2.1 The minimum generation nameplate capacity at the point of interconnection for each site will be 2 MW. The maximum generation nameplate capacity at the point of interconnection for each site will be 500 MW. Solar generation sites greater than 5 MW must utilize inverters rated 250 kVA or higher or other equipment TVA may approve which demonstrates equivalent or better performance. Solar resources must be tracking.
- 2.2.2 Projects must be electrically connected to the TVA transmission system or a LPC's distribution system, if located inside the TVA service area. All storage resources must be directly connected to the TVA transmission system. For projects interconnecting to a LPC, Projects must be electrically connected to the TVA transmission system or a LPC's distribution system, if located inside the TVA service area. All storage resources must be directly connected to the TVA transmission system. For projects interconnecting to a LPC, the delivery point will be the interconnection point between the solar resource and the LPC. A tri-party parallel operating agreement will be required for projects connecting to a LPC.
- 2.2.3 Respondents are requested to submit proposals for delivery periods of both 15 and 20 years. Bids for solar-only projects connected to TVA shall include 24/7 reactive power support for the solar-only facility (utilizing inverters that are capable of producing or absorbing reactive power at minimum of 30 percent of their rating 24/7 including at night; TVA shall supply incremental energy that is beyond normal parasitic losses for this ancillary service during non-production hours). For solar projects paired with BESS, TVA is requiring the BESS be available to supply reactive power (up to 32.9 percent of BESS MW rating) and primary frequency response (with a maximum 5 percent droop and ± 0.036 Hz deadband) at all times, including when not charging or discharging, and this capability shall be included in the Respondent's bid. Respondent shall provide a \$/MWh adder for supplying 24/7 reactive support from the solar facility (utilizing inverters that are capable of producing or absorbing reactive power at minimum of 30 percent of their rating 24/7 including at night; TVA shall supply incremental energy that is beyond normal parasitic losses for this ancillary service during non-production hours) that is to be paired with storage, but this shall not be added to Respondent's bid. Bids for solar connected to an LPC shall include a \$/MWh adder for 24/7 reactive power support (utilizing inverters that are capable of producing or absorbing reactive power at minimum of 30 percent of their rating 24/7 including at night; incremental energy required by Respondent for this reactive power support ancillary service during non-production hours shall be purchased from the LPC by Respondent), but this shall not be added to Respondent's bid.

2.3 Other Carbon-Free Resource Product Specifications

- 2.3.1** For all Other Carbon-Free Products respondents are requested to submit proposals for delivery periods between 2 and 20 years.

- 2.3.2** All projects located inside the TVA service area must be electrically connected to the TVA transmission system. Projects outside the TVA service area must be delivered to TVA's interface with neighboring transmission systems and must have all cost components included for an all-in energy price.

- 2.3.3** Where applicable, generation or BESS sites must utilize inverters rated 250 kVA or higher or other equipment TVA may approve which demonstrates equivalent or better performance if located within the TVA footprint.

3.0 COMMUNICATIONS

3.1 Communications during RFP Process

- 3.1.1** TVA will utilize Power Advocate, a web-based sourcing platform, to organize all RFP documents and communicate with Respondents. Respondents shall view the RFP package, message TVA, and submit their proposals and RFP-related communications through Power Advocate.

3.2 Intent to Bid Notice

- 3.2.1** Respondents who wish to have a proposal considered must provide a notice of intent to bid prior to the Intent to Bid Deadline in the RFP schedule. The notice will be provided in a form under the Commercial Data tab on the Power Advocate bid event, 135087: 2022 Carbon-Free RFP <https://www.poweradvocate.com/pR.do?okey=135087&pubEvent=true>. The intent to bid shall include the name of Respondent, a clear statement of the intent to submit a proposal, a brief description of the project, an estimate of when the project would begin providing energy to TVA, major milestone schedule, mechanism to ensure performance, and indicative pricing for the project.

4.0 RFP SCHEDULE

The following schedule is based on TVA’s expectations as of the release date of this RFP. TVA reserves the right to modify the schedule at its sole discretion.

RFP Schedule

Action	Date
RFP Release Date	July 12, 2022
Pre-Bid Conference Call	August 18, 2022
Intent to Bid Deadline (includes indicative pricing)	October 11, 2022
Question Submittal Deadline	November 11, 2022
Solar and Solar plus Storage Template PPAs posted to Power Advocate	Mid-November (monitor Power Advocate for details)
Proposal Submittal Deadline (includes bid security)	December 8, 2022
Evaluation of Proposals	January – April 2023 (tentative)
Selections and Contract Execution	May – June 2023 (tentative)

5.0 PROPOSAL PROCESS

5.1 General Requirements

- 5.1.1 Information regarding this RFP can be found on the TVA website under the “Doing Business with TVA” link. All technical information and documents will be placed on the Power Advocate website.

5.2 Proposal Expenses

- 5.2.1 Each Respondent will bear any and all costs and expenses required to prepare its proposal.

5.3 Proposal Submittal Fee

- 5.3.1 Each proposal shall be submitted with a \$125/MW net AC capability submittal fee to be capped at five thousand dollars (\$5,000.00) in the form of a wire transfer to the Tennessee Valley Authority. The submittal fee will be required for each project submitted. Multiple offers for the same project may be submitted with one submittal fee. If the Respondent is providing a proposal on a combined renewable resource with battery storage at the same point of

interconnection, only one submittal fee is required. Proposals submitted without the submittal fee will be returned to the Respondent and will not be evaluated by TVA. Wire transfers should be made to the following account:

Bank Name: TREAS NYC (Official Abbreviation)
 Bank Address: New York Federal Reserve Bank
 33 Liberty Street
 New York, New York 10045
 ABA Number: 021030004
 Account No.: 00004912
 Beneficiary: Tennessee Valley Authority
 Taxpayer ID: 62-0474417
 OBI: Provide your organization name and
 reference 2022 Carbon-Free RFP

5.3.2 The submittal fee is non-refundable.

5.3.3 TVA requires a bid security from all Respondents that is due by the proposal submittal deadline. The bid security for a project will be a \$/MW security based on the net AC capability of the resource as illustrated in the below table. For energy resources paired with storage resources, the bid security will be limited to the net AC capability of the energy resource. For example, a 100 MW solar project paired with 50 MW of storage would provide bid security based on the 100 MW project size of the solar energy resource. The bid security is capped at a maximum of \$2,700,000.

Project Size	\$/MW
2-5 MW	\$17,500
over 5 MW to 75 MW	\$14,750
over 75 MW	\$13,500

The bid security guarantees that Respondent’s bid, as reflected in Power Advocate, will be honored throughout the duration and until the conclusion of the 2022 RFP process (including any extensions). For the avoidance of doubt, the bid security will secure all elements of the Respondent’s proposal including, for solar and solar plus storage proposals, the Respondent’s mark-up (if any) of TVA’s standard PPAs and, for non-carbon projects, the term sheet submitted by Respondent pursuant to Exhibit H.

For bid security in the form of a letter of credit, TVA may draw on the entire available amount thereunder to hold as cash bid security if (i) the letter of credit will expire in fewer than 45 calendar days prior to the conclusion of the RFP process, and (ii) the Respondent has not provided TVA with alternative performance assurance meeting the requirements of this RFP.

The bid security will be required to be posted by the proposal submittal deadline in a form and substance acceptable to TVA by means of (i) cash or (ii) a letter of credit in the form of Exhibit E. Terms and Conditions for a letter of credit are found in Exhibit F. For Respondents that are satisfying the bid security requirement with cash, the wiring instructions are found in Section 5.3.1. For Respondents satisfying the requirement with a letter of credit, the letter of credit must be issued by a U.S. commercial bank domiciled in the United States, or from a U.S. branch of a foreign bank, with such bank having a credit rating on its long-term senior unsecured debt of (1) “A3” or higher from Moody’s or (2) “A-” or higher from S&P, or if rated by both Moody’s and S&P, both (1) and (2).

- 5.3.4 TVA will return bid securities for all Respondents that are not ultimately selected by TVA for a project.

5.4 Method for Submitting Proposals

- 5.4.1 Each project proposed by a Respondent must have a different proposed point of interconnection. Respondents may propose multiple projects, each with a separate submittal fee. Respondents may submit multiple proposals for any single project with a single submittal fee. Multiple proposals for the same project consist of different terms or different MW capacity.
- 5.4.2 All proposals submitted must be received by the submittal deadline. Proposals received after the deadline may be accepted by TVA in its sole discretion.
- 5.4.3 All proposals must be submitted through Power Advocate. The RFP is listed as solicitation event 135087 : 2022 Carbon-Free RFP. The following link will allow Respondents to register and request access to the event:
<https://www.poweradvocate.com/pR.do?okey=135087&pubEvent=true>
- 5.4.4 Solar and Solar plus Storage proposals may be submitted in either or both of the following configurations:

Not configured with energy storage: Where a proposed project is not coupled with energy storage, the maximum output of the project must not exceed the proposed amount as stated in the transmission queue position(s).

Configured with energy storage: Proposals interconnected to the TVA transmission system may contain storage which may be charged directly from TVA’s grid subject to the limitations set forth in the PPA. The maximum output of the project must not exceed the proposed amount as stated in the

interconnection queue position(s) and the grid charging capability reflected in the bid must not exceed the maximum grid charging capability of the valid queue position(s).

TVA is seeking BESS with the greatest capacity at the least-cost with evaluation based on the ability of the BESS to meet TVA system peaks and for energy shifting purposes. The BESS shall maintain ability to deliver contract capacity for 4 consecutive hours over the term of the PPA. The BESS shall be required to provide 380 equivalent cycles annually. Usage will be limited to 1 equivalent cycle per day, with the exception of up to 15 days annually where the BESS will provide up to 2 equivalent cycles. An equivalent cycle is equal to the battery contract capacity in MW multiplied by 4 hours as discharged energy measured at the Delivery Point. For example, a 50 MW, 4 hour battery with 380 equivalent cycles annually shall have a maximum annual energy of 76,000 MWh discharged to the Delivery Point. Respondent shall also provide pricing for 365 annual cycles for the paired storage project.

The project must provide an AC-coupled solution. Flexibility in charging/discharging periods will be necessary due to uncertainty in demand profiles and will be directed by TVA subject to the terms of the PPA. The BESS will be maintained at an average state of charge of 50% or less during a Delivery Period. The BESS shall be available to supply reactive power (up to 32.9 percent of BESS MW rating) and primary frequency response (with a maximum 5 percent droop and ± 0.036 Hz deadband) at all times, including when not charging or discharging. Proposals will submit Minimum Round Trip Efficiency values for each Delivery Period for evaluation by TVA. Per the terms of the PPA, the Respondent will be responsible for parasitic and auxiliary load (this does **not** include Round Trip Efficiency energy which is TVA's payment responsibility) associated with the project which may require a station service agreement with the LPC or TVA.

6.0 PROPOSAL REQUIREMENTS TEMPLATE AND ORGANIZATION

Exhibit G provides the proposal template with the information that must be provided for all projects submitted into the RFP. A clean Word version of the proposal template will also be posted to Power Advocate by TVA. The proposal and all attachments will be provided to TVA in the form of the template as a PDF document or in the format requested in the proposal template and uploaded to Power Advocate as "Proposal - Project Name". All attachments requested for the proposal will be uploaded to Power Advocate using the italicized instructions provided in the proposal template.

Exhibit G provides the PPA term sheet template that must be provided for each non-solar carbon-free project submitted into the RFP.

7.0 PROPOSAL EVALUATION

7.1 Evaluation Process

- 7.1.1 TVA may select none, one, or more than one proposal for contract award. For purposes of this RFP, a “Key Contributor” is any entity or individual that will play a significant role in the development, financing, construction, and operation of the proposed project.
- 7.1.2 TVA will use least-cost planning approaches in all evaluations. TVA also considers the following: (i) conformance to TVA’s standard PPA, (ii) whether the Respondent has the ability and resources to meet the PPA’s requirements, including the timely achievement of all PPA milestones, (iii) prior experience of the Respondent and Key Contributors (as hereinafter defined), including prior performance under agreements with TVA, (iv) existing, or potential for existing, sensitive environmental and cultural resources located within the potential facility location, (v) ability to provide assurances to complete the projects, and (vi) information provided by the Respondent as required under the exhibits to this RFP.
- 7.1.3 Notwithstanding anything herein to the contrary, TVA may choose, in its sole discretion, to work with a Respondent on a potential facility in a certain area of TVA’s service territory if that is to TVA’s benefit.

7.2 Contract Approval

- 7.2.1 TVA’s selection of a Respondent for contract award will not constitute a binding TVA commitment until a PPA has been approved in accordance with TVA’s approval processes and the PPA has been executed by TVA.

8.0 RESERVATION OF RIGHTS

8.1 General

- 8.1.1 This RFP is an invitation to submit a proposal and does not create a binding offer or agreement.
- 8.1.2 All material submitted in response to the RFP will become the property of TVA.
- 8.1.3 Following selection, a Respondent may be required to participate in negotiations and to submit via Power Advocate any price, technical, or other

revisions to its proposal that may result from such negotiations.

8.1.4 TVA reserves the right to procure carbon-free resources through other means instead of, or in addition to, this RFP.

8.1.5 TVA reserves the right to waive any requirement of this RFP when TVA determines that it is in TVA's interest to do so.

8.2 Right to Reject

8.2.1 This RFP does not commit TVA to award a contract, pay any cost associated with the preparation of a proposal, or purchase power from any project. TVA reserves the right to accept or reject any or all responses to this RFP or cancel this RFP in whole or in part at any time.

8.3 Limitations

8.3.1 TVA may ask Respondents to clarify the information in their proposals, but the Respondents shall not alter their proposals or otherwise submit any additional information after the proposal due date unless requested by TVA to do so.

8.4 Confidentiality

8.4.1 TVA recognizes that certain information contained in proposals submitted may be considered confidential and, as permitted by applicable law, will treat as confidential any information clearly labeled as such. TVA reserves the right to share proposal information, on a confidential basis, with any existing or future customers of TVA or its LPCs. If TVA is formally requested and required by any regulatory or judicial authority, or is otherwise required by law, to disclose information with regard to a proposal, TVA will disclose such information in accordance with applicable laws and regulations.

9.0 Exhibits

Exhibit A Price Ratios for Renewable Energy

Months		Time of Day (CPT)	
	July & August	Mon-Fri 2pm-7pm	130.26%
		Mon-Fri 6am-2pm and 7pm-12am; Sat & Sun 6am-12am	103.92%
		Everyday 12am-6am	83.59%
	June & September	Mon-Fri 12pm-8pm	117.04%
		Mon-Fri 6am-12pm and 8pm-12am; Sat & Sun 6am-12am	96.71%
		Everyday 12am-6am	79.84%
	January & February	Mon-Fri 6am-10am and 7pm-10pm	102.81%
		Mon-Fri 10am-7pm	87.30%
		Mon-Fri 10pm-12am; Sat & Sun 6am-12am	85.76%
		Everyday 12am-6am	81.18%
	December & March	Mon-Fri 6am-10pm	97.38%
		Mon-Fri 10pm-12am; Sat & Sun 6am-12am	89.94%
		Everyday 12am-6am	101.32%
	April, May, October & November	Mon-Fri 6am-10pm	97.72%
		Mon-Fri 10pm-12am; Sat & Sun 6am-12am	90.15%
		Everyday 12am-6am	77.26%

Exhibit B Monthly Weighting Factors for BESS Capacity Payments

MONTH	Weighting Factor
January	2.0
February	2.0
March	0.5
April	0.5
May	0.5
June	1.0
July	1.5
August	1.5
September	1.0
October	0.5
November	0.5
December	0.5

Exhibit C Site Control Affidavit

[Insert Respondent's Letterhead] [Insert Date]

Tennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee
37402

RE: Tennessee Valley Authority's 2022 Carbon-Free RFP – Site Control

Ladies and Gentlemen:

In accordance with the provisions of Tennessee Valley Authority's (TVA) 2022 Carbon-Free RFP, *[Insert Respondent's full legal name]*, a *[Insert Respondent's form of entity and state of organization]* ("**Respondent**"), submits this Affidavit as the party that will execute a 2022 Carbon-Free RFP power purchase agreement ("**PPA**") with TVA. For Respondent to be eligible for participation, Respondent, as applicable, must, among other things, possess Site Control, as such term is defined below. Capitalized words used without definition here have the meaning shown in the RFP.

Respondent hereby represents, warrants, or covenants that:

1. The facility "Facility" described in the bid will be located at *[Insert parcel number and GPS coordinates of the Site]* ("**Site**")
2. Respondent has obtained control of the Site in the form specified below ("**SiteControl**") [check one]. Respondent:
 - (a) Owns the Site (evidenced by a deed recorded in the county property records)
 - (b) Leases the Site (pursuant to a current binding written agreement between Respondent and the owner or lessor of the Site)
 - (c) Holds an option to purchase the Site (pursuant to a current binding written agreement between Respondent and the owner of the Site)
 - (d) Holds an option to lease the Site (pursuant to a current binding written option agreement with the owner or lessor of the Site).
 - (e) Holds a current binding easement or license from the owner or lessor of the Site that grants Respondent or Seller express rights to construct, install, operate, maintain and repair the Facility at the Site.
3. The above-selected Site Control is free and clear of any lien, right, contract, or other encumbrance that would prevent, limit, or otherwise impede or impair the construction,

installation, or commissioning of the Facility or the operation, maintenance, or repair of the Facility during the Term of the PPA.

4. To the extent not otherwise addressed in Paragraph 2 above, Respondent is or will be the holder of each and every right-of-way grant, easement, or similar instrument(s) necessary for access to the Site, or otherwise to enable the construction, installation, and commissioning of the Facility and the operation, maintenance, and repair of the Facility during the Term of the PPA.
5. Respondent has recorded, or has the right to record, a deed, memorandum, or other instrument in the county property records evidencing its Site Control in a form sufficient to put third parties on notice of its right to control the Site.
6. The Site is adequate for the Facility and lawfully zoned for the Facility, or if not already appropriately zoned, Respondent agrees to obtain appropriate zoning, and any and all other governmental approvals required for use of the Site, prior to Respondent's execution of the PPA.
7. Respondent will promptly notify TVA in writing of any change in the status of Site Control.
8. Upon request, Respondent will provide to TVA a copy of all documents necessary to demonstrate satisfactory legal evidence of Site Control, including the lease, deed, option, or easement, as applicable, comprising the Site Control noted above.

Respondent does solemnly swear or affirm, under penalty of perjury, that the information Respondent has provided in this Affidavit is based on Respondent's own personal knowledge and is true, complete and correct and that Respondent is authorized to submit this Affidavit on behalf of the bid.

[Insert Respondent's full legal name]

By:

Name:

Title (if applicable):

Date:

State of
County of

On this day of __, before me appeared *[Insert Respondent's full legal name]*, the person who signed the Site Control Affidavit in my presence and who swore or affirmed that he/she understood the document and freely declared it to be truthful.

Official Signature of the Notary

Official Seal of the Notary

My Commission Expires:

Exhibit D Safety and Environmental Performance

SAFETY PERFORMANCE

1. Complete the following:

Year	Experience Modification Rate (EMR)	total # mhrs worked - all projects	# of Lost Workday cases and lost time rate (LTR)	# days away from work	# of Fatalities *	# work related injuries/illnesses w/out lost workdays and recordable incident rate (RIR)	All Injury Rate (AIR)	Severity Incident Rate
2021								
2020								
2019								
2018								
2017								

*Provide a summary of any fatalities including root cause and preventative measures implemented for prevention of further events.

2. Violation Information for past 5 years (2021 - 2017)

Year	Citation - State Civil/Criminal/Enforcement	Description of Event	Status Open/Closed/Pending
2021			
2020			
2019			
2018			
2017			

ENVIRONMENTAL PERFORMANCE

Complete the following:

1. Violation Information since 2017

Year	State/Federal Civil/Criminal/Enforcement	Description of Event	Status Open/Closed/Pending
2021			
2020			
2019			
2018			
2017			

Exhibit E Form Letter of Credit

[LETTERHEAD]

[DATE]

Irrevocable Standby Letter of Credit No.

Beneficiary:

Applicant:

Tennessee Valley Authority
400 West Summit Hill Drive, WT 4C
Knoxville, TN 37902-1401

Attn: Kirk A. Kelley
Director, Corporate Credit & Insurance

Dear Madam or Sir:

We hereby establish for the account of (Respondent/Seller) ("Seller's name" or "Applicant"), our irrevocable standby letter of credit in your favor for an amount of USD_____ (_____Dollars United States currency). Applicant has advised us that this letter of credit is issued in connection with the 2022 Carbon-Free RFP_____ dated as of July 12, 2022, between Applicant and Beneficiary (as amended and as may be further amended, supplemented or otherwise modified, the "Carbon-Free RFP"). This letter of credit shall; (i) become effective immediately for the term of one (1) year and shall expire on____(the "Expiration Date"), and (ii) is subject to the following:

1. Funds under this letter of credit shall be made available to Beneficiary against its draft drawn on us in the form of Annex 1 hereto, accompanied by (a) a certificate in the form of Annex 2 hereto, appropriately completed and signed by an authorized representative of Beneficiary, dated the date of presentation and (b) the original of the letter of credit (the "Accompanying Documents") and presented at our office located at_____, attention_____(or at any other office that may be designated by us by written notice delivered to you). A presentation under this letter of credit may be made only on a day, and during hours, in which such office is open for business (a "Business Day"). If we receive your draft and the Accompanying Documents at such office on any Business Day, all in strict conformity with the terms and conditions of this letter of credit, we will honor the same by making payment at sight on the same day of presentation. Upon any draw of the letter of credit, unless otherwise agreed to by Tennessee Valley Authority, Applicant shall be obligated to replenish the amount of the letter of credit draw within twenty (20) days.

2. This letter of credit shall terminate upon the earliest to occur of (i) our receipt of a notice in the form of Annex 3 hereto signed by an authorized representative of Beneficiary, accompanied by this letter of credit for cancellation, (ii) our close of business at our aforesaid office on the Expiration Date, or if the Expiration Date is not a Business Day, then on the succeeding Business Day. This letter of credit shall be surrendered to us by you upon the earlier of presentation or expiration.

3. It is a condition of the letter of credit that it shall be deemed to be automatically extended without amendment for periods of one (1) year from the present or any future expiration date, unless at least forty-five (45) days prior to any such expiration date we send you notice by registered mail, return receipt requested or courier service or hand delivery at the above address that we hereby elect not to consider this letter of credit extended for any such additional period.

4. This letter of credit is issued and subject to the International Standby Practices 1998 (ISP98).

5. This letter of credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1, 2 and 3 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as otherwise provided in this paragraph 5.

6. Communications with respect to this letter of credit shall be in writing and shall be addressed to us at the address referred to in paragraph 1 above, and shall specifically refer to this letter of credit no. _.

If circumstances do not allow the Issuing Bank to deliver the Letter of Credit in paper format and with original signatures to Beneficiary, an E-mail transmission of this Letter of Credit from the Issuing Bank to the Beneficiary at kakelley@tva.gov will serve as the operative instrument. Upon the Issuing Bank's physical ability to deliver the Letter of Credit in paper format and with original signatures and the receipt by Beneficiary, the E-mail transmitted form of this Letter of Credit shall have no further force and effect.

Very truly yours,

[LOC Issuer]

Authorized signature

ANNEX 1
TO LETTER OF CREDIT NO. _____

Draft under Letter of Credit No. _____

[Month, Day , Year]

On Sight

Pay to Tennessee Valley Authority U.S. \$_____ [not to exceed amount available to be drawn]
400 West Summit Hill Drive, WT 4C
Knoxville, TN 37902-1401

[insert any wire instructions]

For value received and charge to account of Letter of Credit No. _____ of

By: _____

Title: _____

ANNEX 2
TO LETTER OF CREDIT NO. _____

Drawing under Letter of Credit No. _____

The undersigned, a duly authorized representative of the **Tennessee Valley Authority**, a corporate instrumentality and agency of The United States of America ("Beneficiary"), hereby certifies on behalf of Beneficiary to _____ with reference to irrevocable standby Letter of Credit No. _____ (the "Letter of Credit") issued for the account of _____, ("X"), that:

- 1) [pursuant to the _____ Agreement between Beneficiary and X, as of the date hereof Beneficiary is entitled to draw under the Letter of Credit;]

--or--

[Beneficiary has received notice from the Issuing Bank pursuant to Section 3 of the Letter of Credit and, as such, as of the date hereto Beneficiary is entitled to draw under the Letter of Credit;]

- 2) by presenting this certificate and the accompanying sight draft, Beneficiary is requesting that payment in the amount of \$_____, as specified on said draft, be made under the Letter of Credit by wire transfer or deposit of funds into the account specified on said draft;
- 3) the amount specified on the sight draft accompanying this certificate does not exceed the amount to which Beneficiary is entitled to draft under said _____ Agreement.

In witness whereof, Beneficiary has caused this certificate to be duly executed and delivered by its duly authorized representative as of the date and year written below.

Date: _____

By: _____

Title: _____

ANNEX 3
TO LETTER OF CREDIT NO. _____

Notice of surrender of Letter of Credit No. _____

Date: _____

Attention: Letter of Credit Department

Re: Letter of Credit No. _____ issued for the account of _____ (Seller)

Ladies and Gentlemen:

We refer to your above-mentioned irrevocable standby Letter of Credit (the "Letter of Credit"). The undersigned hereby surrenders the Letter of Credit to you for cancellation as of the date hereof. No payment is demanded of you under this Letter of Credit in connection with this surrender.

Very truly yours,

By: _____

Title: _____

Exhibit F Letter of Credit Terms & Conditions

TVA will accept a standby letter of credit as a form of performance assurance. With respect to the letter of credit, TVA must review and approve the form of the letter of credit, as well as the issuing commercial bank. Additionally, the following conditions must also be met:

1. The issuer of the letter of credit must be (1) a U.S. commercial bank domiciled in the United States, or (2) a U.S. branch of a foreign bank, and either must possess and maintain a Qualified Rating on its senior unsecured long-term debt, not supported by third party enhancements, as determined by Moody's Investor Service, Inc. ("Moody's"), or its successor, Standard & Poor's Corporation ("S&P"), or its successor, and Fitch Ratings ("Fitch"), or its successor.

The term "Qualified Rating" is defined in this paragraph to be a rating during the time when at least two of the following three conditions exist: the senior unsecured long-term debt, not supported by third-party enhancements, of the issuing bank (a) is 'A3' or above as rated by Moody's, (b) is 'A-' or above as rated by S&P, or (c) is 'A-' or above as rated by Fitch.

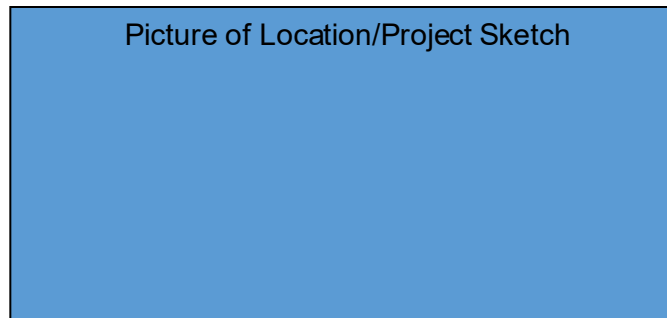
2. The letter of credit must be issued for a term of at least one (1) year with an automatic renewal clause for a similar term thereafter, unless otherwise approved by TVA.
3. The letter of credit must remain in effect for the term of the contract and shall be renewed at least forty-five (45) days prior to the expiration date.
4. A letter of credit issued by a commercial bank that does not satisfy the criteria noted in #1 above, must be confirmed by a correspondent bank that possesses and maintains a Qualified Rating

Exhibit G Template Proposal Requirements Submittal



2022 Carbon-Free RFP
TVA Solar, LLC Proposal

Proposal Submittal Date



Project Name



TENNESSEE
VALLEY
AUTHORITY

Cover Letter

6.2 Respondent Data and Experience

6.2.1

Respondent name, address, and telephone number.

6.2.2

Legal form, date formed, jurisdiction of organization, and any relevant affiliates.

6.2.3

Respondent and Key Contributor history and experience in the areas of development, financing, construction, and operation of renewable generation facilities.

6.2.4

Familiarity and experience of Respondent and Key Contributors with TVA and its requirements.

6.2.5

Existing renewable generation facilities owned or operated by Respondent or Key Contributor.

6.2.6

Safety and environmental performance of Respondent and Key Contributors, including the performance of contractors performing work on Respondent and Key Contributor projects. See Exhibit D of the RFP for the Safety and Environmental Performance documentation.

Note: The safety and environmental performance document will be uploaded to Power Advocate using the naming convention (Attachment 0 – Safety and Environmental – Project Name).

6.2.7

Summary of the contractual and organizational relationships among Respondent and Key Contributors with regard to the proposed project.

6.3 Project Description

6.3.1

Provide a complete description of the proposed project including technology, nameplate capacity, location, size (acreage), historical and current usage of the land, nearby structures or facilities, estimated timeframe for construction and current site environmental conditions.

6.3.2

Respondent shall provide adequate evidence of site control. For solar projects, adequate evidence

of site control means an effective purchase or lease option that covers a minimum of 5 acres per 1 MW of project capacity. For standalone storage projects, specifically, TVA does not have a minimum acreage per MW requirement. TVA instead requires a site plan detailing the space utilization requirements in addition to the site control necessary for achieving this site plan. The Respondent will provide TVA a signed Site Control Affidavit with its bid.

See Exhibit C of the RFP for the Site Control Affidavit.

Note: The signed Affidavit and, if requested by TVA, related real estate documents will be uploaded to Power Advocate using the naming convention (Attachment 1 - Site Control Affidavit-Project Name).

6.3.3

Each respondent's proposal shall provide copies of any permits that have already been obtained. If no permits have been obtained, then the Respondent shall provide a plan for obtaining all required permits including a list of all required permits, permitting status of each (including expiration dates), and key risks to securing necessary future permits approvals.

Note: The permits will be uploaded to Power Advocate using the naming convention (Attachment 2 – Permits -Project Name).

6.3.4

All Respondents shall state the expected annual generation output from the project and include the expected 8760 generation shapes. If a Respondent submits an intermittent resource combined with a BESS, the 8760 shapes shall include the output of the intermittent resource as well as the charging and discharging shape of the BESS.

The 8760 file will be posted as an Excel file to Power Advocate in the Download Documents tab.

Note: The 8760 file will be uploaded to Power Advocate using the naming convention (Attachment 8760 - Shapes -Project Name).

6.3.5

Respondent shall provide a comprehensive one-line diagram describing the electrical equipment and the point of interconnection at which the project will connect to the TVA transmission system or the power system of a TVA Local Power Company. The Respondent shall also provide latitude and longitude coordinates for its point of interconnection. The point shall reference the location on the line segment or station at which the Respondent proposes to interconnect its generator, the voltage level, and whether interconnecting to TVA, the LPC, or another system.

Note: The One-Line Diagram will be uploaded to Power Advocate using the naming convention (Attachment 3 - One Line Diagram – Project Name).

6.3.6

Respondent shall provide a status of interconnection including current status, queue number, required system upgrade cost estimate, and estimated completion date. All projects connecting to the TVA transmission system must have a queue number submitted in accordance with TVA's interconnection procedures posted on OASIS prior to submission to the RFP. The renewable resource generation MW amount shall not exceed the queue position MW amount and, if applicable, the BESS MW amount that is bid into the RFP.

Any projects connecting to a LPC must have submitted an application for interconnection to the LPC. TVA will study all LPC connected generation as an Affected System. The project details, including the interconnection application submitted to the LPC, and a status of the request to the LPC shall be provided to TVA and TVA's interconnection contact listed in Section 2.1.3 of the RFP, as part of a submission to the RFP. Provide verification or documentation this information has been provided to the TVA interconnection contact.

6.4 Project Execution Plan & Schedule

6.4.1

Respondent shall provide a description of how it intends to complete the project and deliver renewable energy to TVA.

6.4.2

Respondent will be required to keep TVA informed of project progress during development which includes providing and updating the schedule using industry standard software (i.e. Primavera P6). A description of the process that would be used to update TVA on project progress, including any changes to the schedule, shall be included in the proposal.

6.4.3

Respondent shall attach to its proposal a project development plan and associated schedule to complete the project by its expected delivery date. The following is a list of required information, but TVA may request additional information at its discretion:

- Timing for all permits
- Financial milestone dates
- Engineering and design timing and dates
- Environmental review milestone dates
- Major equipment purchase dates
- Materials procurement plan (major components); Respondent shall provide a list of any major components (i.e. PV panels, inverters, BESS, conductor

wiring, pilings, etc.) that have been procured and safe harbored, and would be assigned solely to the proposed project(s)

- Contracting dates and milestones
- Construction timing
- Commercial operation date
- Updated project drawings will be provided to TVA

Note: The project development plan and schedule will be uploaded to Power Advocate using the naming convention (Attachment 4 - Project Development Plan and Schedule – Project Name).

6.5 Creditworthiness and Financial Plan

6.5.1

The proposal shall include sufficient financial information regarding the developer and investors to establish creditworthiness satisfactory to TVA in TVA's sole discretion. The proposal shall include, as a minimum, the following information regarding the Respondent and the proposed developer:

- Audited financial statements for the three (3) preceding years that include balance sheets, income statements, statements of cash flows, and notes to the financial statements.
- Bank name, address, phone number, and officer contact.
- Credit references from three (3) sources that include name, address, phone number, and contact.
- Annual report or Respondent or Affiliate brochure, if available.

Note: The audited financial statements will be uploaded to Power Advocate using the naming convention (Attachment 5 - Audited Financial Statements) and the Annual report as (Attachment 6 - Annual Report).

6.5.2

TVA requires secure and reliable physical delivery of the capacity and associated energy under all PPAs. Performance assurance covering both the physical delivery of capacity and energy will be provided in the form of either a:

- (1) Letter of Credit issued by a U.S. commercial bank domiciled in the United States, or

from a U.S. branch of a foreign bank, with such bank having a credit rating on its long-term senior unsecured debt of (1) “A3” or higher from Moody’s or (2) “A-” or higher from S&P, or if rated by both Moody’s and S&P, both (1) and (2).

(2) Cash Deposit

(3) Various combinations of the foregoing, as TVA determines to be acceptable.

State the method of performance Respondent intends to have issued if Respondent is awarded a PPA including details about the entities that will be involved.

6.5.3

The cost of such credit assurance must be borne by the Respondent. TVA will provide the initial performance assurance schedule to Respondents selected for a PPA.

6.5.4

Proposals shall also include a financial plan that describes the project’s short-term and long-term financing structure and ownership plan. Proposals should specify which tax credits will be sought in connection with the Project and detail how those tax credits are expected to be secured, including a summary of actions taken to date.

6.6 Additional Proposal-Specific Benefit and Risk Factors

6.6.1

Written support for the solar development by the top elected official and/or a body of elected officials and/or its economic development designee/agency within the local unit of government possessing zoning and/or permitting authority over the proposed property, will be considered a value contribution to the RFP response. Proposals that do not provide letter(s) of support will be considered less favorably.

Note: The written support will be uploaded to Power Advocate using the naming convention (Attachment 7 - Written Support – Project Name).

6.6.2

Respondents shall include known environmental resources at/near the project site with an emphasis on cultural resources, wetlands, and habitat information. In addition, the proposal will include a map of the project site in the form of a project GIS shapefile or KMZ file.

Note: The map of the project site in the form of a project GIS shapefile or KMZ file will be uploaded to Power Advocate using the naming convention (Attachment 8 - Environmental Resources – Project Name).

6.6.3

Respondents shall include in their proposal any economic development impacts (jobs, total investment) on the local communities that could result from the project.

6.6.4

Respondent's business history in relation to other projects or prior work with TVA shall be included in its proposal.

6.6.5

Respondents shall describe in their proposals which project equipment and materials will be manufactured in the United States and the TVA power service territory, respectively. The description shall include the percentage of steel and iron produced in the United States and/or in the TVA power service territory. The description shall also include, for all manufactured products to be part of the project, the percentage of the total cost of the components and subcomponents of the project that is attributable to components that are mined, produced, or manufactured in the United States and/or in the TVA power service territory.

6.7 Pricing

6.7.1

All contract pricing must be firm from the time of proposal submittal through the term of the PPA.

6.7.2

Firm pricing shall be provided in a \$/MWh Year 1 price for the renewable resource that will include all energy, capacity, transmission, ancillary services, and environmental attributes from the facility. The pricing will be seasonal and time of day (See Exhibit A of the RFP) that escalates at 2% annually through the term of the PPA for all intermittent renewable resources. The BESS capacity firm pricing shall be provided as a Year 1 \$/kW-mo price that escalates at 2% annually through the term of the PPA and is paid according to the monthly weighting factors in Exhibit B of the RFP. TVA requests that all Respondents provide pricing as follows for each project configuration: (i) complete Data Sheet(s) under Commercial Data tab in Power Advocate labeled "15 Year" and "20 Year" and (ii) table summarizing detailed project pricing to be included in the proposal.

6.7.3

Pricing shall be all-inclusive, including any necessary development, design, procurement, permitting, financing, and construction costs.

6.8 Additional Information of Interest

6.8.1

Use this section, if necessary, to include any additional information of importance about the project

that was not requested by TVA in the template proposal.

6.9 Solar and Solar Plus Storage Offers: Mark-Up of Standard PPA

6.9.1

With submittal of a Respondent's proposal, the Respondent must provide a mark-up of the PPA(s) to indicate any non-material clarifications and Facility- and Site-specific changes to the Standard PPA (Attachment 8a - Solar PPA, Attachment 8b - Solar and Storage PPA).

Each bid must include (i) a "red-lined version" of the standard PPA in Microsoft Word reflecting any and all necessary changes by showing the specific additions (**bold and underlined**) or deletions (~~strike-through~~) that Respondent requires in order to enter into the PPA; (ii) a separate document explaining every change; and (iii) a statement confirming that the substantive terms and conditions of the standard PPA is acceptable to the Respondent. TVA will not consider any material or substantive exception, change, or modification that would affect the value of a Respondent's proposal, or that would substantively change the risks and benefits as outlined in the Standard PPA. If a Respondent's red-lined version suggests material changes, TVA cannot consider such changes and the bid may be disqualified.

The Standard PPAs are posted to Power Advocate under the Download Documents tab.

Note: The PPA mark-ups and statement confirming acceptance of PPA terms will be uploaded to Power Advocate using the applicable naming convention (Attachment 8a - Solar PPA Redline), (Attachment 8b – Solar PPA Explanation), (Attachment 8c – Solar PPA Acceptance), (Attachment 8d - Solar and Storage PPA Redline), (Attachment 8e – Solar and Storage PPA Explanation), (Attachment 8g – Solar and Storage PPA Acceptance).

Exhibit H
Proposal Requirements
Non-Solar Carbon-Free Projects

Respondents submitting proposals for non-solar carbon-free projects must provide the information requested in Exhibit G, adjusted as necessary to reflect the non-solar nature of the generating resource, except that such Respondents are not required to submit revisions to the standard PPAs provided by TVA.

Proposals for non-solar carbon-free projects are also required to submit the following term sheet, completed to reflect the Respondent’s proposal:

Carbon-Free Power Purchase Agreement Term Sheet

This Term Sheet describes the primary terms of an agreement by and between “[Seller Name]” and Tennessee Valley Authority, (collectively, “the Parties”) regarding the terms and conditions applicable to the sale and purchase of capacity, energy products and ancillary services from Seller’s generation facility to be negotiated between the Parties. Until a Power Purchase Agreement is approved, signed and delivered, the Parties shall have no legal obligations, expressed or implied, or arising in any other manner, under this Term Sheet.

Buyer:	Tennessee Valley Authority (“TVA”)
Seller:	[Seller Name] (If Seller is a Project LLC, please also provide parent name who will be providing credit support and financial information)
Product:	The Product includes all of the following: 1. Energy: All Energy delivered to the Delivery Point. 2. Environmental Attributes: All renewable energy credits (“RECs”) and any other environmental attributes associated with Delivered Energy; 3. Capacity Rights: All capacity rights, including resource adequacy benefits, if any, associated with the Facility; and 4. Ancillary Services: All ancillary services, products and other attributes.
Generation Facilities Installed Capacity:	[] MW _{AC}
Buyer’s Contract Capacity:	[] MW _{AC}
Delivery Period:	An expected Initial Delivery Date (IDD) of [] and shall terminate [] years from this date.
Project Interconnection Point:	The Project shall interconnect to []. Seller shall be responsible for all costs of interconnecting the Project to the Interconnection Point.
Delivery Point:	[], Note: the Delivery Point must be delivered in a way that TVA is able to receive the Energy on the TVA system.
Generation Facility:	The [] project, located in [County], in the State of [], (the “Project”). Please include:

	<ul style="list-style-type: none"> • type of carbon free energy; • proposed primary technology; and • potential name of project. • If adding or proposing a stand alone energy storage system, the Storage Capacity Payment section must be completed in the term sheet.
Contract Price	Buyer will pay \$[_____] /MWh for energy and all Environmental Attributes delivered by the Generating Facility beginning on the IDD. The Contract Price shall be a Fixed Price with a 2% escalation beginning at the end of the 1st calendar year after IDD.
Capacity Payment	If a capacity call option is applicable, then the Capacity prices should be quoted in the form of a flat amount per month or nominal dollars per kilowatt-month. If capacity price is quoted on the basis of \$/kW-month, the kW to which the capacity price is applied must be stated.
Storage Capacity Payment	If proposing a coupled storage or stand-alone offer, the capacity firm pricing shall be provided as a Year 1 \$/kW-mo price that escalates at 2% annually through the term of the PPA and is paid according to the monthly weighting factors in Exhibit B of the RFP. The Storage technology must be AC-Coupled and have grid charging capability.
Availability Guarantees	Seller shall provide Buyer with a guarantee that the overall Generating Facility availability shall be no less than TBD% of annual gross capacity output. Seller shall pay to Buyer liquidated damages if the Generating Facility fails to meet the Minimum Annual Availability in either the peak or the off-peak months after the IDD.
Risk Mitigation	Seller shall propose a significant level of assurance to TVA in which the project will meet milestones and become commercially operational on time. Seller shall expect to provide Performance Assurance in the form of cash or a letter of credit in the amount of 125 \$/kW upon contract execution.
Eligible Resources	Generation technologies eligible to respond to this Carbon-Free RFP include wind (offshore or land based), hydro, geothermal, biomass, nuclear, green gas, BESS paired with above resources, standalone BESS, and hybrid combinations of the aforementioned resources.
Fuel Supply / Energy Charges	Buyer will be charged at index cost for Seller supply. Omit, if fuel is not applicable to the Generation Facility.
Environmental Attributes	The Contract Price shall consist of all environmental attributes associated with this project at the IDD. In the event any future environmental attributes are able to be subsequently monetized due to either new compliance markets being developed or via the establishment or change of federal or local laws, the Seller will transfer all attributes to the Buyer.
Project Operation and Maintenance	The Parties shall develop written operating procedures (“Operating Procedures”) for the Generating Facility before the applicable initial delivery date which shall set forth the protocol under which the Parties shall perform their respective obligations under the PPA and shall include, without limitation, procedures concerning the following: (i) the method of day-to-day communications, (ii) key personnel lists for Seller and Buyer, including an appointed authorized representative for each Party and (iii) forced outage and planned outage reporting.
Scheduled Outages	Seller shall provide to Buyer a Scheduled Outage schedule for the Project no later

	than thirty (30) calendar days before each Delivery Period. The Seller shall give a seven (7) calendar day notice for a scheduled outage that has an expected duration of five days or less and a fifteen (15) for a scheduled outage with a duration greater than five days.
Agreement Condition Precedents	Satisfactory completion of all “agreements” related to large generator interconnection, metering/relaying requirements and operating procedures as well as any required Transmission Studies.
Other	Any additional unique contract provisions specific to a Generation Facility.