STATE OF TENNESSEE
DEPARTMENT OF GENERAL SERVICES

REQUEST FOR INFORMATION# 32101-16100
AMENDMENT # ONE
FOR Solar PV Installations through a Power Purchase Agreement

DATE: August 17, 2015

1. **State responses to questions and comments in the table below to amend and clarify this RFI.** Any restatement of RFI text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFI document.

	QUESTIONS	STATE RESPONSE
1	What is the blended rate that the State of Tennessee pays for electricity from its providers?	$0.10/kWh
2	What electric rates does the State of Tennessee forecast over the next 30 years?	The State anticipates an annual cost increase of 1.5% based on historical data. The State welcomes feedback from the industry on this topic.
3	Will the State of Tennessee provide the land needed for the solar farms at no cost to PPA vendors?	Yes
4	If not, what is the lease rate, per year and per acre for the land required?	$0.0
5	Will the land be shade-free and/or adjacent to three phase power?	The State has selected sites that it assumes will be well suited for solar PV, including power and shading considerations. A successful proposer shall determine and design the final location and sizing of the system at each site.
6	What do you expect of providers with regard to sun-following technologies: Fixed pole, single axis, or dual axis?	The State expects the majority of the systems to be either single or dual axis tracking. The exact configuration will be left to the proposer to identify the most efficient and cost effective solution. The Proposer can provide information on the pros and cons of each type, including availability, installation and cost factors and include the possibility of some roof mounted roof mounted systems that we would expect to be ballasted systems with no roof penetrations.
7	Is this solicitation requesting a base cost per kWhAC produced, or perhaps a cost per kWDC for a “generic” PV system?	Question 1 of the RFI is asking for the cost per kWhAC produced for various system sizes in order to determine the optimum numbers of Megawatts to ask for in an RFP. Parts A and B of question 4 of the RFI are asking for a cost per KwhAC. Part C of question 4 of the RFI is asking for a cost per kWDC installed. The State would like to know what the life cycle cost differential would be between each type of procurement. The cost of maintenance from question 3 of the RFI should be factored in to Part C of Question 4 of the RFI.

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8	What market support data and/or financial methodology supports the desired rate per kWh in 2020? If such a rate cannot be achieved and the state remains insistent upon forecasting such a significantly long time frame into the future, would the state consider leaving the cost per kWh request open to the response of the respective bidder, as long as they provide a financial pro-forma with support evidence for how they intend to achieve such a proposed rate?	The desired rate in 2020 was based on some recent utility scale systems to hit the market. The State would appreciate the industry's thoughts on the likelihood of being able to procure a system at this rate. If it is deemed unobtainable, what does the industry believe is a reasonable rate for a procurement in 2020, assuming the ITC is reduced to 10% as scheduled at the end of 2016.
9	What is the average current cost for electricity for all site(s) being considered? What interest rate would the state expect?	That average blended rate across all State sites is $0.10/kWh. Detailed utility bills and site locations will be provided when an RFP is released.
10	When does the state intend to execute a final contract with the successful bidder(s)?	The State understands that time is of the essence in order to get all engineering and construction complete by December 31, 2016. We are anticipating an executed contract and Notice to Proceed (NTP) in the first week of January 2016. Does the industry feel that this time line is adequate to design and install each of the following: 25MW, 50 MW, 75 MW, and 100 MW systems?