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FPL

Florida Power & Light Company

Capacity RFP

Evaluation Process

January, 1990

DOCUMENT NUMBER-DATE

10937 DEC 11 1990

FPSC-RECORDS/REPORTING

1 of
89

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"REQUEST FOR POWER SUPPLY PROPOSALS -
1989 SOLICITATION"
EVALUATION PROCESS

FLORIDA POWER & LIGHT COMPANY
JANUARY 1990

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Capacity Bid Evaluation

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I. Introduction

The proposals received in response to FPL's Request For Power Supply Proposals - 1989 solicitation (RFP) must be objectively evaluated in detail and over a broad range of criteria to assure that the process results in the maximum potential benefit to FPL's customers. The purpose of this report is to provide the methodology and schedule for evaluating the RFP's.

The evaluation process described in the following sections is the process to be used in evaluating the power supply proposals received by January 5, 1990. Each FPL department shall adhere to the methods and worksheets described except and unless a specific change is recommended by the Capacity RFP Team and authorized by Mr. J. W. Williams, Jr.

The steps of the evaluation process are as follows:

- ▶ An initial screening to eliminate proposals that fail to meet minimum requirements will be conducted. Section II describes the process to be followed in this step. Appendix A provides the screening worksheet to be used. Bids that fail to meet minimum requirements will not be considered in subsequent steps.
- ▶ An economic screening of all remaining bids will be performed. This evaluation process is described in Section III. An economic screening worksheet is attached as Appendix B.
- ▶ A detailed technical and economic evaluation will then be performed. A screening for transmission requirements will also be performed. The detailed evaluation process is described in Section IV. The economic and detailed evaluation worksheet are attached as Appendix C. Weighting factors for each evaluation criterion and their determination are described in Section V.
- ▶ Identification of an award group of bidders based upon the results of the detailed evaluation and externalities will occur by June 30, 1990.

The overall schedule for the evaluation process is provided in Fig. 1. Responsible departments for each element of the process are provided in Table 1.

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Confidentiality of all bids, evaluation worksheets, and this report shall be maintained at all times. To help assure this, controlled copies of all bids shall be signed for and obtained, in person, from Corporate Contracts during the evaluation. As each bid is evaluated, the bid and its evaluation worksheets shall be returned to Corporate Contracts.

Update of the progress in the evaluation process will be provided in summary format by the Capacity RFP Team Leader as follows: On a weekly basis to the Director of System Planning, on a monthly basis to the Delivery Cross - Functional and Management Committee and as required to the Executive Committee.

A list of successful bidders will be provided at the end of the Requirements and Minimum Conditions screening to Corporate Contracts, evaluators, and the Director of System Planning. System Planning will coordinate the elements of the evaluation process throughout.

CAPACITY RFP BID EVALUATION SCHEDULE

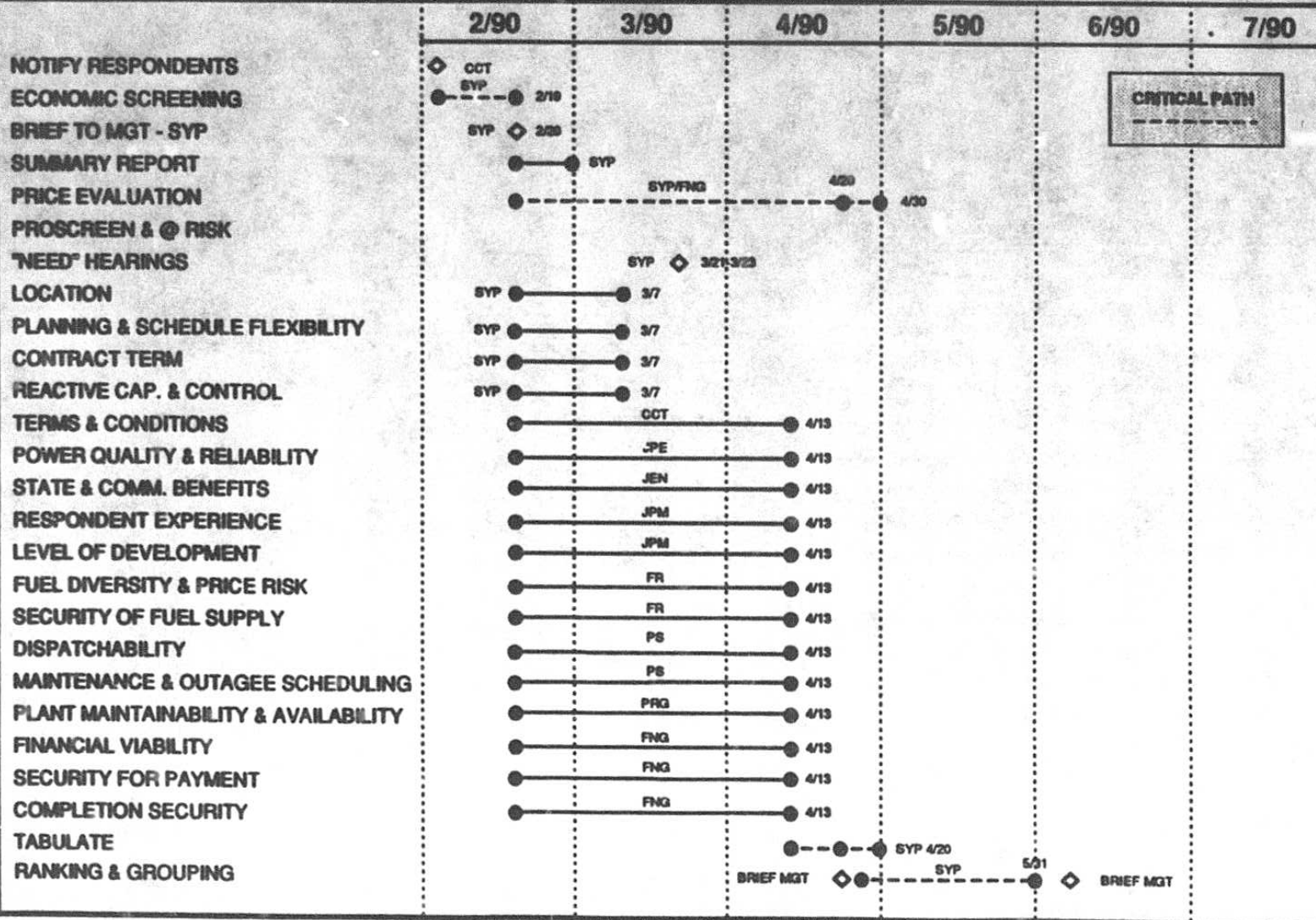


Figure 1

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Table 1

EVALUATION PROCESS RESPONSIBILITIES

<u>LEAD (SUPPORT) DEPARTMENT</u>	<u>PROCESS ELEMENT</u>
Corporate Contracts (SYP, JEN, JPE)	<ul style="list-style-type: none"> ▸ Requirements and Minimum Conditions ▸ Contract Terms and Conditions
System Planning (FNG)	<ul style="list-style-type: none"> ▸ Economic Screening ▸ Economic Evaluation
System Planning (FNG, JPM, JPE, JEN)	<ul style="list-style-type: none"> ▸ Price and Cost to FPL ▸ Location ▸ Planning and Schedule Flexibility ▸ Contract Term ▸ Reactive Capability and Control
Finance (CCT, JPE)	<ul style="list-style-type: none"> ▸ Completion Security ▸ Security for Payment ▸ Financial Viability of Facility and Respondent
Fuel Resources (SYP)	<ul style="list-style-type: none"> ▸ Fuel Diversity and Price Risks ▸ Security of Fuel Supply
Power Plant Engineering (SYP, PR)	<ul style="list-style-type: none"> ▸ Power Quality and Reliability
Power Supply (PR, JPE)	<ul style="list-style-type: none"> ▸ Dispatchability ▸ Maintenance Outage Scheduling
Power Resources	<ul style="list-style-type: none"> ▸ Plant Maintainability and Availability
Project Management (JPE, FR, JEN, JSE, FNG, JCM, PR)	<ul style="list-style-type: none"> ▸ Respondent Experience ▸ Level of Development
Environmental	<ul style="list-style-type: none"> ▸ State and Community Benefits

II. Requirements and Minimum Conditions Screening

The first step in the bid evaluation process is to screen out proposals which do not meet the minimum conditions and requirements outlined in Section 3.3 of the RFP. These minimums are summarized on the worksheet provided in Appendix A.

This evaluation step requires "go/no-go" decisions as to whether the bids meet all minimum conditions and requirements. Some analysis may be required in order to ascertain whether the requirement ("capable of being sited licensed, and constructed...") delineated in Section 3.3.1 is met. Proposed projects which clearly entail perpetual motion machines, violate thermodynamic principles, or violate other laws of physics will be considered as failing to satisfy this requirement. Also, proposed projects which have incredible attributes, such as a clearly unrealistic construction schedule or heat rates, will be considered to fail to satisfy this requirement. Specifically, the following heat rates are assumed to be unrealistic:

- o Less than 8,500 BTU/KWHr for Pulverized Coal
- o Less than 10,000 BTU/KWHr for Combustion Turbine
- o Less than 7,000 BTU/KWHr for Combined Cycle

Proposals which do not meet the Requirements and Minimum Conditions will not be considered further.

Proposals which fail to meet the requirements and minimum conditions due to a technicality, such as a missing exhibit or a probable typographical error, will have the opportunity to be remedied. The respondent will be notified by Corporate Contracts of the deficiency and allowed five working days to supply or correct the deficiency.

Upon completion of this evaluation step, respondents will be informed by Corporate Contracts whether their proposals were or were not rejected.

III. Economic Screening

Each proposal meeting the conditions of Section II will be screened for potential economic benefit to FPL's ratepayers. The method to be employed is the same as that utilized in the "Petition to Determine Need For Electrical Power Plant 1993-1996", Section IV.C. The screening calculates a levelized capital, fuel, and O&M revenue requirement (\$/KW-yr), versus capacity factor.

Each project proposed will be compared to Martin Unit Nos. 5 and 6 (IGCC) in this screening. Proposed projects will also be compared to each other within fuel type technologies to identify outliers. Depending upon the number and nature of proposals received, it may be necessary to form and compare other groupings in order to facilitate further evaluation.

For bids that propose alternate technologies, such as energy storage, an "effective" fuel cost will be developed to facilitate comparison to other bids. The levelized cost (\$/KW-yr) will then be computed and compared to Martin Unit Nos. 5 and 6.

Proposed projects whose revenue requirements are greater than Martin Unit Nos. 5 and 6 over the entire anticipated range of capacity factors will be dropped from further consideration. Each of the remaining proposals will then receive detailed evaluation. The method for performing the economic screening is described in Appendix B.

IV. Detailed Evaluation

The seventeen evaluation criteria outlined in Section 3.2 of the RFP form the basis of the detailed evaluation process. An eighteenth criterion will also be used to evaluate the proposed contract terms and conditions. The eighteen criteria are:

1. Price and Cost
2. Location
3. Planning and Schedule Flexibility
4. Fuel Diversity and Price Risks
5. Security of Fuel Supply
6. Power Quality and Reliability
7. Dispatchability
8. Reactive Capability and Control
9. Contract Term
10. Maintenance Outage Scheduling
11. Completion Security
12. Security For Payment In Excess of Value
13. Financial Viability of Facility and Respondent
14. Plant Maintainability and Availability
15. Respondent's Experience
16. Level of Development
17. State and Community Benefits
18. Contract Terms and Conditions

Each criterion has been defined as composed of one or more components. Each component has one or more elements which, in sum, define the effectiveness of the proposed project in satisfying that component.

Therefore, the evaluation will proceed in the following manner. The lead department for each criterion has developed and documented the basis for a score for each element within the criterion for which the department has responsibility. The scores are aggregated for all elements within a component to provide a raw component score. A normalized score is determined by multiplying the highest score (among all projects being evaluated) by a factor sufficient to result in a score of ten. The raw component score of each proposal will then be multiplied by the same factor. After the normalized score for each component is similarly determined, the proposed project score for the criterion is determined by summing the products of the component weight multiplied by the component normalized score.

Worksheets for each criterion are attached in Appendix C.

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The analysis to determine the weight of each criterion is included in Section V. The essence of the analysis is to determine the relative impact of each evaluation criterion upon FPL's customers. The impact is based on (1) how directly the criterion affects the quality elements, and (2) the weight of the quality elements themselves (From "Table of Tables"). Using the criteria impacts, a weight for each criterion is determined. These weights are then multiplied by the score received in each criteria with the results summed to obtain a composite score for each proposed project being evaluated.

Many of the detailed evaluation criteria have thresholds of acceptability. That is, proposed projects which receive a score below the minimum (e.g., score of 1) for these criteria will be examined for potential rejection. For example, a project may be awarded from 1 to 10 points on Criterion 13, Financial Viability. If a project were to be rated below a score of 1, the proposal could be rejected because the implied risk of the project would be too great. The criteria which have thresholds are as follows:

- Security of Fuel Supply (Criterion 5)
- Contract Term (Criterion 9 - Ten Year Threshold)
- Maintenance and Outage Scheduling (Criterion 10)
- Financial Viability (Criterion 13)
- Respondent Experience (Criterion 15)

V. Evaluation Criteria Weights

The analysis to determine evaluation criteria weights is illustrated in Fig. 2. The purpose of this analysis is to determine weights for the criteria which assure that the highest overall evaluation score also results in the greatest benefit to FPL's customers.

The life cycle cost (economic evaluation) of the proposed project was set at [REDACTED]. This is consistent with the Vendor Quality Improvement Program (VQIP) derived weight for life cycle cost and is consistent with the customers survey derived weight for price ([REDACTED]) illustrated in the Table of Tables.

The remaining 17 evaluation criterion were assessed against the quality elements defined in the "Customer Needs - Table of Tables", Version 4, May 1989. Summing the weighted impacts for all quality elements resulted in a total criterion weight.

This approach to developing weights is consistent with the Vendor Quality Improvement Program (VQIP) method. The overall impacts on the Customer Quality Elements are reasonably the same as derived through VQIP. Also, the rated impact is reasonably consistent with the customers survey of the weights accorded to the quality elements. These results lend confidence to the weights assigned to each bid evaluation criterion.

RFP EVALUATION CRITERIA - DETERMINATION OF WEIGHTING FACTORS

			IMPACT ON CUSTOMER NEEDS (other than PROSCREEN)																								
CATEGORY	QUALITY ELEMENT	WT	PROSCREEN ANALYSIS																	ELEMENT SCORE	RANK	%	CATEGORY				
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17				18	SCORE	%	RANK	
SALES & SERVICE QUALITY (14%)	• CONTINUITY OF SERVICE	6.38	Δ	○	●	○	○	○	Δ	●	●	○	Δ	Δ	Δ	○	●	●		223.30	2	24.2	223.30	24.2	2		
	• CHARACTER OF SERVICE	1.78	Δ	●	●	●	●	●	●	●	●	●	●	●	○	●	●	●	Δ	35.20	7	3.8	107.20	11.6	4		
DELIVERY (9%)	• CAPACITY	1.80	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	72.00	5	7.8					
	• PRICE	6.87	Δ	Δ	○	Δ	○	○	○	○	○	○	○	○	○	○	○	○	○	281.67	1	30.5	354.46	38.4	1		
	• RATE OPTIONS	1.85																									
• FINANCIAL INTEGRITY	2.51	Δ	●	●	Δ	○	○	○	○	○	○	○	○	○	○	○	○	○	72.79	4	7.9						
CORPORATE RESPONSIBILITY (35%)	• PREVENT POLLUTION/ PROTECT PUBLIC HEALTH	5.57				●	●	●	●	●	●	●	●	○	○	○	○	○	○	94.69	3	10.3					
	• PROTECT PROPERTY & EQUIPMENT	3.80																	3.8	26.60	8	2.9					
	• CONCERN FOR COMMUNITY	3.08																		12.32	10	1.3					
	• VISUAL APPEAL	1.78																		10.74	12	1.2	218.11	23.6	3		
	• PROTECT NATURAL ENVIRONMENT	4.95					●	●	●	●	●	●	●	○	○	○	○	○	○	69.30	6	7.5					
	• REPORTING & FILING REQUIREMENTS	2.23																		4.46	11	0.5					
SAFETY (13%)	• PUBLIC SAFETY	10.00																		20.00	9	2.2	20.00	2.2	5		
	• EMPLOYEE SAFETY	5.83																									
SCORE																				100.0	923.07	100.0					
RANK																											
%																											

FIGURE 2

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VI. Ranking and Grouping of Proposals

The detailed evaluation process, outlined in Section IV, will result in a ranked list of acceptable proposals for entry into contract negotiations. However, because the capacity, timing, and location of individual proposed projects may result in relative benefits to the system that are independent of scored rank, a direct use of the rank may not be practical.

Proposed projects which independently provide benefit when compared to the base plan, will be combined to determine what plan will result in greatest overall benefit to the customers. A set of combinations will be developed to allow analysis of alternative combinations. The combinations will be derived using the highest ranked projects feasible within the available proposals. Combining projects lower in rank than one or more of a higher rank may result in a plan which has greater overall benefit. Determining this combination will be performed by use of PROSCREEN and TIGER in a manner similar to that described in developing the base plan in the "Petition To Determine Need For Electrical Power Plant 1993-1996", November 1989.

The purpose of ranking and grouping proposals is to assure that the lowest overall cost is provided to FPL's customers consistent with use of projects that provide positive benefits in the other evaluation criteria. All the preceding analyses had treated each project as an independent entity to facilitate comparison. This final analysis treats the projects more realistically, as a portion of an overall power supply plan, and, therefore, might result in some changes to the overall ranked priority of the projects for entry into negotiation.

**Appendix A
Capacity RFP
Requirements and Minimum Conditions Screening**

Project No. _____	Project Name: _____
Lead Department: Corporate Contracts	
Support Department: System Planning, Environmental Affairs, Power Plant Engineering	
Evaluated By: _____	Reviewed By: _____
Date: _____	Date: _____

(Page 1 of 3)

_____ **PASS** _____ **FAIL**

Yes/No

Facility Construction Plan and Schedule

- _____ - Capable of being sited, licensed and constructed to meet Acceptance Dates between 1/1/94 and 12/31/97.
(Exhibit 4.2.2 and 6.1.1)

Siting Requirements

- _____ - Affidavit agreeing to submit to PPSA (if in Florida) and adhere to all applicable environmental laws and regulations.
(Exhibit 4.5.1)

Fuel-Related Requirements

- _____ - Oil - Not primary and not alternate primary
- _____ - Natural Gas or Propane - Must be capable of using coal or another alternate primary fuel
- _____ - Affidavit

Appendix A (continued)

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Yes/No

Completeness

- _____ - Authorization - by officer or clearly authorized employee
(Exhibit 9.1.1)
- _____ - Met January 5, 1990 deadline
- _____ - Technical Information
- _____ - Form 2 - Facility Public Summary
- _____ - Form 3 - System Planning
- _____ - Form 4 - Siting and Licensing
- _____ - Form 6 - Operations/Engineering
- _____ - Form 7 - Fuel Supply
- _____ - Form 9 - Proposal Submission Letter and Contractual Issues

Commercial Information

- _____ - Form 2 - Facility Public Summary
- _____ - Form 5 - Financial and Corporate Information
- _____ - Form 8 - Pricing Proposal

If proposal fails to meet Requirements and Minimum Conditions, notify respondent by that the proposed project has failed to meet minimum requirements and will not be considered for contract negotiations. If a Requirement or Minimum Condition is not met due to a technicality (a missing form or a probable typographical error), notify the bidder, by an overnight mail service, of the deficiency and allow until 4:00 pm on the fifth working day following notification for the deficiency to be corrected.

**REQUEST FOR POWER
SUPPLY PROPOSALS:
1989 SOLICITATION**

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**Appendix A Worksheet
(Page 3 of 3)**

**FPL Capacity
RFP Forms**

Exhibits

Notice of Intent to Respond to the Solicitation	1.1.1	
Facility Public Summary Form	2.1.1	
Acceptance Date	3.1.1	
Electrical Location	3.2.1	
"	3.2.2	
"	3.2.3	
Wheeling	3.2.4	
Dispatchability	3.2.5	
Generation Capability Curve		
Site Acquisition and Ownership	4.1.1	
"	4.1.2	
Licensing and Permitting	4.2.1	
"	4.2.2	
Respondent Siting and Licensing	4.3.1	
Siting and Technology Environmental Issues	4.4.1	
Need Determination and the FEPPSA	4.5.1	
By Products and Waste	4.6.1	
Noise Levels	4.7.1	
Financial Capability	5.1.1	
"	5.1.2	
"	5.1.3	
Corporate Info. and Management Experience	5.2.1	
Construction Capability	6.1.1	
"	6.1.2	
"	6.1.3	
Unit Performance	6.2.1	
Experience	6.3.1	
Operation and Maintenance Capability	6.4.1	
Technology	6.5.1	
Technical Documentation	6.6.1	
Schedule & Level of Development	6.7.1	
Corporate Info. and Management Experience	6.8.1	
Availability and Security of Fuel Supply	7.1.1	
"	7.1.2	
"	7.1.3	
Pricing Proposal-----FPL Format (i.e., Capacity Pricing, Energy Pricing, O&M Pricing)	8.1.1	
	8.1.2	
Pricing Proposal-----Alternate Format	8.2.1	
Acceptance Date and Schedule Flexibility	8.3.1	
Security for Payment in Excess of Value	8.4.1	
Benefits of Selecting Respondent	8.5.1	
Proposal Submission Letters (i.e., Certification Letter)	9.1.1	
Contractual Issues	9.2.1	
Written Exceptions	9.2.2	
Alternatives		

**Appendix B
Capacity RFP
Economic Screening Worksheet**

Project No. _____ Project Name: _____
 Lead Department: System Planning
 Support Department: Finance, Fuel Resources
 Evaluated By: _____ Reviewed By: _____
 Date: _____ Date: _____

(Page 1 of 2)

Superimpose screening curve for proposed project on the 1996 IGCC curve.

Proposed projects whose screening curves are above the 1996 IGCC curve for all anticipated capacity factors will not receive detailed evaluation and will not be considered for awards.

1. $\$/\text{kw-yr}(\text{TOTAL}) = \$/\text{kw-yr}(\text{CAPITAL}) + \$/\text{kw-yr}(\text{FUEL}) +$
 $\$/\text{kw-yr}(\text{FIXED O\&M}) + \$/\text{kw-yr}(\text{VARIABLE O\&M})$
2. $\$/\text{kw-yr}(\text{CAPITAL}) = \$(1996) \text{ per installed kw} \cdot \text{capital carrying charge rate}$
3. $\$/\text{kw-yr}(\text{FUEL}) = \text{capacity factor} \cdot 8760 \text{ (hours/year)} \cdot \text{net heat rate (BTU/kwhr)}$
 $[\$/\text{MMBTU}] / 1,000,000$

$$\$/\text{MMBTU}(\text{Average}) = \$/\text{MMBTU} (1996) \cdot [(1+l_e)^{30} / (1+l)^{30}]$$

$$l_e = \exp[\ln(F/P)/30] - 1$$

where F = Nominal Fuel Price in Year 30 (\$/MBTU)

P = Nominal Fuel Price in Year 1

l_e = Levelized Fuel Escalation Rate

$$l = \exp[\ln(l_{30} / l_1)/30] - 1$$

where l_{30} = Inflation Rate in Year 30

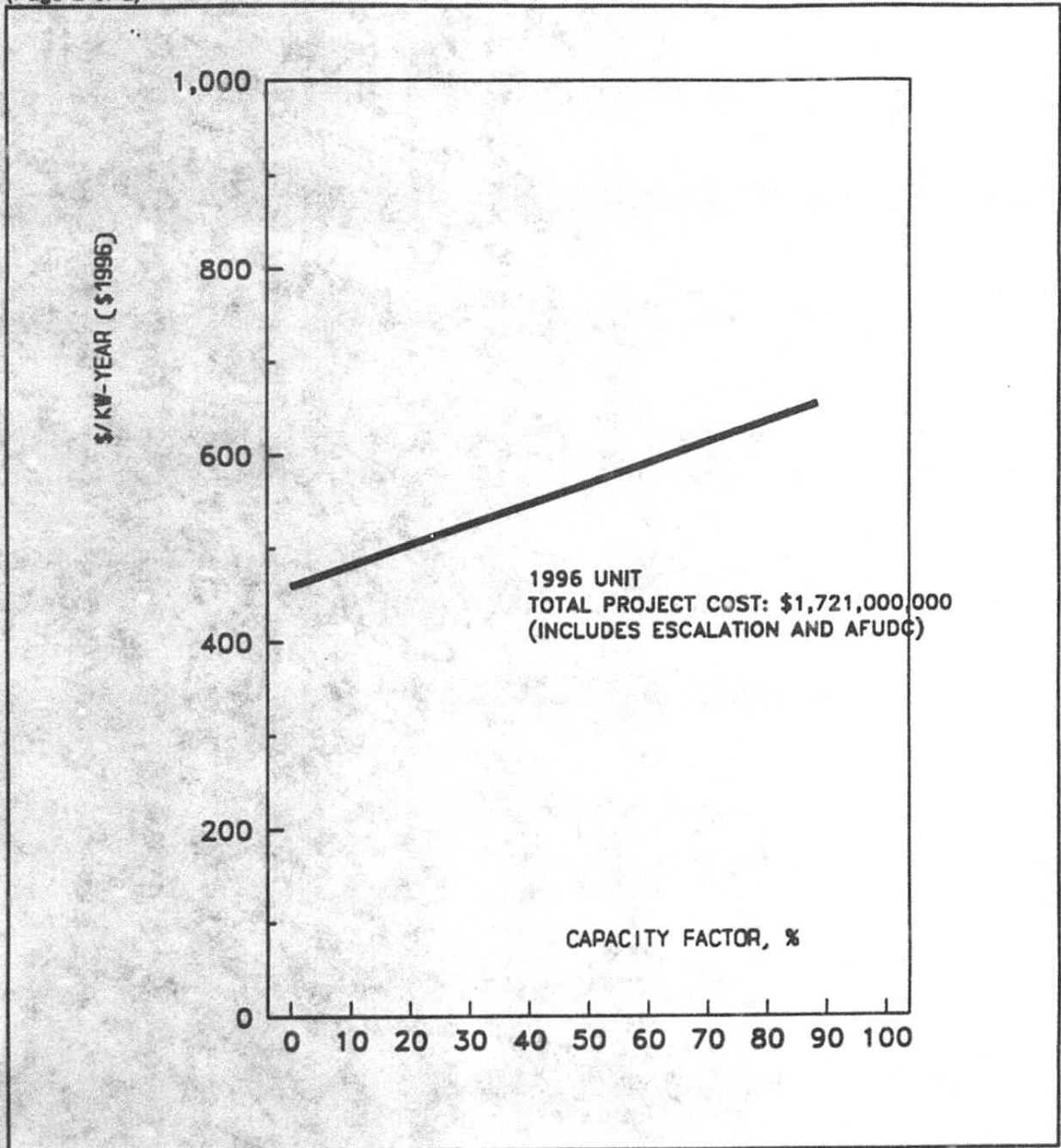
l_1 = Inflation Rate in Year 1

l = Levelized Inflation Rate

4. $\$/\text{kw-yr}(\text{FIXED O\&M}) = \text{O\&M Cost Per installed kilowatt in 1996 Dollars}$
 Assumes that escalation is according to inflation unless otherwise stated, in which case it is adjusted similar to fuel cost.
5. $\$/\text{kw-yr}(\text{VARIABLE O\&M}) = \text{Capacity Factor} \cdot 8760 \cdot \$/\text{MWH}/1,000$
 Escalation is treated the same as in FIXED O&M

Appendix B (CONTINUED)

(Page 2 of 2)

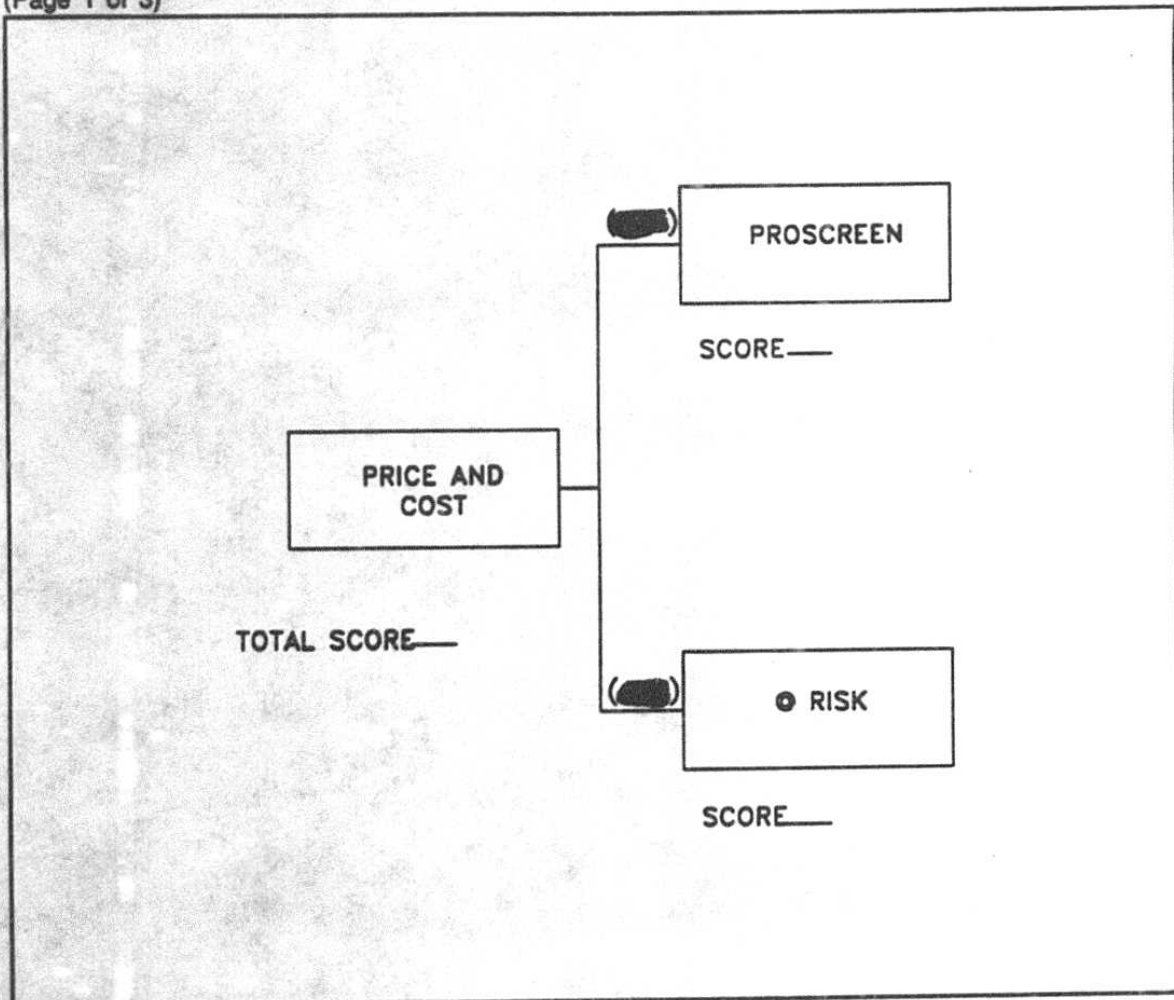


**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ Project Name: _____
Lead Department: System Planning
Support Department: Finance, Fuel Resources
Evaluated By: _____ Reviewed By: _____
Date: _____ Date: _____

Criterion 1: Price and Cost

(Page 1 of 3)



CRITERION 1 CONTINUED

(Page 2 of 3)

Scoring Methodology

Present Value Revenue Requirements (PVRR) Savings (Cost) Using PROSCREEN

PVRR When Compared To Base Plan Without the Project \$ _____

Normalized PVRR for Project (PVRR :- Rated Power) \$ _____/MW

LOLP With Project In Year (____) of First Operation _____ days/year

LOLP Without Project In Base Plan _____ days/year

"Effective" PVRR of Project To Achieve Same Reliability: \$ _____
(Change capacity offset in base plan until essentially equivalent LOLP results.)

Score = (\$/MW) :- \$100,000

I. Score: _____

USING PROSCREEN:

The Present Value Revenue Requirement (PVRR) of each proposed project will be determined by the PVRR which results when the capacity of Martin Unit Nos. 5 and 6 is reduced by an amount equivalent to the capacity of the proposed project, and replaced by the proposed capacity. The cost of Martin Unit Nos. 5 and 6 is reduced in direct proportion to the capacity reduction, and replaced by the evaluated cost of the proposed capacity. This project PVRR will then be compared to the PVRR of FPL's base case (without the proposed project). The proposed project capacity will be adjusted for the effects of transmission system impact (location dependent) and availability (bid dependent). The system reliability, i.e., loss of load probability (LOLP), will be verified to be essentially equivalent to the base plan without the proposed project. If LOLP is substantially different, the offset capacity will be adjusted by equivalent deration until the LOLP is essentially equivalent over the period 1994 to 1997.

It is possible for projects to achieve negative scores. The project having the most negative score in this analysis will be set to zero. The absolute value of its original score will then be added to all other scores, up to a maximum of ten. This has the effect of presenting the scores consistently without affecting relative ranking. The same approach will be used with the @ RISK analysis.

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CRITERION 1 CONTINUED

(Page 2 of 3)

Scoring Methodology

Present Value Revenue Requirements (PVRR) Savings (Cost) Using PROSCREEN

PVRR When Compared To Base Plan Without the Project \$ _____

Normalized PVRR for Project (PVRR :- Rated Power) \$ _____/MW

LOLP With Project In Year (____) of First Operation _____ days/year

LOLP Without Project In Base Plan _____ days/year

"Effective" PVRR of Project To Achieve Same Reliability: \$ _____
(Change capacity offset in base plan until essentially equivalent LOLP results.)

Score = (\$/MW) :- \$100,000

I. Score: _____

USING PROSCREEN:

The Present Value Revenue Requirement (PVRR) of each proposed project will be determined by the PVRR which results when the capacity of Martin Unit Nos. 5 and 6 is reduced by an amount equivalent to the capacity of the proposed project, and replaced by the proposed capacity. The cost of Martin Unit Nos. 5 and 6 is reduced in direct proportion to the capacity reduction, and replaced by the evaluated cost of the proposed capacity. This project PVRR will then be compared to the PVRR of FPL's base case (without the proposed project). The proposed project capacity will be adjusted for the effects of transmission system impact (location dependent) and availability (bid dependent). The system reliability, i.e., loss of load probability (LOLP), will be verified to be essentially equivalent to the base plan without the proposed project. If LOLP is substantially different, the offset capacity will be adjusted by equivalent deration until the LOLP is essentially equivalent over the period 1994 to 1997.

It is possible for projects to achieve negative scores. The project having the most negative score in this analysis will be set to zero. The absolute value of its original score will then be added to all other scores, up to a maximum of ten. This has the effect of presenting the scores consistently without affecting relative ranking. The same approach will be used with the @ RISK analysis.

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CRITERION 1 CONTINUED

(Page 2 of 3)

Scoring MethodologyPresent Value Revenue Requirements (PVRR) Savings (Cost) Using PROSCREEN

PVRR When Compared To Base Plan Without the Project \$ _____

Normalized PVRR for Project (PVRR :- Rated Power) \$ _____/MW

LOLP With Project In Year (____) of First Operation _____ days/year

LOLP Without Project In Base Plan _____ days/year

"Effective" PVRR of Project To Achieve Same Reliability: \$ _____
 (Change capacity offset in base plan until
 essentially equivalent LOLP results.)

Score = (\$/MW) :- \$100,000

I. Score: _____

USING PROSCREEN:

The Present Value Revenue Requirement (PVRR) of each proposed project will be determined by the PVRR which results when the capacity of Martin Unit Nos. 5 and 6 is reduced by an amount equivalent to the capacity of the proposed project, and replaced by the proposed capacity. The cost of Martin Unit Nos. 5 and 6 is reduced in direct proportion to the capacity reduction, and replaced by the evaluated cost of the proposed capacity. This project PVRR will then be compared to the PVRR of FPL's base case (without the proposed project). The proposed project capacity will be adjusted for the effects of transmission system impact (location dependent) and availability (bid dependent). The system reliability, i.e., loss of load probability (LOLP), will be verified to be essentially equivalent to the base plan without the proposed project. If LOLP is substantially different, the offset capacity will be adjusted by equivalent deration until the LOLP is essentially equivalent over the period 1994 to 1997.

It is possible for projects to achieve negative scores. The project having the most negative score in this analysis will be set to zero. The absolute value of its original score will then be added to all other scores, up to a maximum of ten. This has the effect of presenting the scores consistently without affecting relative ranking. The same approach will be used with the @ RISK analysis.

CRITERION 1 CONTINUED

(Page 3 of 3)

Present Value Revenue Requirements (PVRR) Per Kilowatt
of Capacity at the 95% Confidence Level Using @ RISK

A. PVRR \$ _____/year/KW installed

B. PVRR of Martin Units Nos. 5 and 6 \$ _____/year/KW installed

Score = $\frac{[(\$/\text{MW})_{\text{proj}} - (\$/\text{MW})_{\text{martin}}]}{\$100,000/\text{MW}}$ maximum of [] minimum of []

II. Score = _____

Total Score for Economic Evaluation:

I. _____ x [] + II. _____ x 0 = _____

Price and cost criterion will be evaluated using both PROSCREEN and @ Risk computer models.

USING @ RISK:

The first step will be advisory in nature. An "expected present value" cost of each project will be computed. The proposals or bids will then be ranked according to this cost. If this rank order is significantly different from the rank order derived from the PROSCREEN analysis, as review of the differences will be conducted. If the difference is due to unrealistic critical bid attributes utilized as input to the PROSCREEN analysis, realistic inputs will be input and reanalyzed. These inputs will be derived from industry experience with the specific plant technology. The critical attributes which could be adjusted under this eventually are availability, heat rate, cost of debt, forced outage rate, and fuel cost. If additional analysis is required, the revised PROSCREEN ranked list will be used to determine the score in that portion of the evaluation. Whether or not additional analysis was required, the score in the PROSCREEN analysis will constitute 90% of the economic evaluation with the score varying from a minimum of [] to a maximum of [] with each point being awarded for each decrease in PVRR of \$100,000/MW installed project capacity over the life of the project when compared to the base plan without the project.

The second step, using the @ RISK model, constitutes 10% of the economic evaluation score. The @ RISK analysis will be performed to derive a 95% confidence level project revenue requirement (i.e., the revenue requirement that represents a 95% confidence that the revenue requirement will be no higher).

The composite economic evaluation score will be the sum of [] times the score derived from the PROSCREEN analysis and [] times the score derived from the 95% confidence revenue requirements using the @ RISK model.

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____

Project Name: _____

Lead Department: *System Planning*

Support Department: _____

Evaluated By: _____

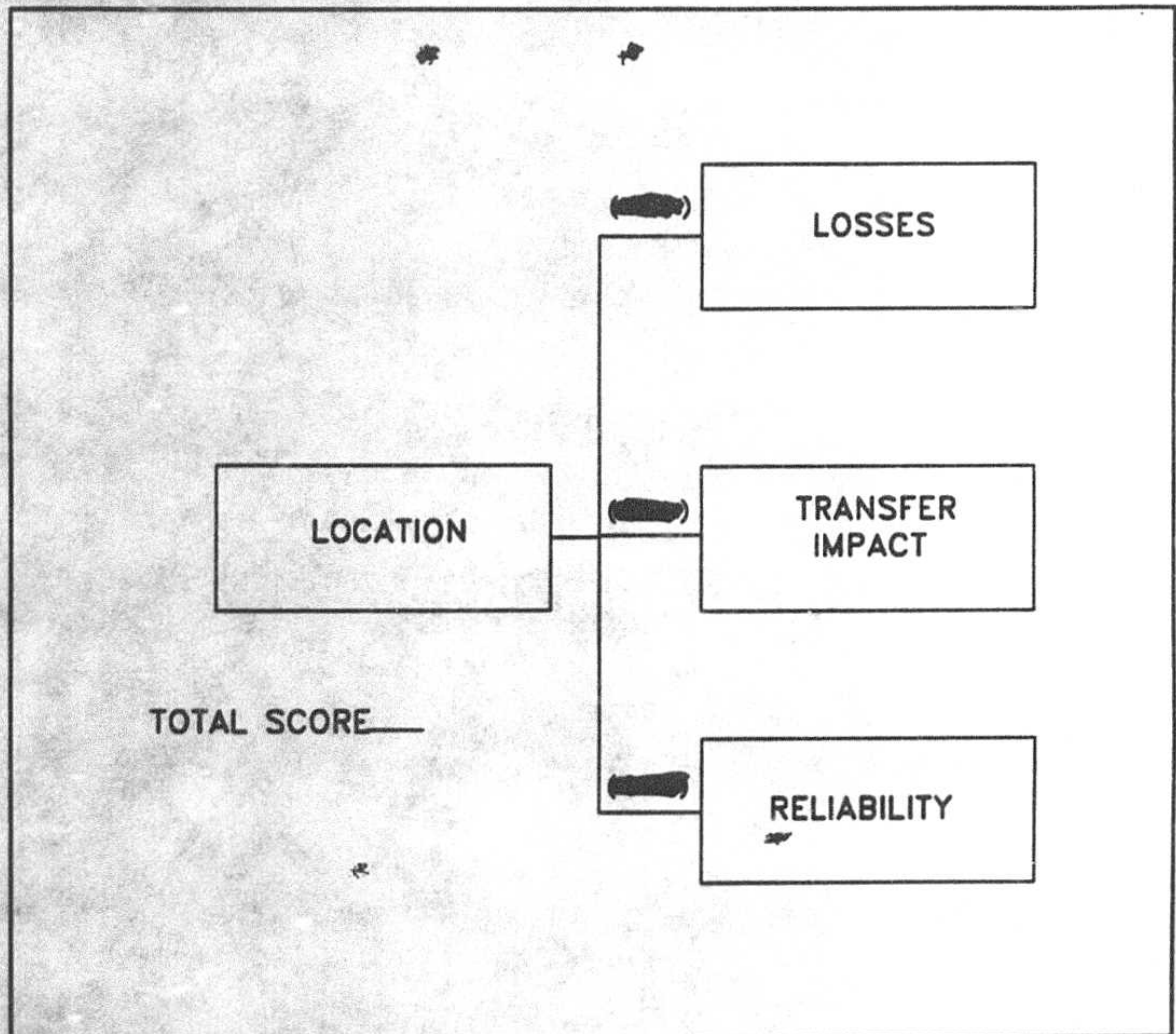
Reviewed By: _____

Date: _____

Date: _____

Criterion 2: Location

(Page 1 of 3)



CRITERION 2 CONTINUED

(Page 2 of 3)

Scoring Methodology

The effect and cost implications of proposed projects on FPL's transmission system can vary widely. Detailed evaluation of the transmission impact is very difficult and time consuming. To facilitate the project evaluation, only a preliminary screening of the impact of the project on FPL's transmission system will be performed prior to award.

The effect of transmission losses in this screening is estimated by location. Table 2 illustrates approximate losses according to location within FPL's service area. Other transmission effects will be estimated and included within criterion two (location) scoring and are included within Table 2.

Projects which ultimately are selected for contract negotiation will undergo detailed evaluation of the impact on the transmission system at that time. The results of the evaluation will affect the final acceptable pricing during contract negotiation.

RFP TRANSMISSION RANKING

FILE: RFP-2018-01-140-000

08-Jun-99
12:16:23 PM

SITE	SITES RANKING (2)				TRANSFER IMPACT RANKING				TRANSFER RANKING (4)				RANKING			
	NO. OF TRANSMISSIONS	AVG. LENGTH (MILES)	AVG. VOLTAGE (KV)	AVG. RATED CAPACITY (MW)	NO. OF TRANSMISSIONS	AVG. LENGTH (MILES)	AVG. VOLTAGE (KV)	AVG. RATED CAPACITY (MW)	NO. OF TRANSMISSIONS	AVG. LENGTH (MILES)	AVG. VOLTAGE (KV)	AVG. RATED CAPACITY (MW)	NO. OF TRANSMISSIONS	AVG. LENGTH (MILES)	AVG. VOLTAGE (KV)	AVG. RATED CAPACITY (MW)
01100	1	1.0	1.0	1.0	1	1.0	1.0	1.0	1	1.0	1.0	1.0	1	1.0	1.0	1.0
01200	2	0.5	0.5	0.5	2	0.5	0.5	0.5	2	0.5	0.5	0.5	2	0.5	0.5	0.5
01300	3	0.3	0.3	0.3	3	0.3	0.3	0.3	3	0.3	0.3	0.3	3	0.3	0.3	0.3
01400	4	0.2	0.2	0.2	4	0.2	0.2	0.2	4	0.2	0.2	0.2	4	0.2	0.2	0.2
01500	5	0.1	0.1	0.1	5	0.1	0.1	0.1	5	0.1	0.1	0.1	5	0.1	0.1	0.1
01600	6	0.1	0.1	0.1	6	0.1	0.1	0.1	6	0.1	0.1	0.1	6	0.1	0.1	0.1
01700	7	0.1	0.1	0.1	7	0.1	0.1	0.1	7	0.1	0.1	0.1	7	0.1	0.1	0.1
01800	8	0.1	0.1	0.1	8	0.1	0.1	0.1	8	0.1	0.1	0.1	8	0.1	0.1	0.1
01900	9	0.1	0.1	0.1	9	0.1	0.1	0.1	9	0.1	0.1	0.1	9	0.1	0.1	0.1
02000	10	0.1	0.1	0.1	10	0.1	0.1	0.1	10	0.1	0.1	0.1	10	0.1	0.1	0.1
02100	11	0.1	0.1	0.1	11	0.1	0.1	0.1	11	0.1	0.1	0.1	11	0.1	0.1	0.1
02200	12	0.1	0.1	0.1	12	0.1	0.1	0.1	12	0.1	0.1	0.1	12	0.1	0.1	0.1
02300	13	0.1	0.1	0.1	13	0.1	0.1	0.1	13	0.1	0.1	0.1	13	0.1	0.1	0.1
02400	14	0.1	0.1	0.1	14	0.1	0.1	0.1	14	0.1	0.1	0.1	14	0.1	0.1	0.1
02500	15	0.1	0.1	0.1	15	0.1	0.1	0.1	15	0.1	0.1	0.1	15	0.1	0.1	0.1
02600	16	0.1	0.1	0.1	16	0.1	0.1	0.1	16	0.1	0.1	0.1	16	0.1	0.1	0.1
02700	17	0.1	0.1	0.1	17	0.1	0.1	0.1	17	0.1	0.1	0.1	17	0.1	0.1	0.1
02800	18	0.1	0.1	0.1	18	0.1	0.1	0.1	18	0.1	0.1	0.1	18	0.1	0.1	0.1
02900	19	0.1	0.1	0.1	19	0.1	0.1	0.1	19	0.1	0.1	0.1	19	0.1	0.1	0.1
03000	20	0.1	0.1	0.1	20	0.1	0.1	0.1	20	0.1	0.1	0.1	20	0.1	0.1	0.1
03100	21	0.1	0.1	0.1	21	0.1	0.1	0.1	21	0.1	0.1	0.1	21	0.1	0.1	0.1
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03300	23	0.1	0.1	0.1	23	0.1	0.1	0.1	23	0.1	0.1	0.1	23	0.1	0.1	0.1
03400	24	0.1	0.1	0.1	24	0.1	0.1	0.1	24	0.1	0.1	0.1	24	0.1	0.1	0.1
03500	25	0.1	0.1	0.1	25	0.1	0.1	0.1	25	0.1	0.1	0.1	25	0.1	0.1	0.1
03600	26	0.1	0.1	0.1	26	0.1	0.1	0.1	26	0.1	0.1	0.1	26	0.1	0.1	0.1
03700	27	0.1	0.1	0.1	27	0.1	0.1	0.1	27	0.1	0.1	0.1	27	0.1	0.1	0.1
03800	28	0.1	0.1	0.1	28	0.1	0.1	0.1	28	0.1	0.1	0.1	28	0.1	0.1	0.1
03900	29	0.1	0.1	0.1	29	0.1	0.1	0.1	29	0.1	0.1	0.1	29	0.1	0.1	0.1
04000	30	0.1	0.1	0.1	30	0.1	0.1	0.1	30	0.1	0.1	0.1	30	0.1	0.1	0.1

NOTE (1): REFERENCE CASE 30000 AT NORTH INTERCHANGE REFERENCE CASE
NOTE (2): 20% AND DIFFERENCES FROM FIRM INTERCHANGE REFERENCE CASE
NOTE (3): 20% FOR FPA NET IMPACT AND DIFFERENCES FROM LIBERTY INTERCHANGE REFERENCE CASE
NOTE (4): EYE IS EXPECTED UNOBSERVED UNOBS., MARK

NOTE (5): TRANSFERS TO REFERENCE CASES (NORTH SITE)
FPA NET 1920-FPA
FIRM 135 MW 1975
LIBERT 32 MW 1383

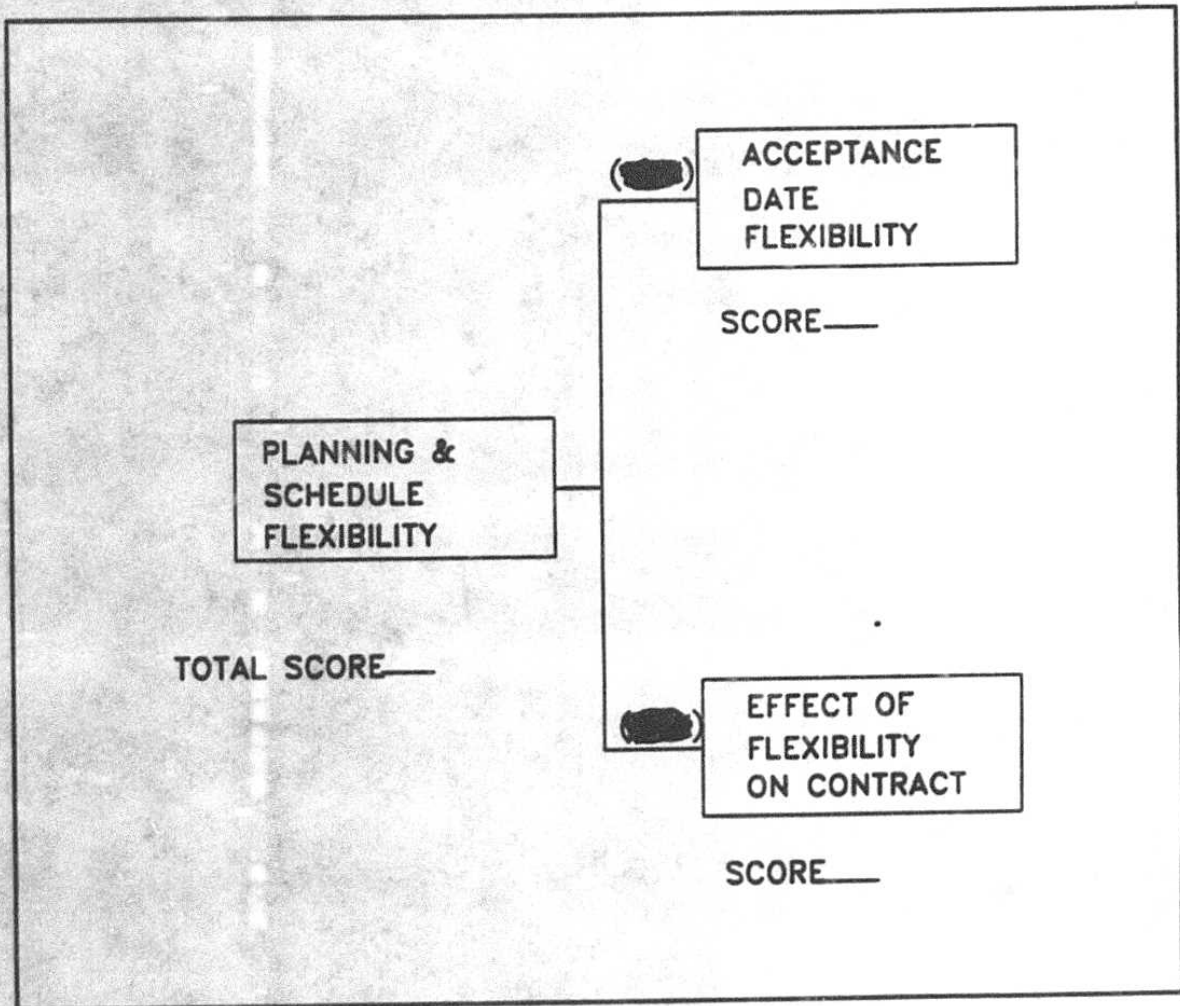
NOTE (6): TRANSFER RANKING • PPA, BY FACILITY • LAKE TAMPON • SILVER SPRING • DE-FLORIDA

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ **Project Name:** _____
Lead Department: System Planning
Support Department: Corporate Contracts
Evaluated By: _____ **Reviewed By:** _____
Date: _____ **Date:** _____

Criterion 3: Planning and Schedule Flexibility

(Page 1 of 2)



CRITERION 3 CONTINUED

(Page 2 of 2)

Scoring Methodology:

ACCEPTANCE DATE FLEXIBILITY -

Flexibility in postponing or accelerating the acceptance date by a year.

Scoring:

- o + or - 1 year allowed: ●
- o Either + or - year (but not both): ●
- o Lesser time frame: (Total flexibility in time frame years) x ●

EFFECT OF FLEXIBILITY ON CONTRACT -

Scoring:

- o Cost for total 2 years flexibility
1% Present value price impact: ●
- o Cost for total 2 years flexibility
10% present value price impact: ●

Note: Prorate intermediate costs and time frames

Appendix C Capacity RFP Evaluation Form

Project No. _____ Project Name: _____

Lead Department: Fuel Resources

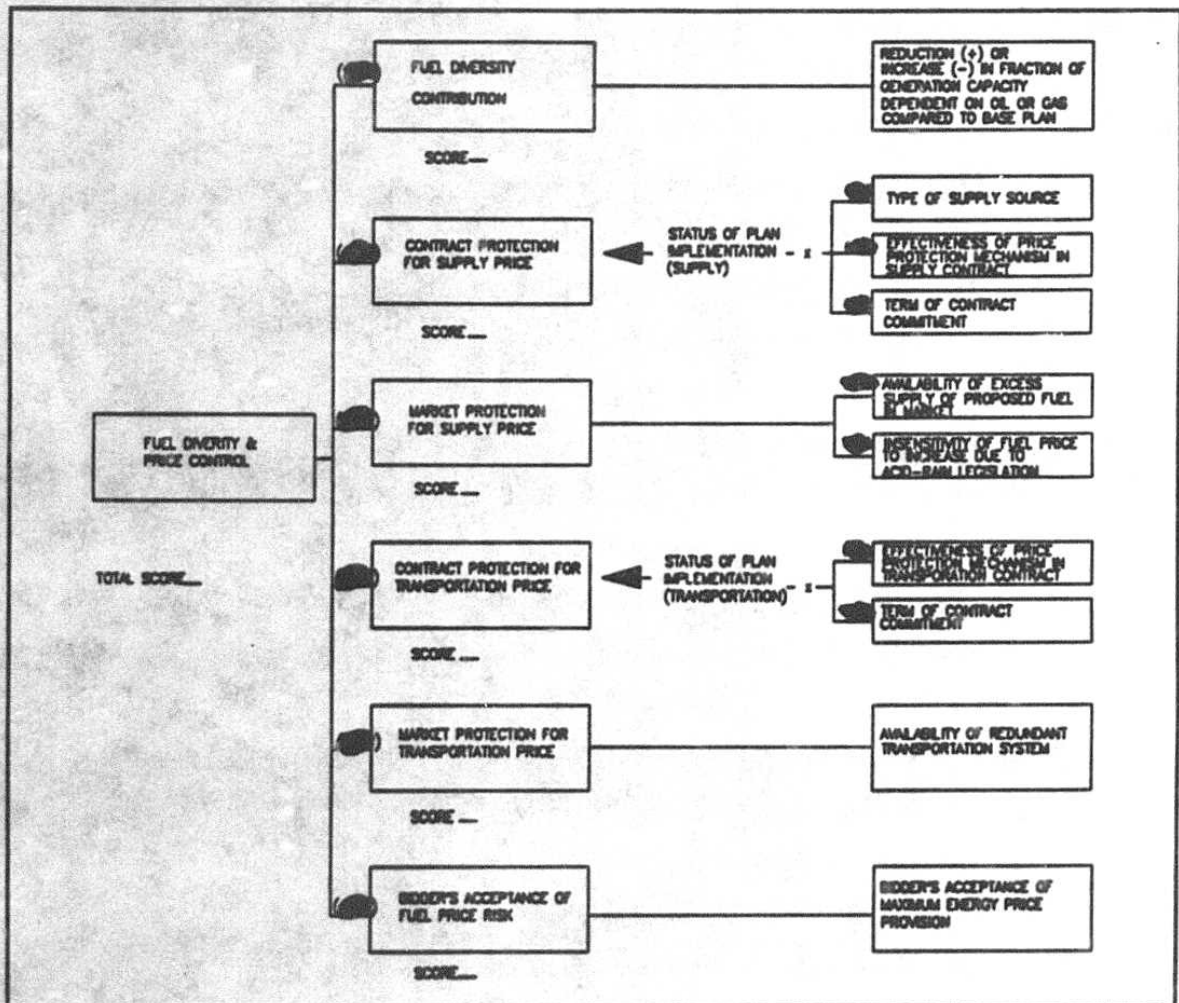
Support Department: _____

Evaluated By: _____ Reviewed By: _____

Date: _____ Date: _____

Criterion 4: Fuel Diversity and Price Control

(Page 1 of 5)



CRITERION 4 CONTINUED

(Page 2 of 5)

Components :

- A) Fuel Diversity Benefit
- B) Contract Protection for Supply Price
- C) Market Protection for Supply Price
- D) Contract Protection for Transportation Price
- E) Market Protection for Transportation Price
- F) Bidder's Acceptance of Maximum-Energy Price Provision

Elements of Component

- A) Fuel Diversity Benefit
 - 1. Reduction (+) or increase (-) in fraction of generation capacity based on oil and gas
 - Compared to base plan
- B) Contract Protection for Supply Price
 - 1. Type of supply
 - From owned resources, long-term contract, spot
 - 2. Effectiveness of price protection mechanism in supply contract
 - 3. Term of contract commitment
 - Number of Years
 - 4. Status of Plan Implementation
 - Executed contract, Letter-of-Intent, etc.
- C) Market Protection for Supply Price
 - 1. Availability of excess supply of proposed fuel in market (or economic substitute)
 - 2. Insensitivity of fuel price to acid-rain legislation
- D) Contract Protection for Transportation Price
 - 1. Effectiveness of price protection mechanism in transportation contract
 - 2. Term of Contract Commitment
 - Number of years
 - 3. Statue of Plan Implementation
 - Executed contract, Letter-of-Intent, Etc.

CRITERION 4 CONTINUED

(Page 3 of 5)

- E) Market Protection for Transportation Price
 - 1. Availability of redundant transportation system
- F) Bidder's acceptance of maximum energy price provision
 - 1. Bidder's degree of acceptance

Scoring Methodology

Fuel Diversity & Price Control

A) Fuel Diversity Benefit

- 1. Reduction (+) or Increase (-) in fraction of generation capacity dependent on oil or gas (compared to base plan).

$$\text{Element Score}^* = \frac{\text{Raw Component Score}^*}{\frac{\text{Fraction of System Generating Capacity Dependent on Oil or Gas in Base Plan} - \text{Fraction of System}^{**} \text{ Generating Capacity Dependent on Gas with Project}}$$

- * Positive or negative sign is preserved to reflect contribution to fuel diversity
- ** System includes proposed project in this case

B) Contract Protection for Supply Price

- 1. Type of Supply
 - From owned resources, long-term contract, spot market

$$\text{Element Score} = \frac{[(\text{Fraction of fuel requirements from owned reserves}) \times (0.7)] + [(\text{Fraction of fuel requirements from contracts}) \times (0.3)] + [(\text{Fraction of fuel requirements from spot market}) \times (0.0)]}{1.0}$$

Where: $0.7 \leq 1.0$
 $0.3 \leq 0.6$
 $0.0 \leq 0.2$

- 2. Effectiveness of price protection mechanism in contracts for fuel supply (Fixed price, Price caps, Limits, etc.

$$\text{Element Score} = \frac{[(\text{Fraction of supply with very effective mechanism}) \times (0.1)] + [(\text{Fraction of supply with somewhat effective mechanism}) \times (0.3)] + [(\text{Fraction of supply with ineffective mechanism}) \times (0.6)]}{0.9}$$

Where: $0.1 \leq 0.9$

CRITERION 4 CONTINUED

(Page 4 of 5)

3. Term of Contract Commitment

- Weighted average length of fuel supply commitment in years (from start of operation)

Element =	1.0	IF	Y = Term of Project Contract
	0.8 - 0.9	IF	Y < Term of Project Contract
Score	0.5 - 0.4	IF	Y < 5 Years
	0.3 - 0.4	IF	Y < 4 Years
	0.0 - 0.2	IF	Y < 3 Years

4. Status of Plan Implementation

Score = $\frac{[(\text{Fraction of supply where contract has been signed}) \times (1)] + [(\text{Fraction of supply with Letter-of-Intent}) \times (0.5)] + [(\text{Fraction of supply with no documented implementation}) \times (0)]}{1.5}$

Where: $0.2 \leq \text{Score} \leq 0.9$

C) Market Protection for Supply Price

1. Availability of Excess Supply of Proposed Fuel (or Economic Substitute in Market)

Element = 1.0 If excess exists and will exist for life of project
 Score = 0.5 - 0.4 If excess exists but is partial or may disappear
 0.0 - 0.2 If no excess exists

2. Insensitivity of Fuel Price (to Increases Due) to Acid-Raid Legislation

Element = 1.0 If insensitive
 Score = 0.5 - 0.4 If somewhat sensitive
 0.0 - 0.2 If very sensitive

D) Contract Protection for Transportation Price

1. Effectiveness of Price Protection Mechanism in Contracts for Fuel Transportation (Fixed Price, Price Caps, Limits, Etc.)

Score = $\frac{[(\text{Fraction of Transportation with very effective mech.}) \times (1)] + [(\text{Fraction of Transportation with somewhat effective mech.}) \times (0.5)] + [(\text{Fraction of Transportation with no implementation}) \times (0)]}{1.5}$

Where: $0.1 \leq \text{Score} \leq 0.9$

2. Term of Contract Commitment - Weighted Average Length of Fuel Transportation Commitment in Years (Y) (From Startup)

Element =	1.0	IF	Y = Term of Project Contract
	0.8 - 0.7	IF	Y < Term of Project Contract
Score	0.5 - 0.4	IF	Y < 5 Years
	0.3 - 0.2	IF	Y < 4 Years
	0.0 - 0.1	IF	Y < 3 Years

CRITERION 4 CONTINUED

(Page 5 of 5)

3. Status of Plan Implementation

$$\begin{aligned} \text{Element Score} = & \left[\left(\text{Fraction of Transportation where contract is signed} \right) \times (\bullet) \right] \\ & + \\ & \left[\left(\text{Fraction of Transportation with Letter-of-Intent} \right) \times (\bullet) \right] \\ & + \\ & \left[\left(\text{Fraction of Transportation with no implementation} \right) \times (\bullet) \right] \end{aligned}$$

Where: $0.2 \leq \bullet \leq 0.9$

E) Market Protection for Transportation Price

1. Availability of Redundant Transportation System to Facility

$$\begin{aligned} \text{Element Score} = & \text{Raw Component Score} = (\bullet) - (\bullet) \\ & \text{If Total Redundancy} \\ & \text{If Partial Redundance or may disappear} \\ & \text{If no Redundancy} \end{aligned}$$

F) Bidder's Acceptance of Maximum Energy Price Provision

1. Bidder's Degree of Acceptance of Maximum Energy Price Provisions

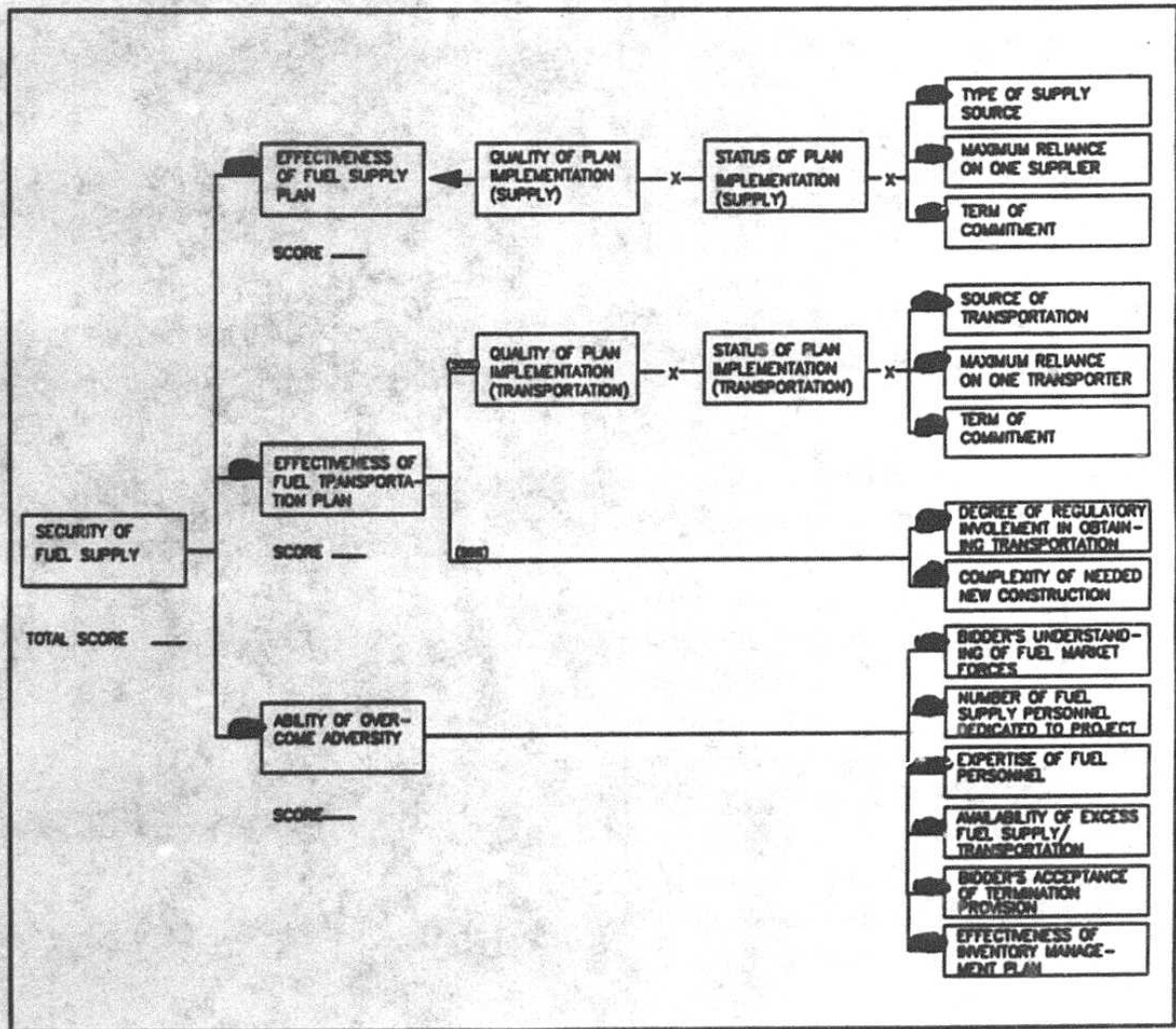
$$\begin{aligned} \text{Element Score} = & \text{Raw Component Score} = (\bullet) - (\bullet) \\ & \text{If Bidder accepts as is} \\ & \text{If Bidder accepts modified version} \\ & \text{If Bidder rejects} \end{aligned}$$

Appendix C Capacity RFP Evaluation Form

Project No. _____ Project Name: _____
Lead Department: Fuel Resources
Support Department: _____
Evaluated By: _____ Reviewed By: _____
Date: _____ Date: _____

Criterion 5: Security of Fuel Supply

(Page 1 of 6)



CRITERION 5 CONTINUED

(Page 2 of 6)

COMPONENTS:

- A) Effectiveness of Fuel Supply Plan
- B) Effectiveness of Transportation Plan
- C) Ability to Overcome Adversity

ELEMENTS OF COMPONENT:

- A) Effectiveness of Fuel Supply Plan
 - 1. Type of Supply
 - From owner reserves, Long-term Contract, Spot Market
 - 2. Maximum Reliance on One Supplier
 - % of highest volume supplier
 - 3. Term of Commitment
 - Number of years
 - 4. Status of Plan Implementation
 - Executed contract, Letter-of-Intent, Stated plan
 - 5. Quality of Plan Implementation
 - How effectively has plan been implemented
- B) Effectiveness of Transportation Plan
 - 1. Source of Transportation
 - Owner, Long-term contract, Spot/Interruptible
 - 2. Maximum reliance on one transporter
 - % of highest volume transporter
 - 3. Term of Commitment
 - Number of years
 - 4. Degree of Regulatory Involvement in Obtaining Transportation (Base, Alternate, Incremental)
 - 5. Complexity of Necessary New Construction to Provide Transportation
 - 6. Status of Plan Implementation
 - Executed Contract, Letter-of-Intent, Stated Plan
 - 7. Quality of Plan Implementation
 - How effectively has play been implemented?
- C) Ability to Overcome Adversity
 - 1. Bidder's understanding of market forces
 - Reflected in Price Forecast & Assumptions
 - 2. Number of Fuel Supply Personnel Dedicated
 - To Proposed Project

CRITERION 5 CONTINUED

(Page 3 of 6)

3. Expertise of Fuel Personnel
4. Availability of Excess Fuel Supply/Transportation in Market
5. Bidder's Acceptance of Termination Provisions
- Evidence of Willingness to take Fuel Supply Risk
6. Effectiveness of Inventory Management Plan

Scoring Methodology

A) Effectiveness of Fuel Supply Plan

1. Type of Supply

- From owned Resources, Long-term Contract, Spot Market

$$\text{Element Score} = \frac{\begin{aligned} & \text{[(Fraction of Fuel Requirements from owned reserves) x (●)]} \\ & + \\ & \text{[(Fraction of Fuel Requirements from contracts) x (●)]} \\ & + \\ & \text{[(Fraction of Fuel Requirements from Spot Market) x (●)]} \end{aligned}}{\text{Total Weight}}$$

Where: 0.7 ● ≤ 1.0
0.3 ● ≤ 0.6
0.0 ● ≤ 0.2

2. Maximum Reliance on One Supplier

- Percent (x) of Supply Requirement Supplier by Highest - Volume Supplier (not owned reserve)

Element Score	1.0	IF	x ≤ (●) % (or all owned)
	0.5	IF	(●) % < x ≤ (●) %
	0.0	IF	(●) % < x ≤ (●) %

3. Term of Contract Commitment

- Weighted Average Length of Fuel Supply Commitment in Years (Y) from Start of Operation)

Element Score	1.0	IF	Y = Term of Project Contract
	0.8	IF	Y < Term of Project Contract
	0.5	IF	Y < (●) Years
	0.3	IF	Y < (●) Years
	0.0	IF	Y < (●) Years

4. Status of Plan Implementation

$$\text{Element Score} = \frac{\begin{aligned} & \text{[(Fraction of Supply where Contract has been Signed) x (●)]} \\ & + \\ & \text{[(Fraction of Supply with Letter-of-Intent) x (●)]} \\ & + \\ & \text{[(Fraction of Supply with no Documented Implementation) x (●)]} \end{aligned}}{\text{Total Weight}}$$

Where: 0.2 ● ≤ 0.9

CRITERION 5 CONTINUED

(Page 4 of 6)

5. Quality of Plan Implementation

- Verification of Reserves, Contract Supply Sources
- Contract Safeguards, Penalties, Incentives
- Specificity of Policy/Implementation Plan
- Quality of Suppliers

Element = 0.0 - 1.0 If High Quality
 Score 0.5 - 0.9 If Medium Quality
 0.0 - 0.4 If Low Quality

B) Effectiveness of Fuel Transportation Plan

1. Source of Transportation

- Owned, Long-term Contract, Spot/Interruptible

Element =
$$\frac{[(\text{Fraction of Transportation from Owned System}) \times 1] + [(\text{Fraction of Transportation from Contracts - Firm}) \times 0.5] + [(\text{Fraction of Transportation from Spot/Interruptible}) \times 0.2]}{1.7}$$

 Score

Where: $0.7 \leq \text{Owned} \leq 1.0$
 $0.3 \leq \text{Contracts} \leq 0.6$
 $0.0 \leq \text{Spot/Interruptible} \leq 0.2$

2. Maximum Reliance on one Transporter

- Percent (x) of Transportation Provided by Highest Volume Transporter (Not Owned)

Element = 0.5 - IF $x \leq 5\%$ (or all owned)
 Score 0.0 - IF $5\% < x \leq 10\%$
 IF $10\% < x \leq 15\%$

3. Term of Contract Commitment

- Weighted Average Length of Transportation Commitment in Years (Y) from Start of Operation

Element = 1.0 - IF $Y = \text{Term of Project Contract}$
 Score 0.8 - IF $Y < \text{Term of Project Contract}$
 0.5 - IF $Y < 2 \text{ Years}$
 0.3 - IF $Y < 1 \text{ Year}$
 0.0 - IF $Y < 0.5 \text{ Years}$

4. Degree of Fuel Transportation Plan

- Obstacles to Securing Base, Alternate, Incremental Transportation

Element = 0.5 - IF Low Degree of Involvement
 Score 0.0 - IF Medium
 IF High

CRITERION 5 CONTINUED

(Page 5 of 6)

5. Complexity of Necessary New Construction to Provide Transportation
 - Pipeline, Terminals, Rail Facilities, Conveyors, Etc.

Element =  -  IF Low Complexity
 Score  -  IF Medium Complexity
 -  IF High Complexity

6. Status of Plan Implementation

Element = $\frac{[(\text{Fraction of Transportation with Contract Signed}) \times (\text{●})] + [(\text{Fraction of Transportation with Letter-of-Intent}) \times (\text{●})]}{2}$
 Score $\frac{[(\text{Fraction of Transportation with no Implementation}) \times (\text{●})]}{2}$



Where: 0.2 ≤ ● ≤ 0.9

7. Quality of Plan Implementation
 - Verification of Adequacy of Transportation System
 - Contract Safeguards, Penalties, Incentives
 - Specificity of Policy/Implementation Plan
 - Quality of Transporter(s)

Element =  -  IF High Quality
 Score  -  IF Medium Quality
 -  IF Low Quality

C. Ability to Overcome Adversity

1. Bidder's Understanding of Fuel Market Price & Conditions
 - Reflected in Price Forecast & Assumptions

Element =  -  IF High Understanding
 Score  -  IF Medium Understanding
 -  IF Low Understanding

2. Number of Fuel Supply Personnel Dedicated to Project
 - Equivalent Full-time Personnel (x)

Element =  IF $x \geq 4$
 Score  IF $4 > x \geq 3$
 IF $3 > x \geq 2$
 IF $2 > x$





3. Expertise of Fuel Supply Personnel Dedicated to Project

Element =  -  IF High Level of Expertise
 Score  -  IF Medium
 -  IF Low





CRITERION 5 CONTINUED

(Page 6 of 6)







4. Availability of Excess Fuel Supply/Transportation in Market

Element -  IF Excess/Redundance Exists and Will Continue to Exist for Life of Project
Score -  -  IF Excess Exists Partially and/or may Disappear
 IF No Excess Exists

5. Bidder's Acceptance of Termination Provisions In Contract with FPL
- Evidence of Bidder's Willingness to Accept Fuel Risk

Element -  IF Bidder Accepts As Is
Score -  -  IF Bidder Accepts Modified Version
 IF Bidder Rejects Termination Provision

6. Effectiveness of Inventory Management Plan (If Applicable)
- How well does it Mitigate Impact of Interruptions?

Element -  -  IF Highly Effective
Score -  -  IF Somewhat Effective
 -  IF Ineffective

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____

Project Name: _____

Lead Department: *Power Plant Engineering*

Support Department: _____

Evaluated By: _____

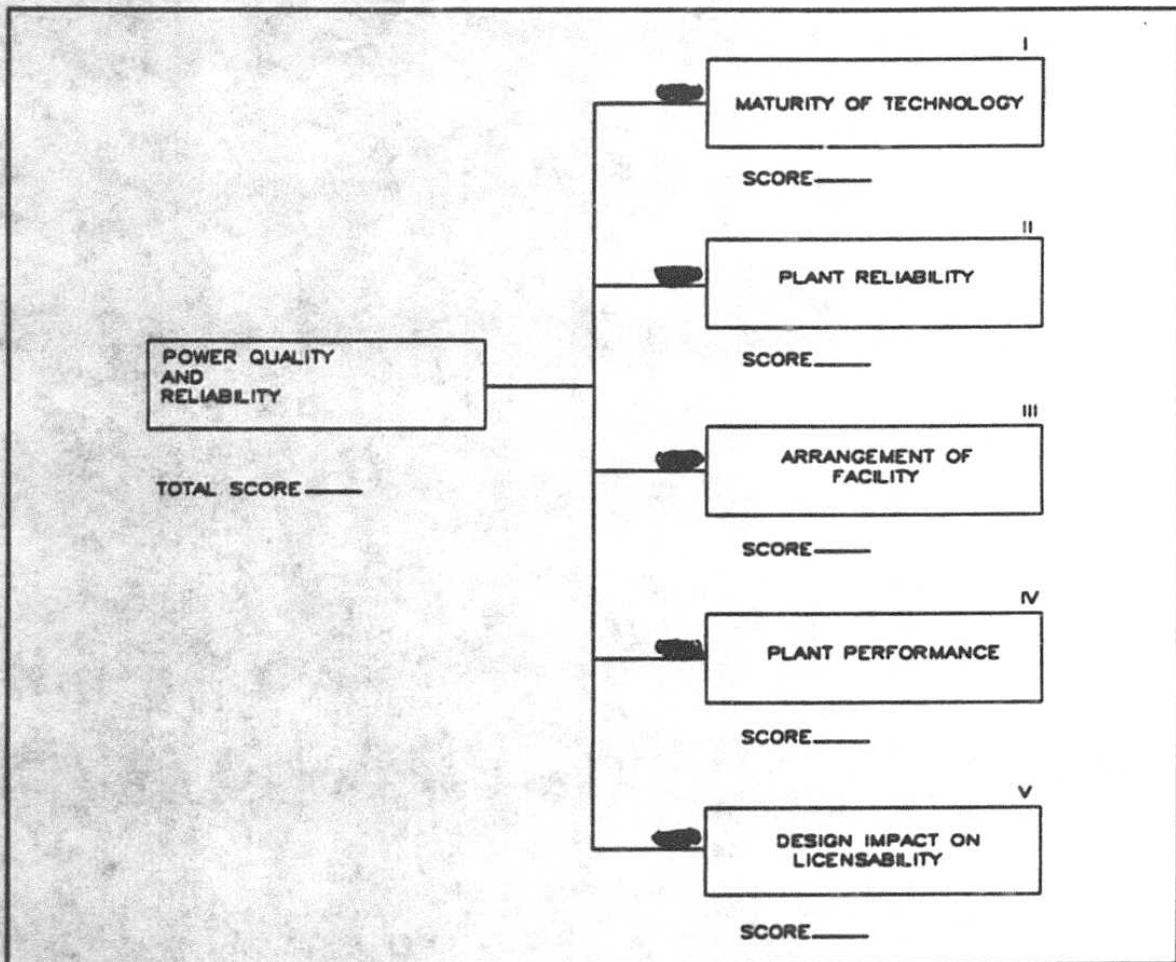
Reviewed By: _____

Date: _____

Date: _____

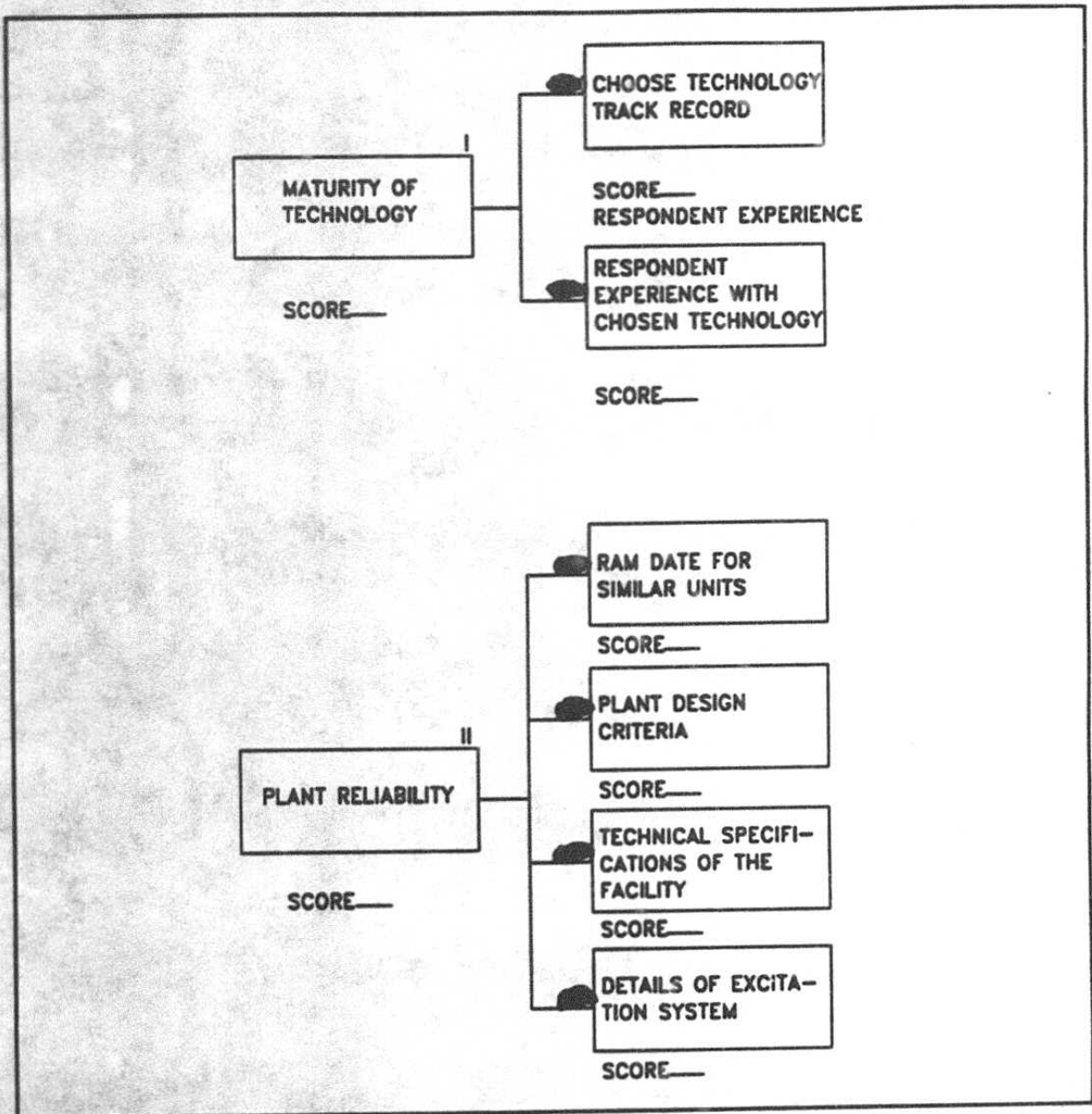
Criterion 6: Power Quality and Reliability

(Page 1 of 6)



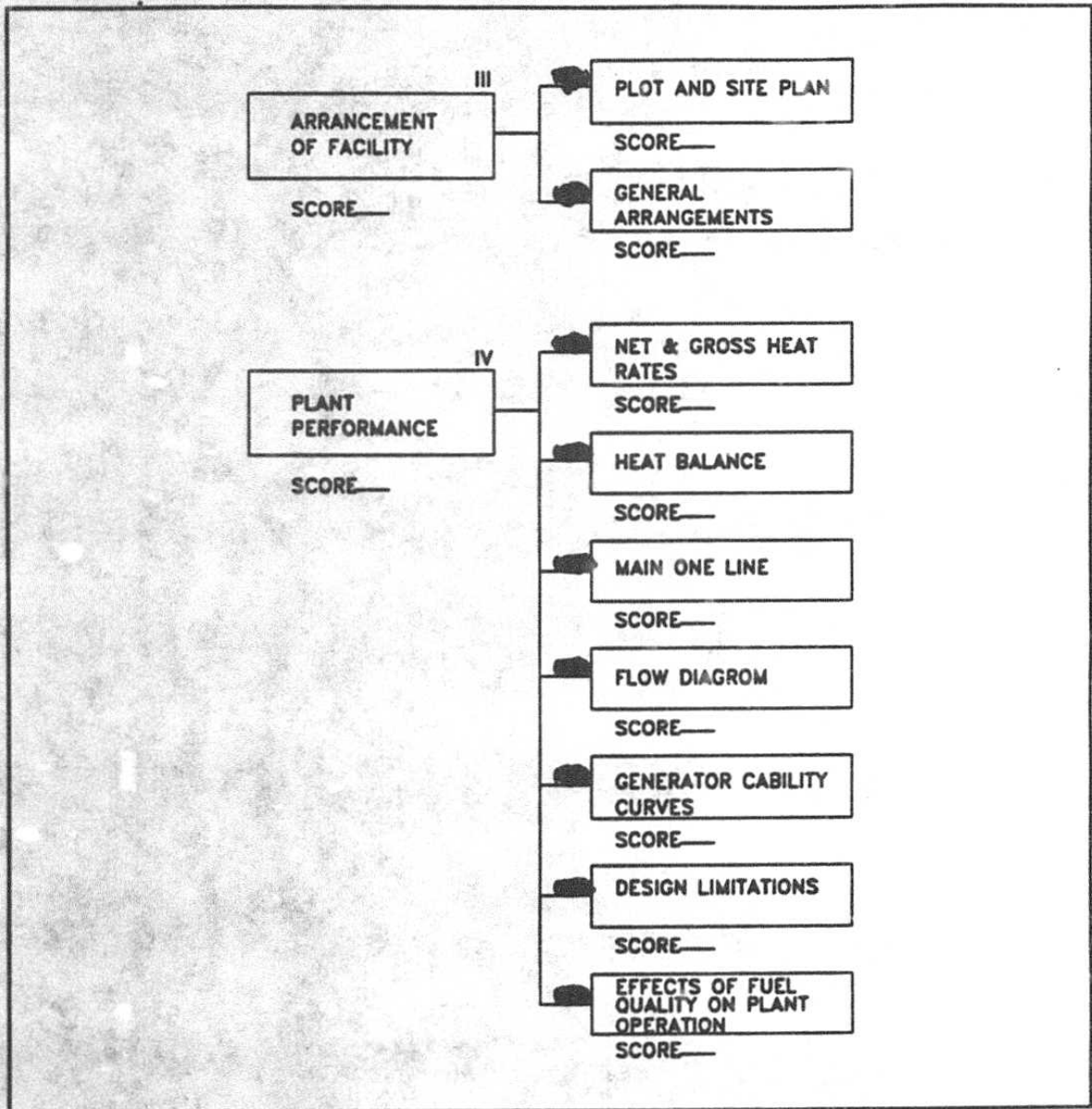
CRITERION 6 CONTINUED

(Page 2 of 6)



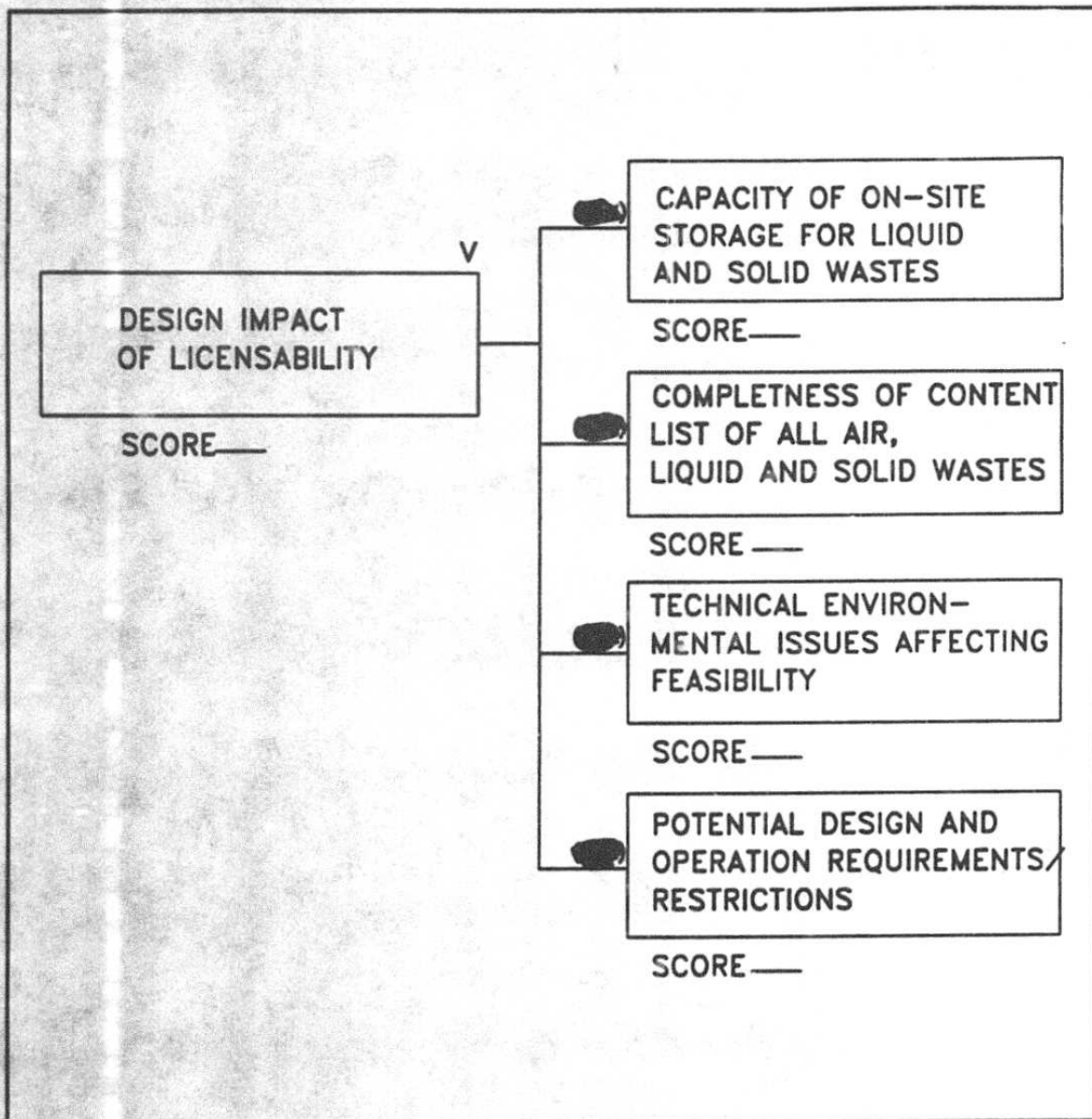
CRITERION 6 CONINTUED

(Page 3 of 6)



CRITERION 6 CONTINUED

(Page 4 of 6)



CRITERION 6 CONTINUED

(Page 5 of 6)

SCORING METHODOLOGY:

- I. MATURITY OF TECHNOLOGY Exhibit
- A. Chosen Technology Track Record 6.5.1
- Years of Operation of Technology
 - Plant Availability
 - Plant Maintainability
 - Utility Application
 - Non-Utility Application
- B. Respondent Experience with Chosen Technology 6.8.1
- Years of Operation of Technology
 - Size & Location of Project
 - Type of Project (IPP, QF, Utility, etc.)

Basis for Scoring:

A proven technology with many examples of long term reliable generation in the size proposed with others rated relatively with a theoretical technology with no existing operating units receiving a

- II. PLANT RELIABILITY Exhibit
- A. RAM Data for Similar Units 6.5.1
- B. Plant Design Criteria 6.5.1.
- C. Technical Specifications of the Facility 6.5.1
- D. Details of Excitation System 6.2.1

Basis for Scoring:

Data provided verified claims and is consistent with industry experience with others rated relatively with a proposal providing no data receiving a

- III. ARRANGEMENT OF FACILITY Exhibit
- A. Plot and Sit Plan 6.6.1
- B. General Arrangements 6.6.1

Basis for Scoring:

The arrangement provides free access for safe construction, maintenance and operation with other rated relatively with a proposed arrangement which would not be viable receiving a

CRITERION 6 CONTINUED

(Page 6 of 6)

IV. PLANT PERFORMANCE	<u>Exhibit</u>
A. Net & Gross Heat Rates	6.5.1
B. Heat Balance	6.6.1
C. Main One Line	6.6.1
D. Flow Diagram	6.6.1
E. Generator Capability Curves	3.2.5
F. Design Limitations	6.2.1
G. Effects of Fuel Quality on Plant Operation	7.1.1

Basis for Scoring:

Data provided verifies claims and is consistent with industry experience with others rated relatively with a proposal providing no data receiving a [REDACTED]

V. DESIGN IMPACT ON LICENSABILITY	<u>Exhibit</u>
A. Capacity of On-Site Storage for Liquid and Solid Wastes	4.6
B. Completeness of Content List of All Air, Liquid & Solid Wastes	4.6
C. Technical Environmental Issues Affecting Feasibility	4.4.1
- Noise	4.7.1
- Air	4.4.1
- Water	4.4.1
- Solid Waste	4.4.1
Potential Design & Operation Requirements/Restrictions	4.4.1

Basis for Scoring:

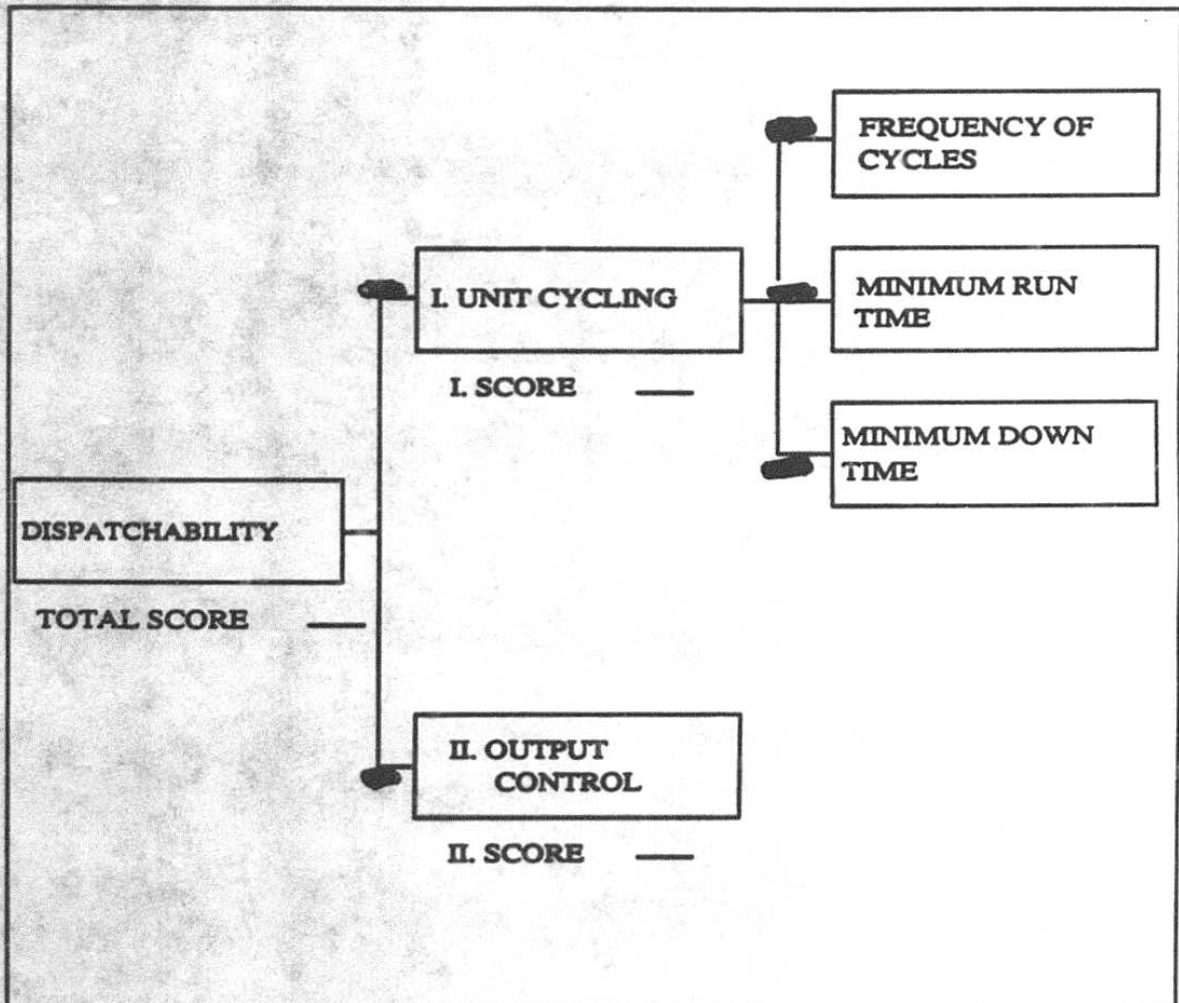
Information provided indicates design is appropriate for wastes/emissions produced and is consistent with industry experience with others rated relatively with no information provided and/or design not consistent with industry experience receiving a [REDACTED]

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ Project Name: _____
Lead Department: Power Supply
Support Department: _____
Evaluated By: _____ Reviewed By: _____
Date: _____ Date: _____

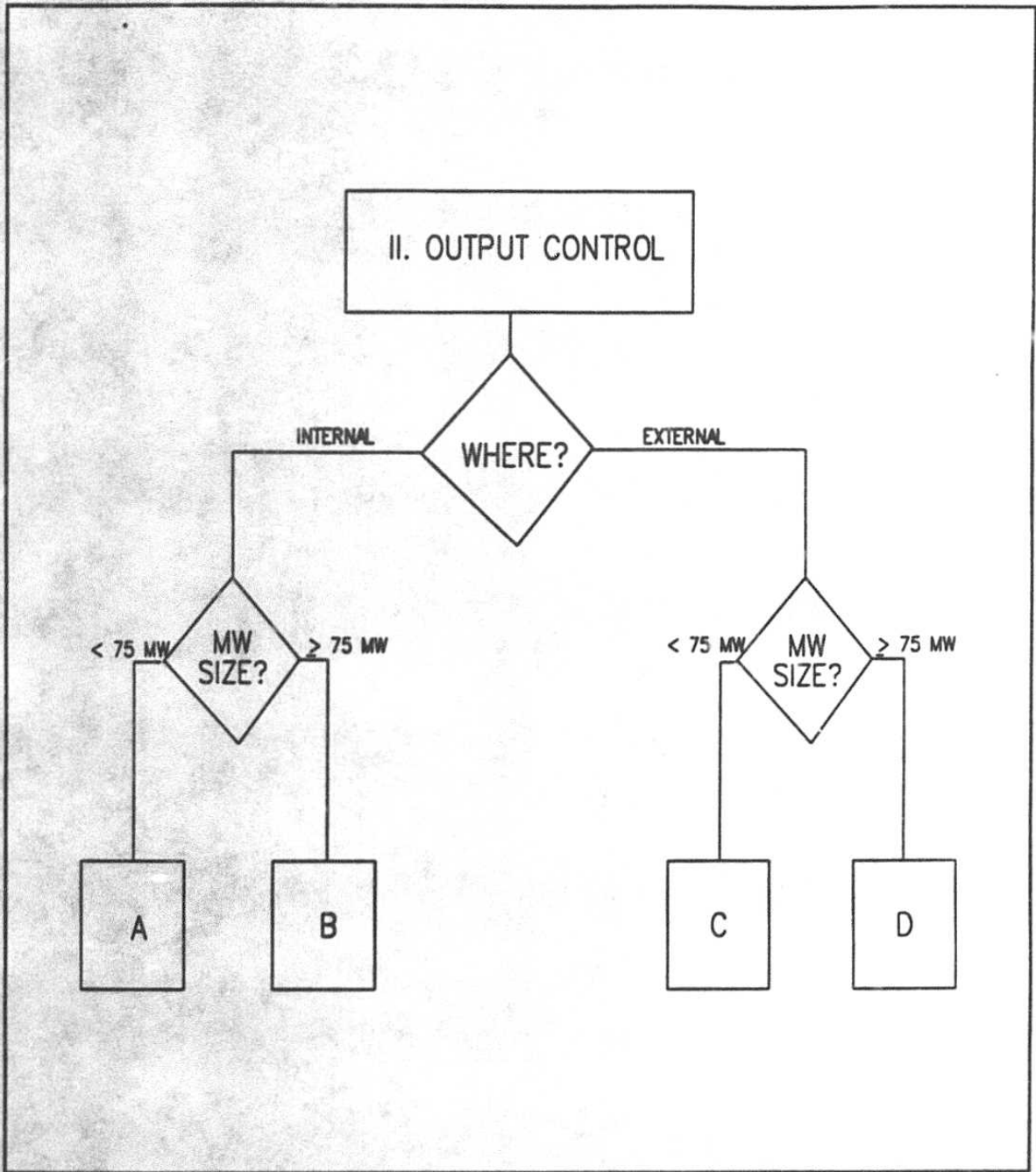
Criterion 7: Dispatchability

(Page 1 of 7)



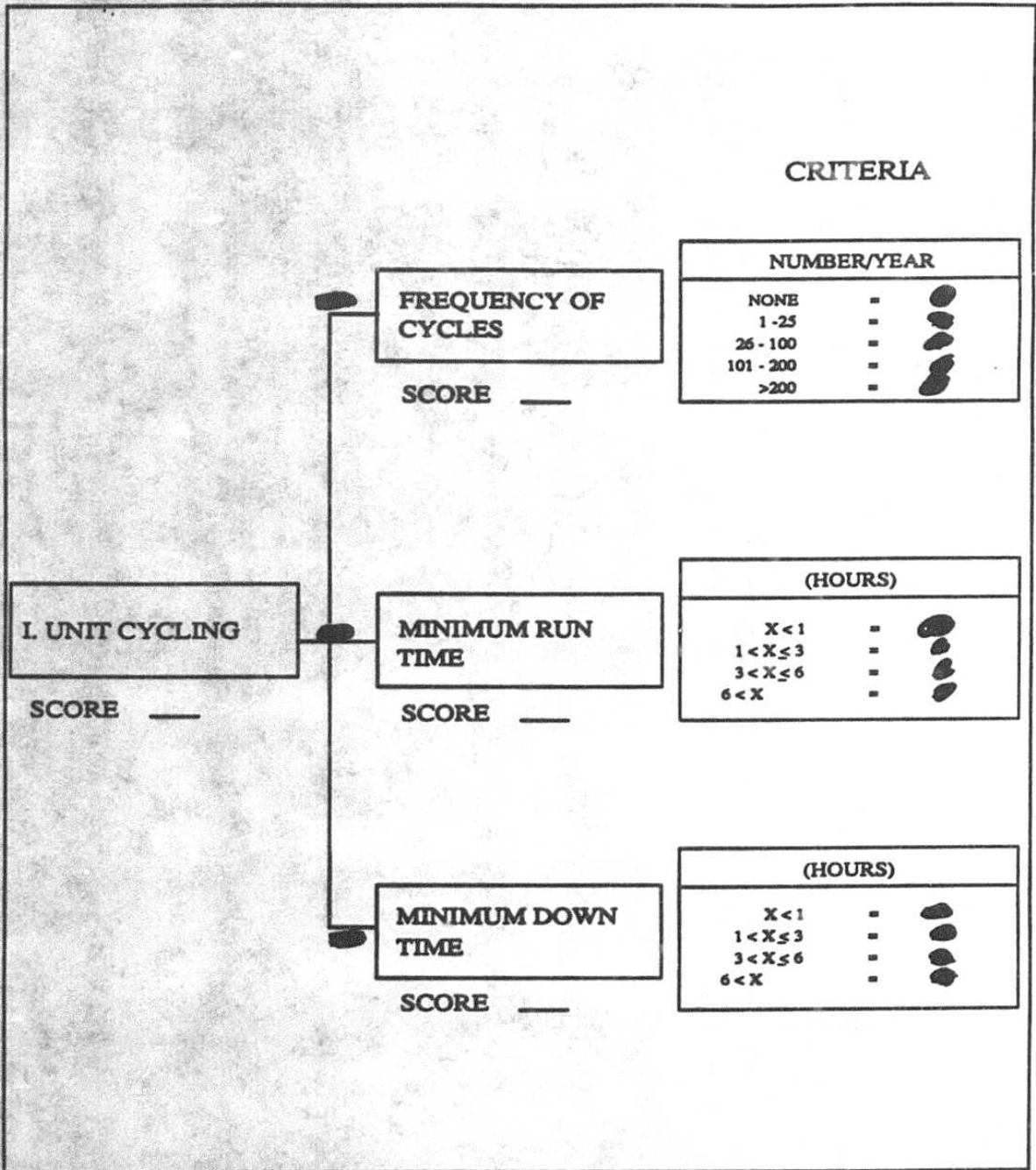
CRITERION 7 CONTINUED

(Page 2 of 7)



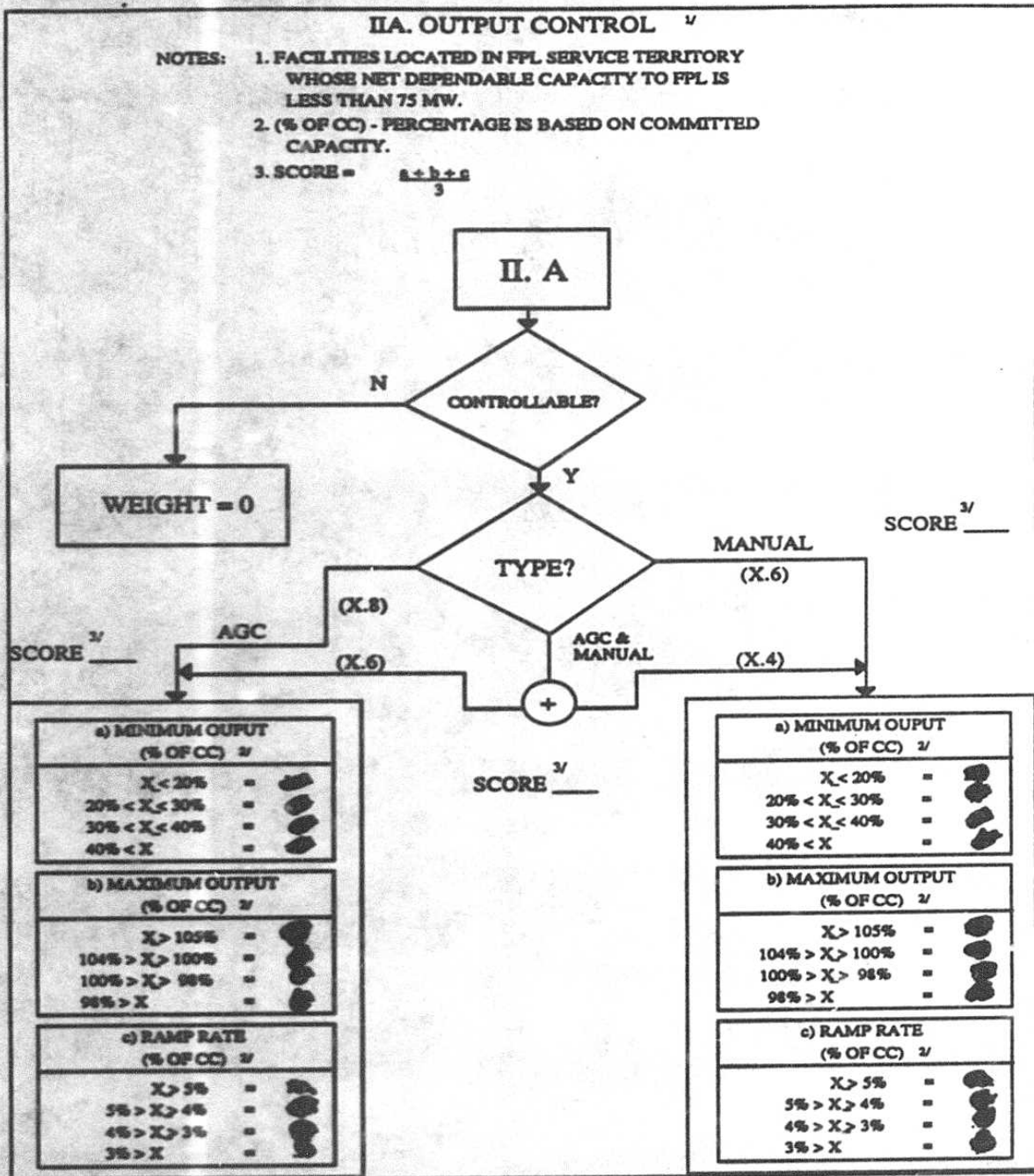
CRITERION 7 CONTINUED

(Page 3 of 7)



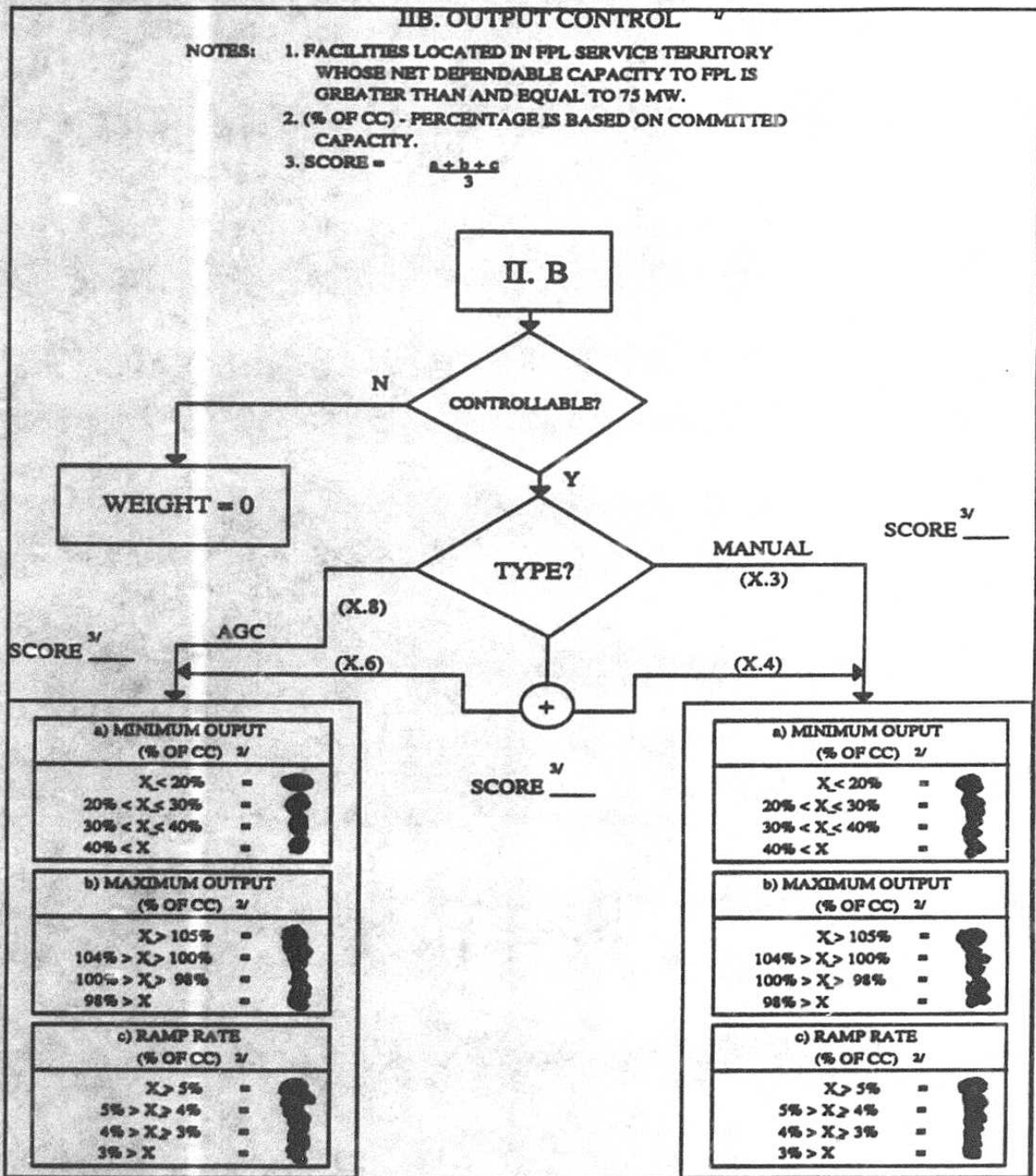
CRITERION 7 CONTINUED

(Page 4 of 7)



CRITERION 7 CONTINUED

(Page 5 of 7)

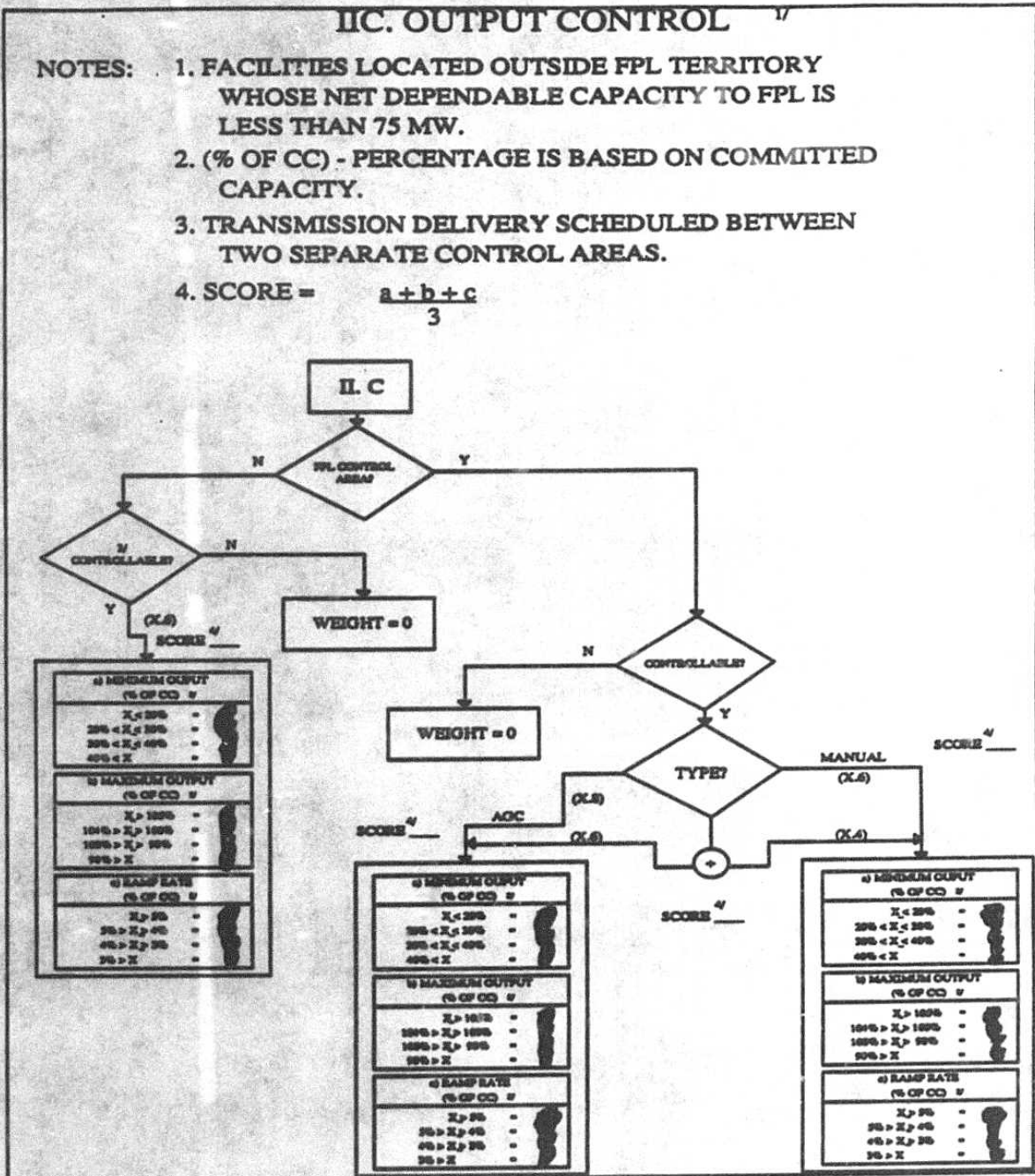


CRITERION 7 CONTINUED

(Page 6 of 7)

II.C. OUTPUT CONTROL

- NOTES:
1. FACILITIES LOCATED OUTSIDE FPL TERRITORY WHOSE NET DEPENDABLE CAPACITY TO FPL IS LESS THAN 75 MW.
 2. (% OF CC) - PERCENTAGE IS BASED ON COMMITTED CAPACITY.
 3. TRANSMISSION DELIVERY SCHEDULED BETWEEN TWO SEPARATE CONTROL AREAS.
 4. SCORE = $\frac{a+b+c}{3}$

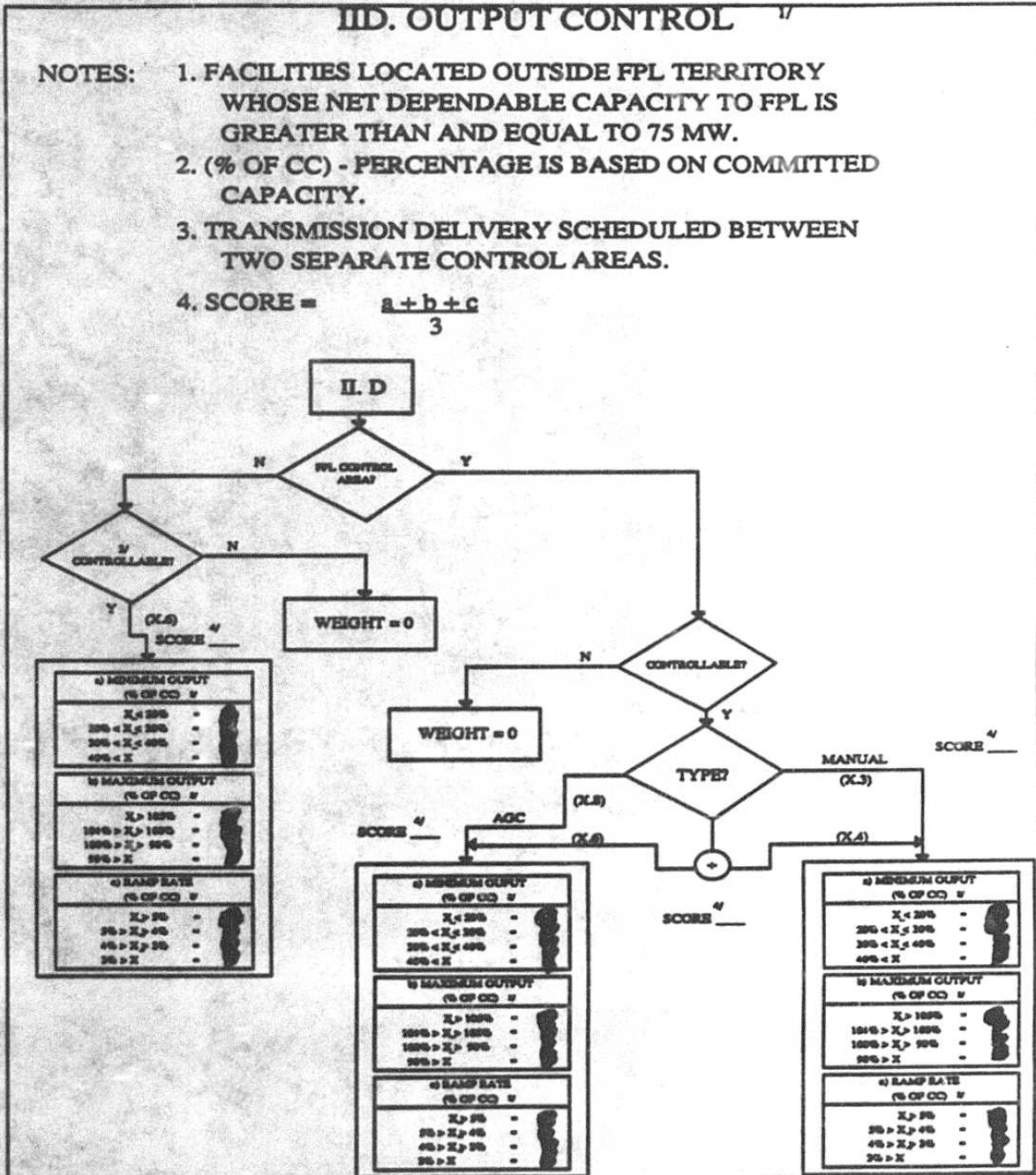


CRITERION 7 CONTINUED

(Page 7 of 7)

IID. OUTPUT CONTROL

- NOTES:
1. FACILITIES LOCATED OUTSIDE FPL TERRITORY WHOSE NET DEPENDABLE CAPACITY TO FPL IS GREATER THAN AND EQUAL TO 75 MW.
 2. (% OF CC) - PERCENTAGE IS BASED ON COMMITTED CAPACITY.
 3. TRANSMISSION DELIVERY SCHEDULED BETWEEN TWO SEPARATE CONTROL AREAS.
 4. SCORE = $\frac{a+b+c}{3}$

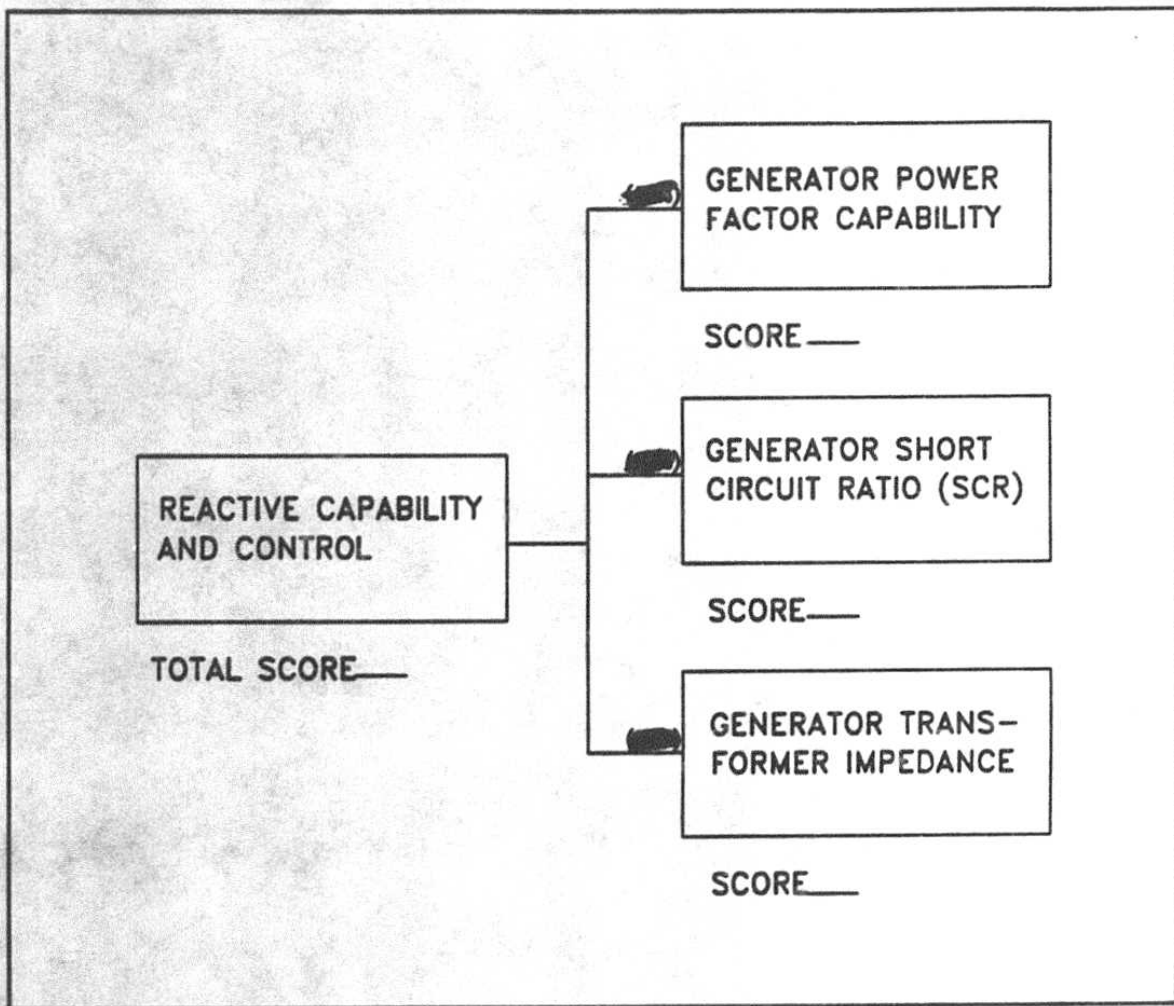


**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ Project Name: _____
Lead Department: System Planning
Support Department: Power System Engineering
Evaluated By: _____ Reviewed By: _____
Date: _____ Date: _____

Criterion 8: Reactive Capability And Control

(Page 1 of 2)



CRITERION 8 CONTINUED

(Page 2 of 2)

Scoring Methodology

1) Does the respondent specify that FPL will be given some control over the reactive power output of the facility?

If yes, proceed to items 2, 3 and 4 below.

If no, then the proposal gets a score of 0.0 for this category.

2) Generator Power Factor

Score = $(1.0 - \text{power Factor}) \div (0.015)$
If the power factor is 0.85 or lower,
then the score is 10.0

Weight = _____
Weight x Score = _____

3) Generator Short Circuit Ratio

Score = $(\text{SCR} - 0.5) \div (0.035)$
The score is 10 if SCR is 0.85 or higher.
The score is 0 if the SCR is 0.5 or lower.

Weight = _____
Weight x Score = _____

4) Generator Transformer Impedance

Score = $(16 - Z\%) \div (0.8)$
The score is 10, if the transformer
impedance is 8% or lower. The score is 0,
if the impedance is 16% or larger.

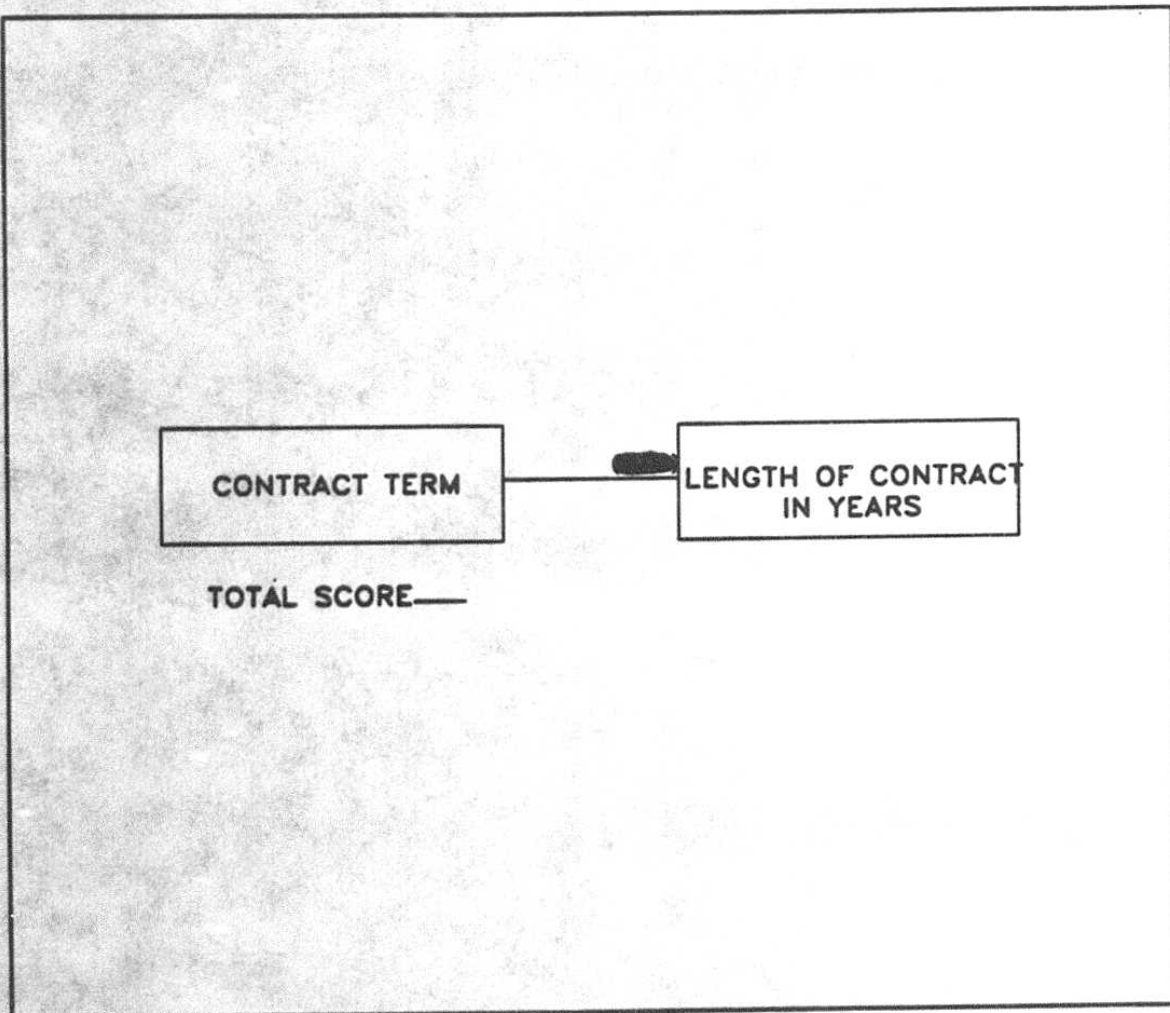
Weight = _____
Weight x Score = _____
Total Weight x Score = _____

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____	Project Name: _____
Lead Department: System Planning	
Support Department:	
Evaluated By: _____	Reviewed By: _____
Date: _____	Date: _____

Criterion 9: Contract Term

(Page 1 of 2)



CRITERION 9 CONTINUED

(Page 2 of 2)

Scoring Methodology:

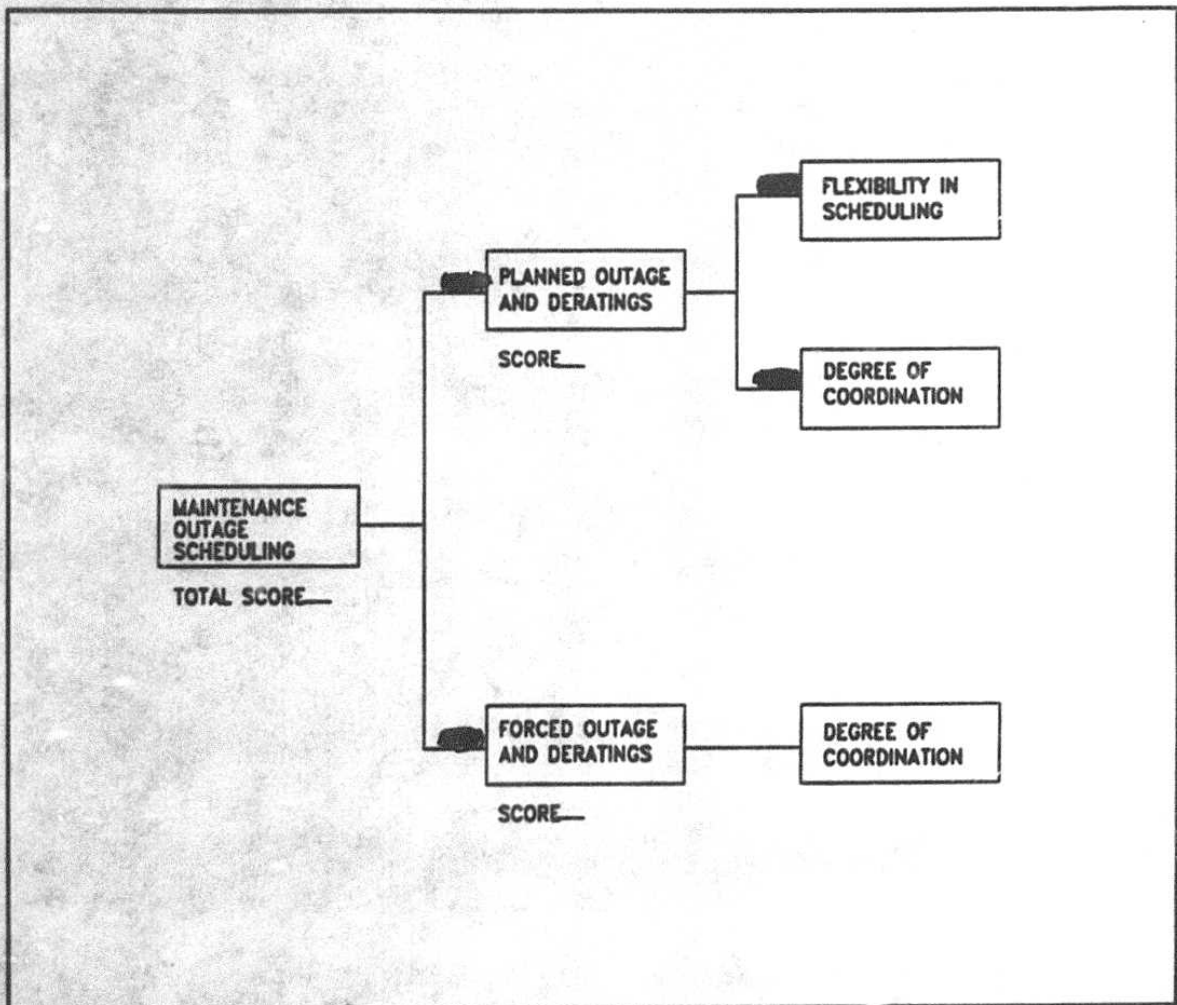
$$\text{Score} = \text{Term (Years)} + \bullet$$

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ **Project Name:** _____
Lead Department: Power Supply
Support Department: System Planning
Evaluated By: _____ **Reviewed By:** _____
Date: _____ **Date:** _____

Criterion 10: Maintenance And Outage Scheduling

(Page 1 of 2)



CRITERION 10 CONTINUED

(Page 2 of 2)

Scoring Methodology:

Planned Outages and Deratings

Flexibility in Scheduling

High - 3
Medium - 3
Low - 3

Degree of Coordination

High - 3
Medium - 3
Low - 3

Forced Outages and Deratings

High - 3
Medium - 3
Low - 3

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____

Project Name: _____

Lead Department: *Finance*

Support Department: *Corporate Contracts*

Evaluated By: _____

Reviewed By: _____

Date: _____

Date: _____

Criterion 11: Completion Security

(Page 1 of 3)

COMPLETION SECURITY	—	\$'S PER KW OF CAPACITY
TOTAL SCORE _____		

CRITERION 11 CONTINUED

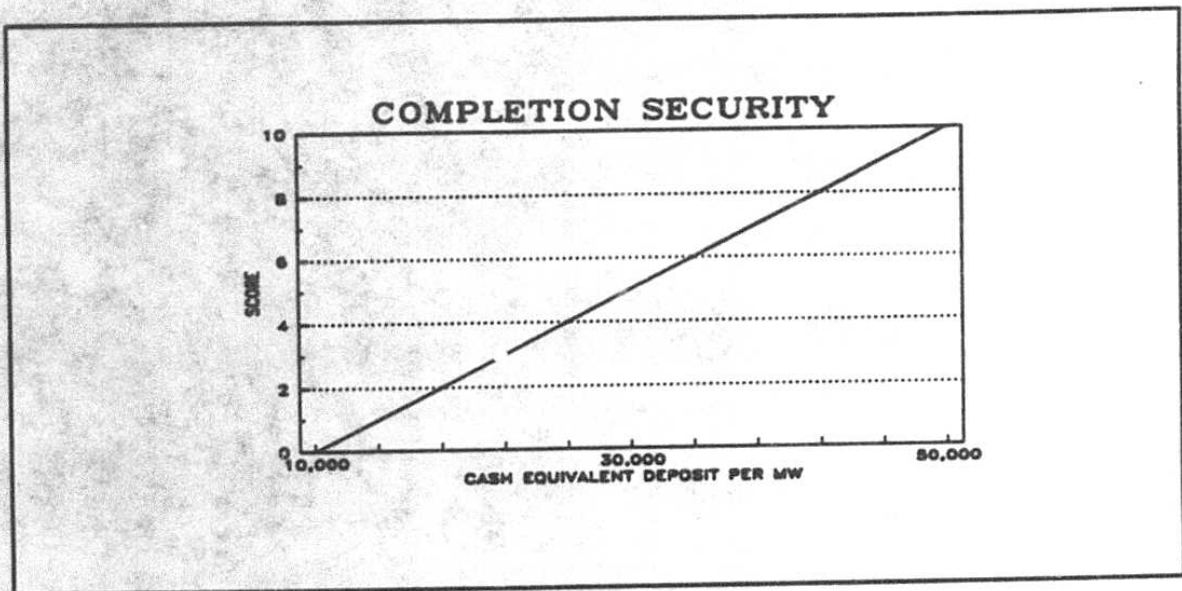
(Page 2 of 3)

Scoring Methodology:

FPL requires the respondent to post a cash deposit in an amount equal to [redacted] per MW of estimated dependable capacity as a completion security. The bidder, however may propose a greater amount and/or alternate arrangements which offset the risks and costs of project delay to FPL.

IN EVALUATING THE RESPONDENTS' COMPLETION SECURITY FPL WILL USE THE FOLLOWING APPROACH:

Figure 1 below graphically represents our evaluation methodology.



A cash equivalent deposit of [redacted] per MW will receive a score of [redacted] points. This is viewed as meeting the required condition, and is thus average.

Cash equivalent deposits other than [redacted] per MW will be scored based on the following formula.

$$\text{SCORE} = \left[\frac{\text{DEPOSIT}}{30,000} \right] \times \text{[CASH EQUIVALENT DEPOSIT]} - \text{[redacted]}$$

The maximum score is [redacted], (deposit of \$[redacted] per MW or above) and the minimum score is [redacted] (a deposit of \$[redacted] per MW or below).

Proposals for alternate forms of deposit will be evaluated and converted to cash equivalent deposit as of January 1, 1991. The process of estimating the cash equivalent value of the proposal will largely depend on the type and amount of the deposit.

CRITERION 11 CONTINUED

(Page 3 of 3)

For example, a bidder proposed to deposit \$50,000 per MW in an escrow account for a 100 MW unit in service January 1, 1994.

Had the bidder paid FPL \$50,000 per MW in cash, FPL would have earned interest from the deposit date until acceptance. (Assumed to be 1/1/91 through 1/1/94.)

The likely rate of interest will be the 3 month commercial paper rate. For this example, assume that the rate is 7.5%.

Therefore, the present value, as of 1/1/91, of collecting the deposit in 1/1/94 is as follows:

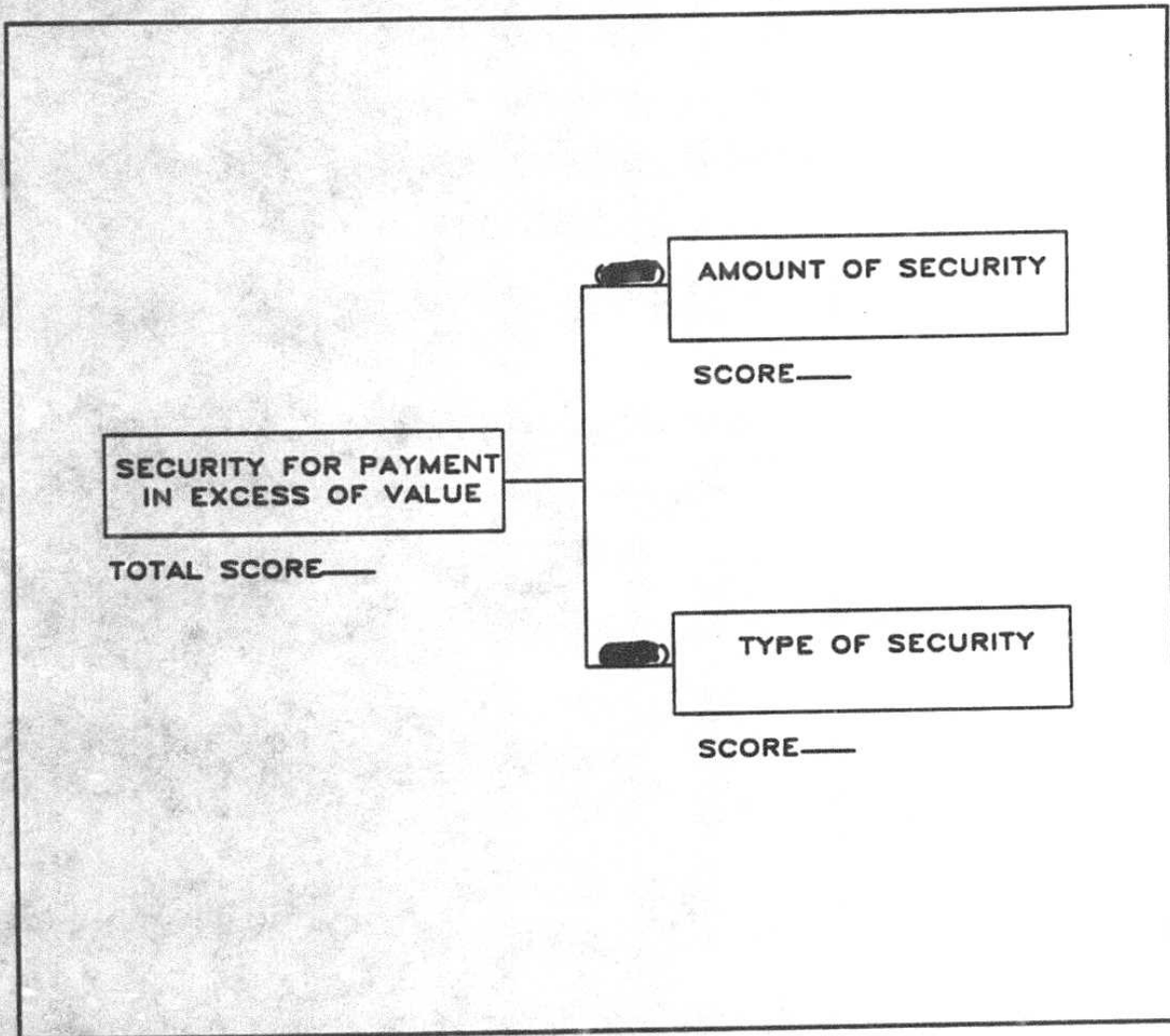
$$\begin{array}{l} \text{Cash equivalent} \\ \text{Value of Deposit} = \end{array} \frac{\$50,000 \text{ per MW}}{(1+7.5\%)^{(1994-1991)}} = \$40,248 \text{ per MW}$$

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ **Project Name:** _____
Lead Department: Finance
Support Department: Corporate Contracts
Evaluated By: _____ **Reviewed By:** _____
Date: _____ **Date:** _____

Criterion 12: Security For Payment In Excess Of Value

(Page 1 of 4)



CRITERION 12 CONTINUED

(Page 2 of 4)

Scoring Methodology:

The respondent's proposed capacity pricing pattern will directly impact the security need for payments in excess of value. The pattern of payments will be evaluated under the price and cost criterion (Proscreen Life Cycle Cost Analysis). In this criterion the amount and type of security will be evaluated.

There are two important aspects of the security arrangement that need to be evaluated. The first component is the amount of security being offered. The higher the percentage of payments in excess of value covered by the security, the more protection FPL receives.

For purposes of measuring the percentage covered by the security, the maximum cumulative difference between the proposed capacity payments to the bidder and FPL's avoided unit value will be used.

The second aspect of the security being offered is the type or method of providing the security. The easier it is for FPL to convert the pledged security amount to cash (liquid), the better the security will be viewed.

In evaluating both the amount and type of security being offered the following approach will be used.

- A. **AMOUNT:** Based on other cogeneration contracts, FPL considers [redacted] of the cumulative difference between capacity payments and FPL's value to be reasonable, therefore this will receive [redacted] points. The following formula will be used to score proposed securities other than [redacted]:

$$\text{SCORE} = [\text{redacted}] \times [\text{percent of cumulative difference between capacity payments and FPL's value the security}]$$

Figure #1 is a graphical representation of this relationship.

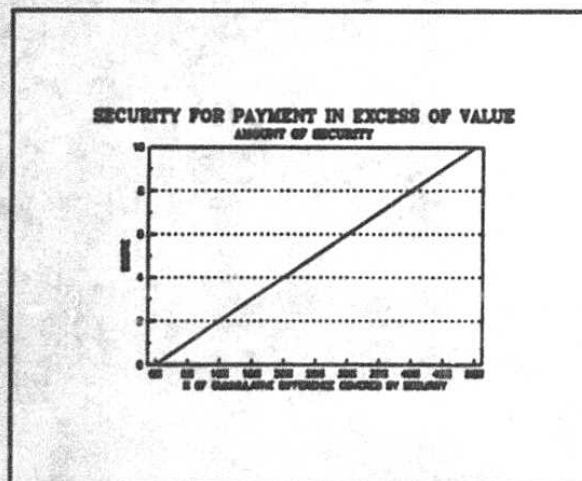


Figure 1

The maximum points to be awarded is 10 for deposits covering [redacted] or above of the cumulative difference between capacity payment and FPL's value.

CRITERION 12 CONTINUED

(Page 3 of 4)

B. **TYPE OF SECURITY:** Although it's difficult to list all possible combinations of available instruments/proposals the respondents might propose, the following are the basic ones:

1. Cash escrow
2. Irrevocable letter of credit
3. Security Bond
4. Parent Guarantee
5. 2nd lien on the Project.

Cash escrow, irrevocable letter of credit and security bond are considered the most liquid of the five. All three have the same level of liquidity. Respondent proposing any of these 3 types of security will receive the highest score (10 points).

The next two instruments/proposals, parent guarantees and 2nd lien, are very difficult to convert to cash. A parent guarantee is considered more favorable because collection from a 2nd lien would most likely require a bankruptcy and it is unlikely that much would be left after satisfying a first lien on the project. (Note a first lien is not considered as a possibility since it is likely that the financing entity will require that as a condition for the financing.)

In determining the adequacy of a parent guarantee, a key indicator to watch for is the percent of the parent's net worth that the project represents. Figure 2 graphically represents our evaluation approach for the type of security being offered.

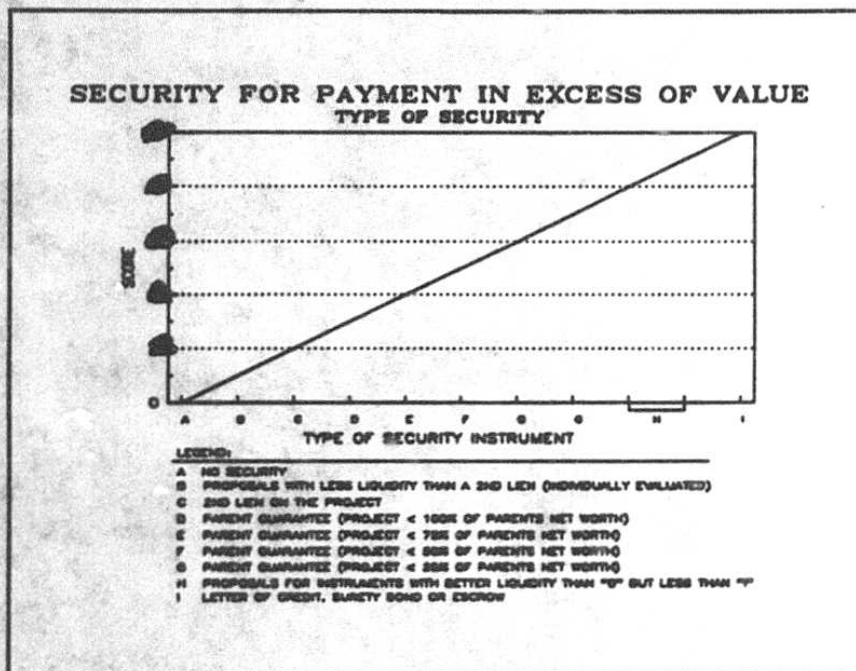



Figure 2

CRITERION 12 CONTINUED

(Page 4 of 4)

- C. **TOTAL SCORE:** The total score for this criterion will be a weighted average of the scored received for the amount of security and the type of security. The amount of security and type of security will be weighted 

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____

Project Name: _____

Lead Department: *Finance*

Support Department: *Corporate Contracts/Power Plant Engineering*

Evaluated By: _____

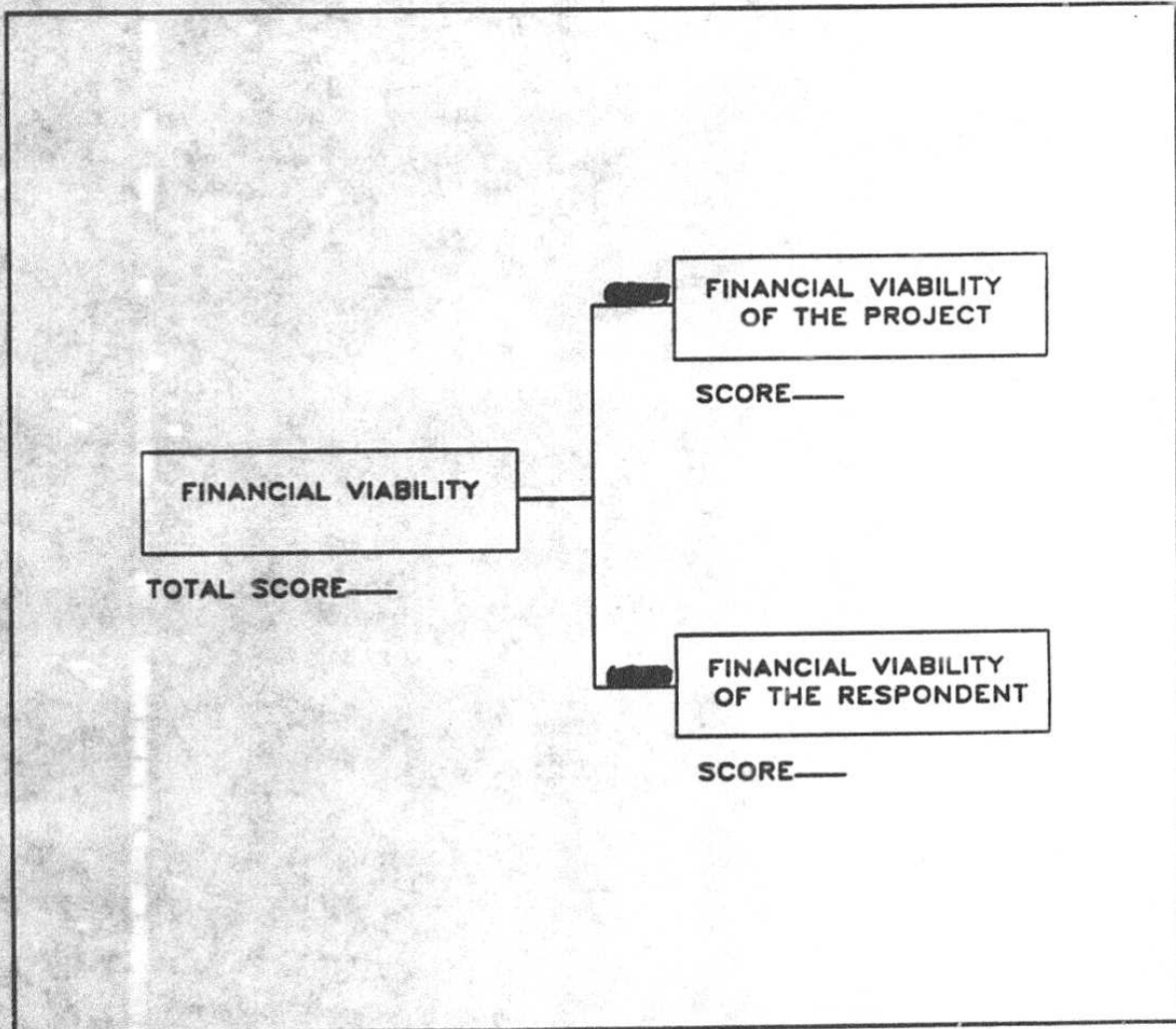
Reviewed By: _____

Date: _____

Date: _____

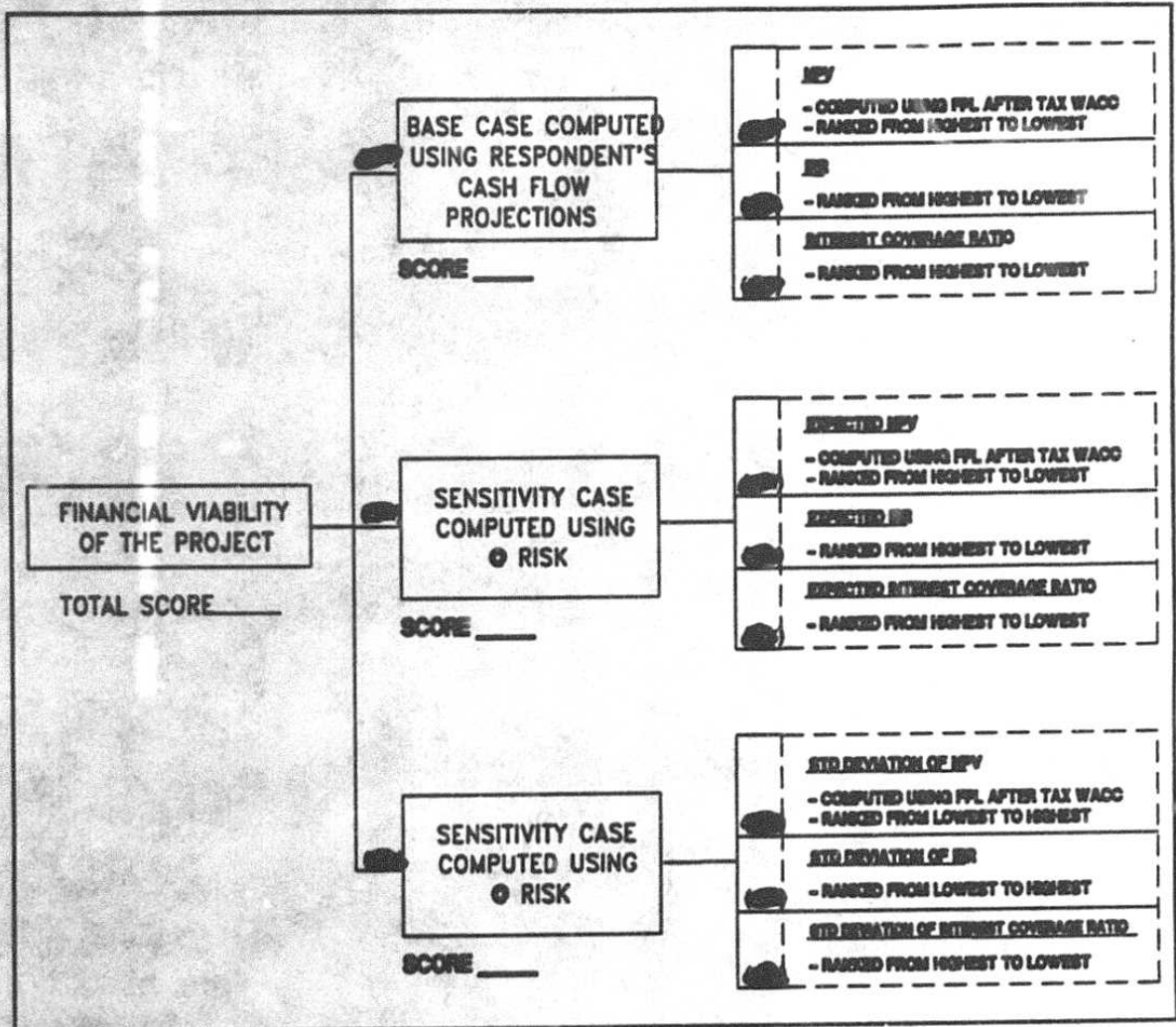
Criterion 13: Financial Viability Of Facility And Respondent

(Page 1 of 7)



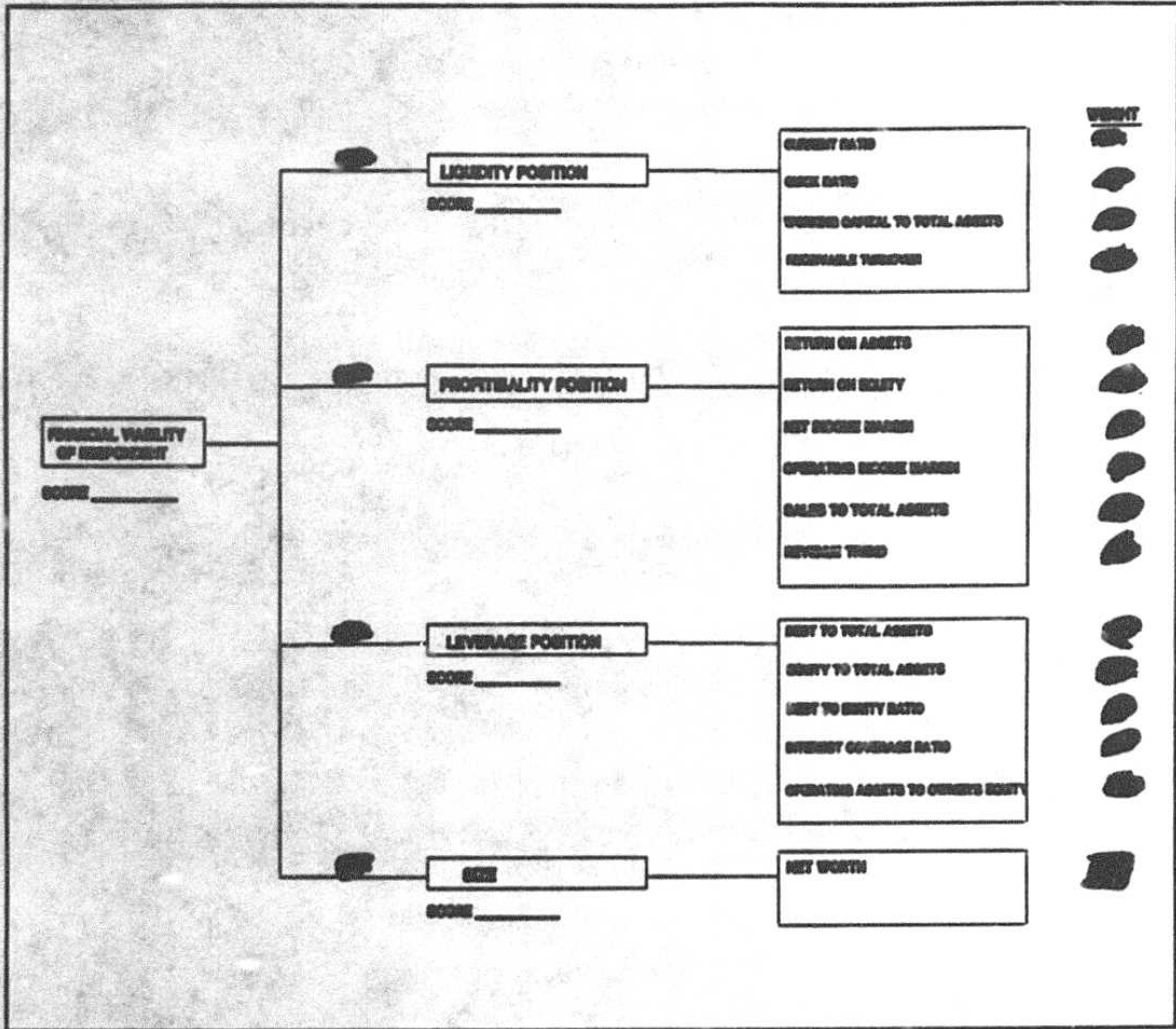
CRITERION 13 CONTINUED

(Page 2 of 7)



CRITERION 13 CONTINUED

(Page 3 of 7)



CRITERION 13 CONTINUED

(Page 4 of 7)

In this criterion there are two components we will be evaluating, the financial viability of the respondent and the financial viability of the project. In evaluating the respondent's financial viability, we are mainly concerned with the financial strength of the corporate entity. The main focus in evaluating the viability of the respondent's project is the ability to generate revenues to cover debt obligations and provide a return on invested capital.

Both the financial viability of the respondent and the financial viability of the project will be scored separately. The maximum point awarded to each will be [redacted] points. To compute the total score for this criterion, the financial viability of the respondent and financial viability of the project will be weighted equally. The average of both scores will be the total score for the criterion.

A. **FINANCIAL VIABILITY OF THE PROJECT:** FPL has a vested interest in the financial viability of the respondent's project since it will depend on the bidders capacity to serve customers. In assessing the financial viability of the proposed project, FPL will use three profitability measurement; they are as follows:

- Net Present Value (NPV) computed using FPL's weighted average cost of capital.
- Return on Invested Capital (IRR)
- Interest Coverage Ratio (Coverage)

In computing NPV, IRR and Coverage for the project, FPL will rely on the projected cash flow statement provided by the respondent. However, since the profitability of the project is dependent on the following key variables:

- Heat Rate
- Fuel Cost
- Equivalent Availability Factor
- Operating and Maintenance Expenses
- Future Inflation

FPL will analyze the impact on the profitability measures resulting from changes in these variables from their assumed values. FPL will gauge this impact through the use of risk simulation analysis utilizing statistical techniques.

In rating both the base case and the sensitivity case following the approach will be used:

Net Present Value:

Highest NPV project will receive [redacted] points;

Projects with a NPV between the two points will be scaled based on a linear relationship between the two points.

CRITERION 13 CONTINUED

(Page 5 of 7)

Internal Rate of Return:

Projects with an IRR equal to 30% or above will receive 10 points;

Projects with an IRR of 9% or below will receive 1 point;

Projects with IRR between 30% and 9% will be scaled based on a linear relationship between the two points.

Interest Coverage Ratio:

Projects with a coverage ratio of 10 or more will receive 10 points;

Projects with a coverage ratio of 1 or less will receive 1 point;

Projects with a coverage ratio between 10 or 1 will be scaled based on a linear relationship between the two points.

Standard Deviation of NPV, IRR and Coverage:

Standard deviation will be computed as a percent of the expected value. Projects with a standard deviation equaling to 100% or above of the expected value will receive 10 points. Projects with a standard deviation equaling to 1% or below of the expected value will receive 1 point. All other will be scaled between the two points based on a linear relationship.

Resulting NPV, IRR and Coverage Ratio computed from the respondent's cash flow statements (base case) will be given a 40% of the total score. Profitability measurements computed from our risk analysis will receive 20% of the total scores.

In both the base case and the sensitivity case NPV, IRR and Coverage Ratio will be computed using a computer using a computer financial model developed by FPL's Finance Department.

The total score for the financial viability of the project will be computed by the following formula:

<u>Base Case</u>						
NPV Score	x	10	=			
IRR Score	x	1	=			
Coverage Score	x	10	=			
Sum				_____	x	0.4 = _____
<u>Risk Analysis</u>						
Expected NPV Score	x	10	=			
Expected IRR Score	x	1	=			
Expected Coverage Score	x	10	=			
Sum				_____	x	0.2 = _____
<u>STD of NPV Score</u>						
STD of IRR Score	x	10	=			
STD Coverage Score	x	10	=			
Sum				_____	x	0.4 = _____
						TOTAL SCORE _____

CRITERION 13 CONTINUED

(Page 6 of 7)

- B. **FINANCIAL VIABILITY OF THE RESPONDENT:** Like the financial viability of the project, FPL has a vested interest in the financial viability of the respondent. In assessing the financial viability of the respondent, FPL will use historical financial information obtained from the bidder's audited financial statements. Ratio analysis will be used to rank the different bidders. The following Ratios will be computed.

<u>RATIO</u>	<u>FORMULAS</u>
Current Ratio	Current Assets/Current Liabilities
Quick Ratio	Current Assets-Inventories/Current Liabilities
Working Capital to Total Assets	Current Assets-Current Liab./Total Assets
Receivable Turnover	Sales/Accounts Receivable (Net)
Return of Assets	Net Income/Total Assets
Return on Equity	Net Income/Total Common Equity
Net Income Margin	Net Income/Sales
Operating Income Margin	Operating Income/Sales
Sales to Total Assets	Sales/Total Assets
Revenue Trend	(1988 Rev-1987 Rev.)/1987 Rev.
Debt to Total Assets	Total Debt/Total Assets
Equity to Total Assets	Total Common Equity/Total Assets
Debt to Equity Ratio	Debt/Equity
Interest Coverage Ratio	Ebit/Interest
Operating Assets to Owners Equity	Operating Assets/Owner's Equity
Capital Cost/Net Worth	Capital Cost/Net Worth

The following range will be used to rank the bidders:

Poor Result 0 (Low Standard)
Excellent Result 10 (High)

	<u>Low Standard</u>	<u>High Standard</u>
Current Ratio	0.4	2.0
Quick Ratio	0.3	1.3
Working Capital To Total Assets	-5.0%	10.0%
Receivable Turnover	5.0	20.0
Return of Assets	2.0%	6.0%
Return on Equity	5.0%	15.0%
Net Income Margin	5.0%	15.0%
Operating Income Margin	10.0%	30.0%
Sales to Total Assets	20.0%	50.0%
Revenue Trend	0.0%	30.0%
Debt to Total Assets	50.0%	30.0%
Equity to Total Assets	20.0%	40.0%
Debt to Total Ratio	2.0	0.0
Interest Coverage Ratio	2.0	4.0
Operating Assets to Owners Equity	50.0%	300.0%
Capital Cost of Project/Net Worth	100.0%	0.0%

CRITERION 13 CONTINUED

(Page 7 of 7)

A linear relationship is developed for each ratio by assigning a 0 to the low standard and a 100 to the high standard. Applying the linear equations to the respondent's financial ratios will result in a score for each ratio. The maximum score awarded will be 100 points and no bidder will receive less than 0.

Before an overall score is calculated, a penalty may be assessed to those bidder's who have commitments/contingencies that could materially affect their financial condition. The respondent's penalty will be based on the percentage of dollars at risk in relationship to net worth.

An overall score is computed for each respondent after each ratio has been appropriately weighted and the potential effect of commitment/contingencies has been analyzed.

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____

Project Name: _____

Lead Department: *Power Resources*

Support Department: *Project Management*

Evaluated By: _____

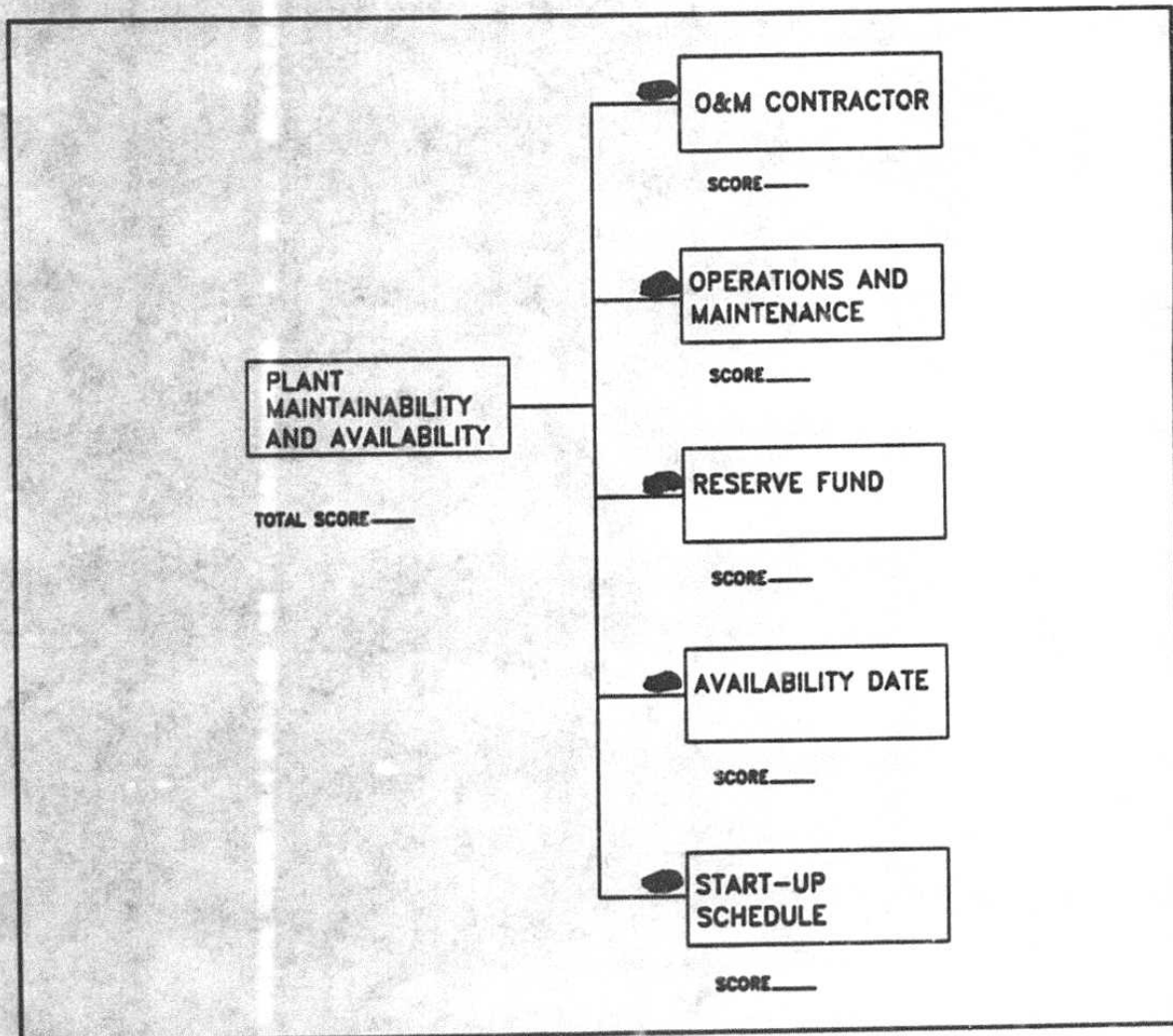
Reviewed By: _____

Date: _____

Date: _____

Criterion 14: Plant Maintainability And Availability

(Page 1 of 3)



CRITERION 14 CONTINUED

(Page 2 of 3)

Scoring Methodology:

O&M Contractor

Exhibit

- A. . Experience level of contractor or similar work. 6.4.1
 - . Description and qualification of contractor 3.2.14
 - # Years ≥ 5 = 5.2.1
 - $1 \leq$ # Years < 5 = 6.3.1
 - $0 \leq$ # Years ≤ 1 = 6.8.1

- B. Executed Agreement on other plans
 - Executed Agreement = 5
 - Plan Only = 3

- C. Quality of Plan (i.e., details, completeness, etc.)
 - Complete and Comprehensive = 3
 - Sufficient but need more work = 2
 - Not sufficient to maintain plant = 1

- D. Qualification of O&M Contractor Personnel including experience
 - Overall well qualified = 3
 - Fairly qualified = 2
 - Poorly qualified = 1

Operation and Maintenance

Exhibit

- Maintenance plan for facility Components 4.8
 - > Training
 - > Schedules
 - > Record Keeping
 - > Experience in O&M
 - > Procedures
 - > Spare Parts
 - > Quality Control

- Detailed Description of all Seven Components = 6.4.1
 - $3 < \# N < 7$ = 5
 - $0 \leq \# N \leq 3$ = 3

CRITERION 14 CONTINUED

(Page 3 of 3)

Reserve Fund

Amount of money to be placed in maintenance reserve fund to assure availability.

% of Capital Cost of Plant (COP)

- $\% \geq 5\% \text{ COP} =$
- $4 \leq \% < 5\% \text{ COP} =$
- $3 \leq \% < 4 \text{ COP} =$
- $2 \leq \% < 3 \text{ COP} =$
- $1 \leq \% < 2 \text{ COP} =$
- $0 \leq \% < 1 \text{ COP} =$

Availability Date

Exhibit

- Equivalent Availability Date of existing plants 6.2.1
- Equivalent Availability of Proposed Plant 6.8.1

$EA_{F_p} \leq EA_{F_e} \leq 1.05 EA_{F_e}$

$EA_{F_p} > 1.05 EA_{F_e}$

$EA_{F_p} < EA_{F_e}$

EA_{F_g} = Equivalent Availability Factor Guaranteed

EA_{F_e} = Equivalent Availability Factor of Existing Units

Start-up Schedule

Exhibit

Detailed Milestone Schedule for: 6.7.1

- Start-up
- Testing
- Initial Synch
- Acceptance Test
- Performance Test

Does start-up schedule allow sufficient time to completely check-out all systems within allotted time?

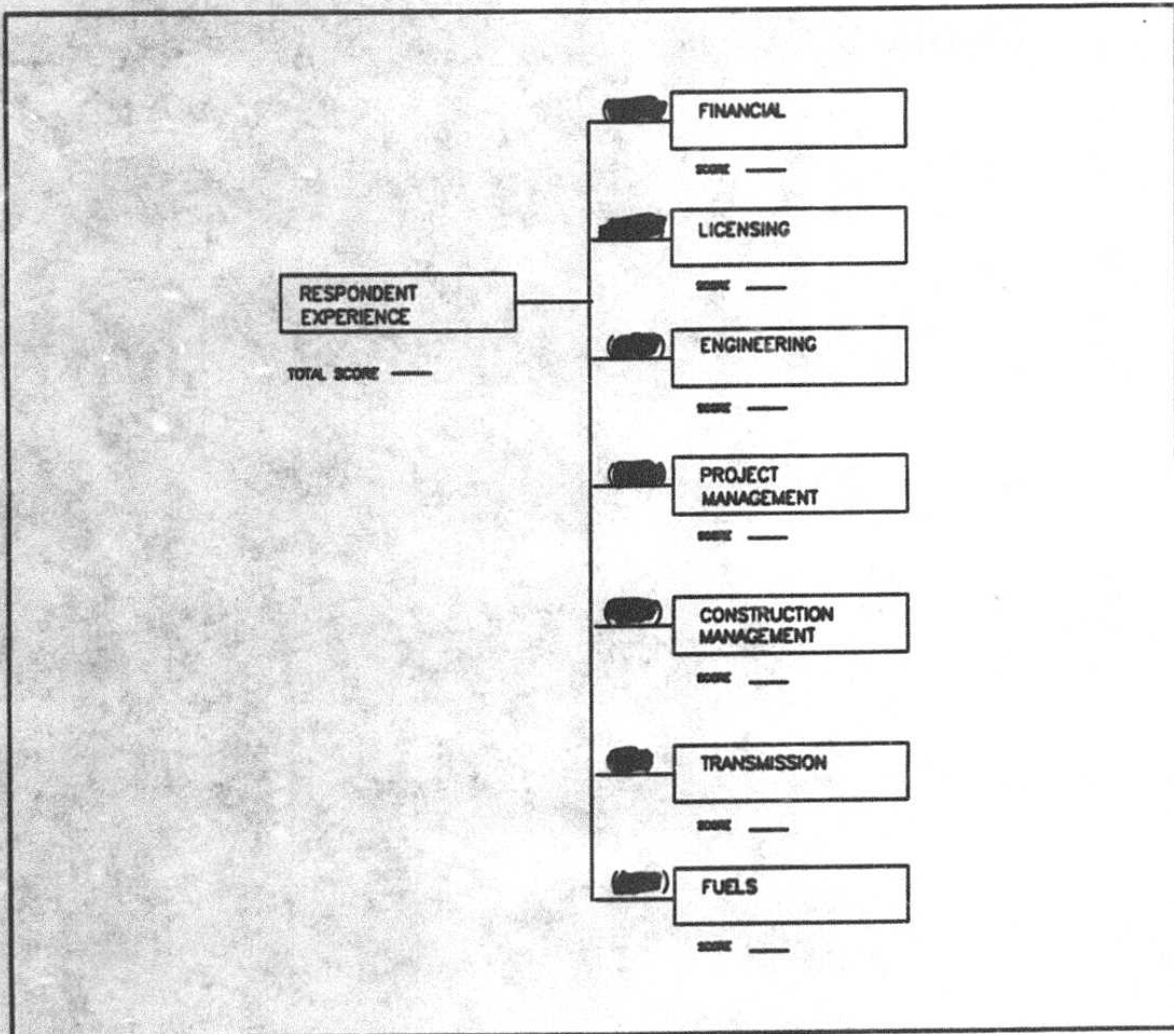
- Yes =
- Marginal =
- No =

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ **Project Name:** _____
Lead Department: Project Management
Support Department: Power Plant Engineering
Evaluated By: _____ **Reviewed By:** _____
Date: _____ **Date:** _____

Criterion 15: Respondent Experience

(Page 1 of 4)



CRITERION 15 CONTINUED

(Page 2 of 4)

<u>Components Of Criteria</u>	<u>Weight</u>	<u>Basis Of Evaluating Bids Against Components</u>
<i>FINANCIAL EXPERIENCE</i> (5.2.1/6.8.1)	● ● ●	<ul style="list-style-type: none"> • Corporate information and management experience • Experience with chosen technology (5.2.1/6.8.1) • Amount, type of investment, duration of investment (5.2.1/6.8.1) • Understanding/experience with IPP market (5.2.1) • Regulation Experience
<i>LICENSING EXPERIENCE</i>	●	<ul style="list-style-type: none"> • Respondent List of Siting & Licensing Experience (4.3.1) • Respondent Description of Siting & Licensing Experience (4.3.1)
<i>ENGINEERING EXPERIENCE</i>	● ● ●	<ul style="list-style-type: none"> • Corporate information and management experience (5.2.1/6.8.1) • Experience with chosen technology (5.2.1/6.8.1/6.3.1) <ul style="list-style-type: none"> - Size (MW) - Location - Respondent's role in project - Fuel type - Actual net operating heat rate - Equivalent forced outage rate - Equivalent availability factor - Type of project (IPP, QF, utility, etc.) • Experience of the technology to (5.2.1/6.8.1/6.3.1) • Understanding/experience with IPP market (5.2.1)
<i>PROJECT MANAGEMENT EXPERIENCE</i>	● ● ●	<ul style="list-style-type: none"> • Corporate information and management experience (5.2.1/6.8.1) • Project controls experience with similar projects (5.2.1/6.8.1) • Experience with chosen technology (5.2.1/6.8.1/6.3.1) <ul style="list-style-type: none"> - Size (MW) - Location - Respondent's role in project - Fuel type - Actual net operating heat rate - Equivalent forced outage rate - Equivalent availability factor - Type of project (IPP, QF, utility, etc.) • Experience of the technology to be used (5.2.1/6.8.1/6.3.1) • Understanding/experience with IPP market (5.2.1) • Experience with regulators (5.2.1)

CRITERION 15 CONTINUED

(Page 3 of 4)

<u>Components Of Criteria</u>	<u>Weight</u>	<u>Basis Of Evaluating Bids Against Components</u>
<i>CONSTRUCTION MANAGEMENT (5.2.1/6.8.1) EXPERIENCE</i>	● ●	<ul style="list-style-type: none"> • Corporate information and management experience • Experience with chosen technology 5.2.1/6.8.1/6.3.1 <ul style="list-style-type: none"> - Size (MW) - Location - Respondent's role in project - Fuel type - Actual net operating heat rate - Equivalent forced outage rate - Equivalent availability factor - Type of project (IPP, QF, utility, etc.)
	●	<ul style="list-style-type: none"> • Construction capability experience (6.1.1) • Understanding/experience with IPP market (5.2.1)
<i>TRANSMISSION EXPERIENCE</i>	● ●	<ul style="list-style-type: none"> • Corporate information and management experience (5.2.1/6.8.1) • Experience with chosen technology (5.2.1/6.8.1) <ul style="list-style-type: none"> - Size (MW) - Location - Respondent's role in project - Fuel type - Actual net operating heat rate - Equivalent forced outage rate - Equivalent availability factor - Type of project (IPP, QF, utility, etc.)
	●	<ul style="list-style-type: none"> • Understanding/experience with IPP market (5.2.1)
<i>FUELS EXPERIENCE</i>	● ●	<ul style="list-style-type: none"> • Corporate information and management experience (5.2.1/6.8.1) • Procurement, transportation and administration (7.1.2.4)

CRITERION 15 CONTINUED

(Page 4 of 4)

- Experience with chosen technology (5.2.1/6.8.1)
 - Size (MW)
 - Location
 - Respondent's role in project
 - Fuel type
 - Actual net operating heat rate
 - Equivalent forced outage rate
 - Equivalent availability factor
 - Type of project (IPP, QF, utility, etc.)

- Understanding/experience with IPP market (5.2.1)

Scoring in each element: Maximum of 3 and Minimum of 1

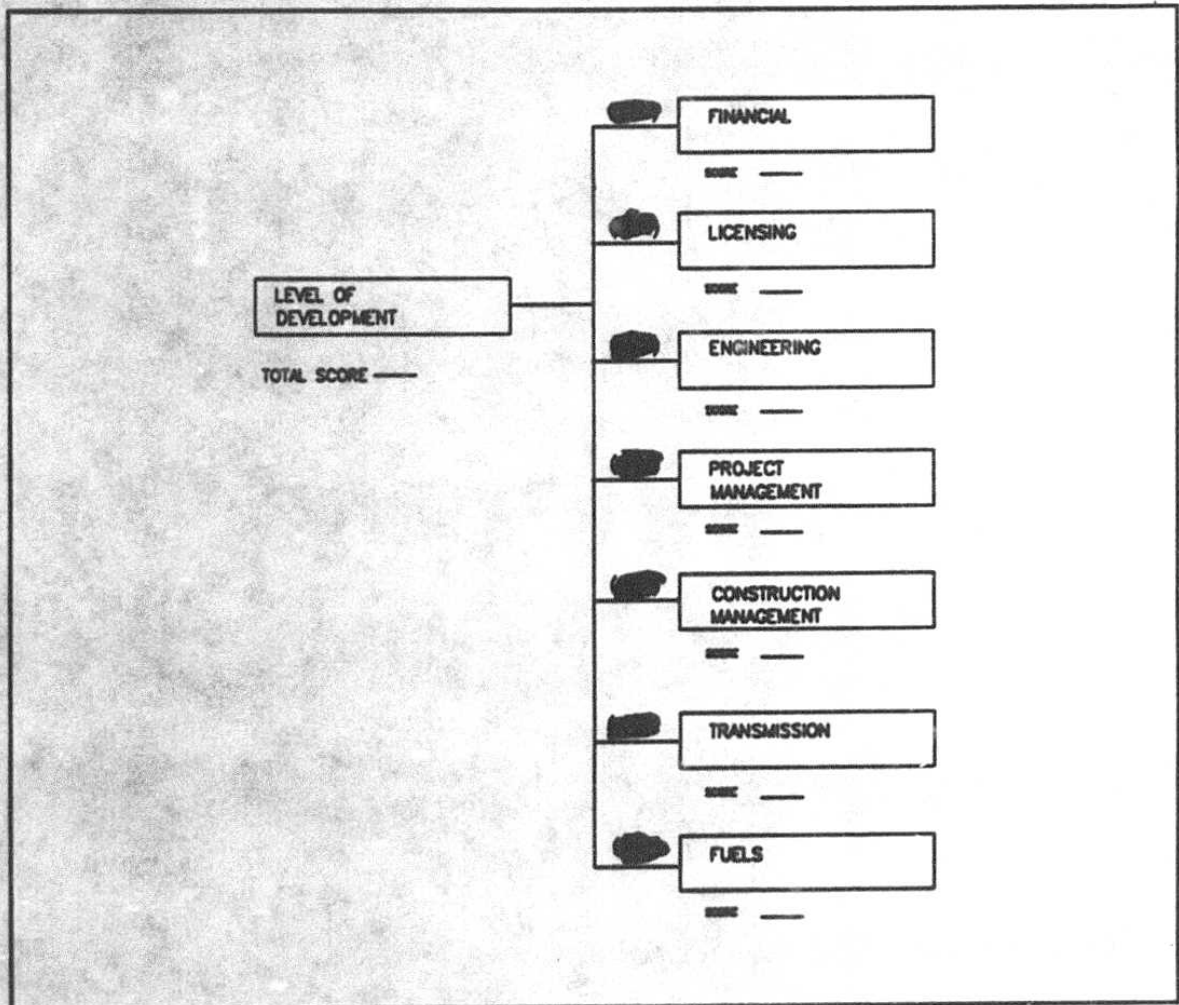
- Equivalent to industries most experienced
- Significant experience but clearly less than most experienced
- No or little experience

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____ **Project Name:** _____
Lead Department: Project Management
Support Department: Corporate Contracts/Power Plant Engineering
Evaluated By: _____ **Reviewed By:** _____
Date: _____ **Date:** _____

Criterion 16: Level Of Development

(Page 1 of 3)





CRITERION 16 CONTINUED

(Page 2 of 3)



<u>Components Of Criteria</u>	<u>Weight</u>	<u>Basis Of Evaluating Bids Against Components</u>
FINANCIAL PROJECT	●	• Site selection and lease and/or purchase (4.1.2)
DEVELOPMENT	●	• Status of financing commitments/agreements (5.1.2)
obtained (5.1.3)	●	• Status of schedule development (6.1.1/6.1.3) - Minimum level of insurance/security
LICENSING PROJECT	●	• Site selection and lease and/or purchase (4.1.2)
DEVELOPMENT	●	• Permitting/licensing status (4.2.1/4.2) • Status of schedule licensing & permitting milestone (4.2.2/6.7.1)
ENGINEERING PROJECT	●	• Site selection and lease and/or purchase (4.1.2)
DEVELOPMENT	●	• Status of plant design (6.51/6.6.1) • Selection of major vendors and terms (6.1.3/6.8.1)
	●	• Status of schedule development(6.1.1/6.1.3/6.7.1)
PROJECT MANAGEMENT	●	• Site selection and lease and/or purchase (4.1.2)
PROJECT DEVELOPMENT	●	• Selection of major vendors and terms (6.1.3/6.8.1)
	●	• Level of cost development for capital(6.1.2)
	●	• Level of cost development for O&M (6.4.1)
(6.1.1/6.1.3/6.7)	●	• Status of schedule development
CONSTRUCTION MANAGEMENT	●	• Selection of major vendors and terms (6.1.3/6.8.1)
PROJECT DEVELOPMENT	●	• Status of schedule development (6.1.1/6.1.3/6.7.1)

CRITERION 16 CONTINUED

(Page 3 of 3)

<u>Components Of Criteria</u>	<u>Weight</u>	<u>Basis Of Evaluating Bids Against Components</u>
<i>TRANSMISSION PROJECT DEVELOPMENT</i>		<ul style="list-style-type: none">• Site selection and lease and/or purchase (4.1.2)• Transmission corridors lease (3.2.2)• Status of schedule development (6.1.1/6.1)• Wheeling agreements and tie-ins (3.2.1/3.2.2/3.2)
<i>FUELS PROJECT DEVELOPMENT (7.1.2)</i>		<ul style="list-style-type: none">• Site selection and lease and/or purchase (4.1.2)• Status of schedule development (6.1.1/6.1)• Fuel purchase and transportation status

Scoring on each element:

-  Fully developed, contracts executed, permits obtained, or securities obtained, as applicable. Well developed, letters of intent issued, permit requests filed, or commitments initiated as possible.
-  Poorly developed, potential vendors only identified, licensing issues identified but not examined, no commitments obtained, as applicable.

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____

Project Name: _____

Lead Department: Environmental Affairs

Support Department: Power Plant Engineering

Evaluated By: _____

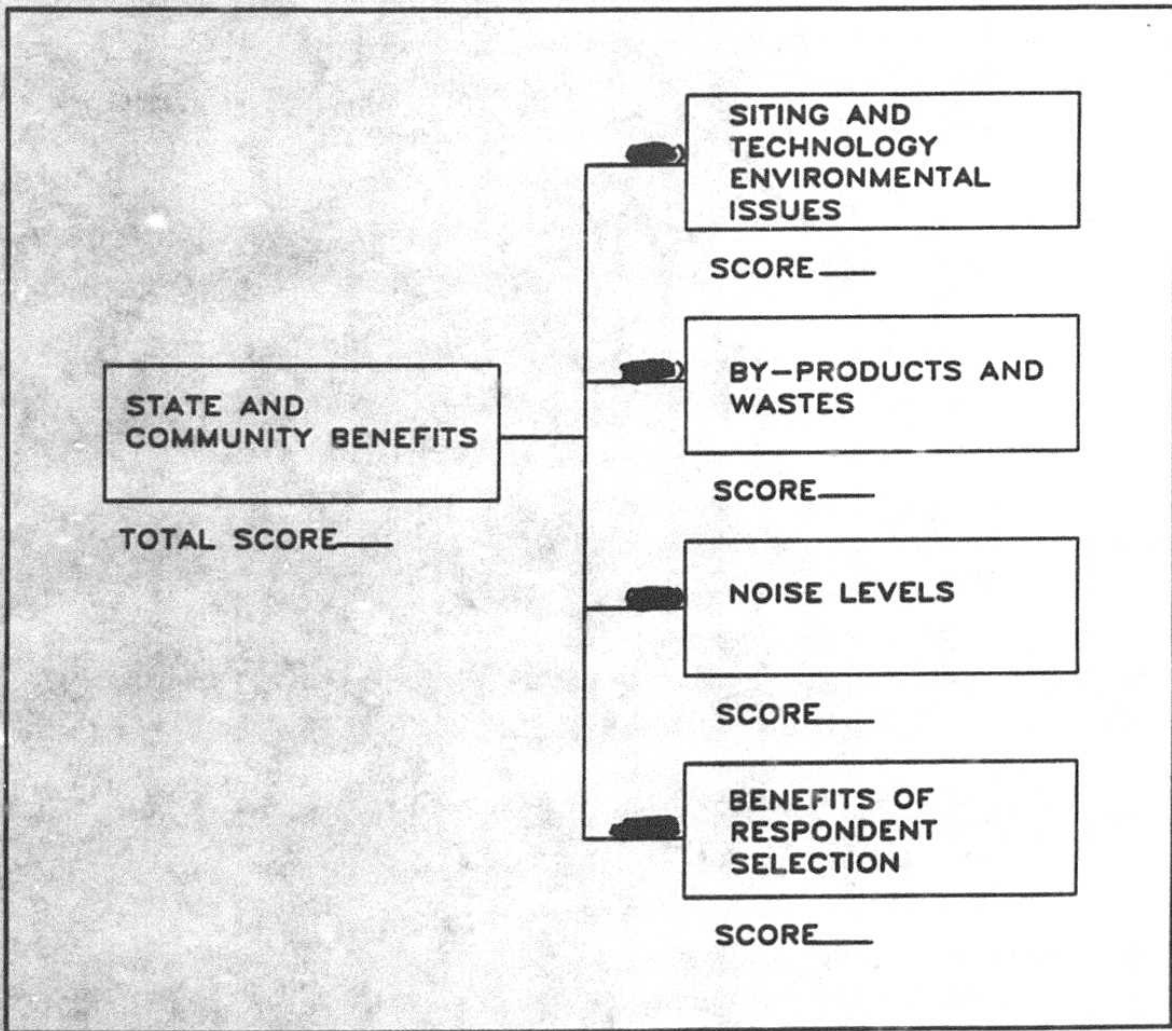
Reviewed By: _____

Date: _____

Date: _____

Criterion 17: State and Community Benefits

(Page 1 of 5)



CRITERION 17 CONTINUED

(Page 2 of 5)

Components Of Criteria	Weight	Basis Of Evaluating Bids Against Components	Exhibit
Siting & Technology Environmental Issues	●	. Respondent List of Siting & Technology Environmental Issues/Potential Issues	4.4.1
	●	. Local Political, Business, Environmental Support or Opposition to the Facility	_____
	●	. Pending or Threatened Litigation, Possibly Affecting Proposed Site	_____
			(Sum/3)
By-Products & Wastes	●	. Respondent List of Air, Liquid, & Solid Waste & By-Product Streams	4.6.1
	●	. Respondent Description of On-Site Storage Capacity for Liquid & Solid Wastes	4.6.1
	●	. Respondent By-Product & Waste Disposal Plan	4.6.1
		(Sum/3)	
Noise Levels	●	. Respondent Description of Projected Facility Noise Levels	4.7.1
Benefits of Respondent	●	. Financial, Economic, Environmental and Social Improvements to Florida Citizens, Businesses and Government Bodies Including use of Florida Resources	8.5.1

CRITERION 17 CONTINUED

(Page 3 of 5)

Scoring Methodology

I. SITING AND TECHNOLOGY ENVIRONMENTAL ISSUES

1) RESPONDENT LIST OF SITING AND TECHNOLOGY ENVIRONMENTAL ISSUES/POTENTIAL ISSUES

Comprehensive list of siting and technology environmental issues/potential issues that could minimally impact facility licensing, development schedule or feasibility = ●

Comprehensive list of siting and technology environmental issues/potential issues that could significantly impact facility licensing, development schedule or feasibility = ●

2) LOCAL POLITICAL, BUSINESS, ENVIRONMENTAL SUPPORT OR OPPOSITION TO THE FACILITY

High local political, business, environmental support to the facility demonstrated = ●

No local political, business, environmental support or opposition to the facility = ●

High Local political, business, environmental opposition to the facility = ●

3) PENDING OR THREATENED LITIGATION POSSIBLY AFFECTING PROPOSED SITE

No pending or threatened litigation possibly affecting the proposed site = ●

Pending litigation possibly affecting the proposed site = ●

CRITERION 17 CONTINUED

(Page 4 of 5)

II. BY-PRODUCTS AND WASTES

1) RESPONDENT LIST OF AIR, LIQUID AND SOLID WASTE AND BY-PRODUCT STREAMS

Comprehensive list of all air, liquid and solid waste and by-product streams generated by the facility which result in no impact to the environment -

Comprehensive list of all air, liquid and solid waste and by-product streams generated by the facility which result in major impact to the environment -

2) RESPONDENT DESCRIPTION OF ON-SITE STORAGE CAPACITY FOR LIQUID AND SOLID WASTES

Detailed description of on-site storage capacity for liquid and solid wastes which may result in major impact to the environment -

Detailed description of on-site storage capacity for liquid and solid wastes which may result in major impact to the environment -

3) RESPONDENT BY-PRODUCT AND WASTE DESPOSAL PLAN

Specific plan for ultimate disposal of by-products and wastes which result in no impact to the environment -

Specific plan for ultimate disposal of by-products and wastes which result in major impact to the environment -

III. NOISE LEVELS

1) RESPONDENT DESCRIPTION OF PROJECTED FACILITY NOISE LEVELS

Low Projected Facility Noise Levels (less than 55 DBa) affecting adjacent/nearby residences or environmentally sensitive areas -

High Projected Facility Noise Levels (greater than 100 DBa) affecting adjacent/nearby residences or environmentally sensitive areas -

CRITERION 17 CONTINUED

(Page 5 of 5)

IV. BENEFITS OF RESPONDENT SELECTION

1) BENEFITS OF RESPONDENT SELECTION

High Financial, economic environmental social improvements to Florida citizens, businesses and government bodies including use of Florida resources =

- o increased local employment and services (%)
- o increased tax revenues (%)
- o Florida energy resource development (%)
- o waste minimization and recycling (%)
- o low opportunity for "boomtown" impact (%)
- o provide needed public services (%)
- o increased environmental protection and preservation including high mitigation for environmental disturbances (%)
- o water reuse (%)
- o high land use compatibility (%)
- o improved aesthetics including landscaping, removal of unsightly facilities, and removal of exotic vegetation and use of native vegetation (%)

No financial economic, environmental and social improvements to Florida citizens, businesses and government bodies including use of Florida resources =

CRITERION 18 CONTINUED

(Page 2 of 2)

Scoring Methodology:

- - no exceptions
- to ● - minimal changes
- to ● - moderate changes
- to ● - significant changes
- - delete section entirely

**Appendix C
Capacity RFP
Evaluation Form**

Project No. _____

Project Name: _____

Lead Department: *Corporate Contracts*

Support Department: *System Planning*

Evaluated By: _____

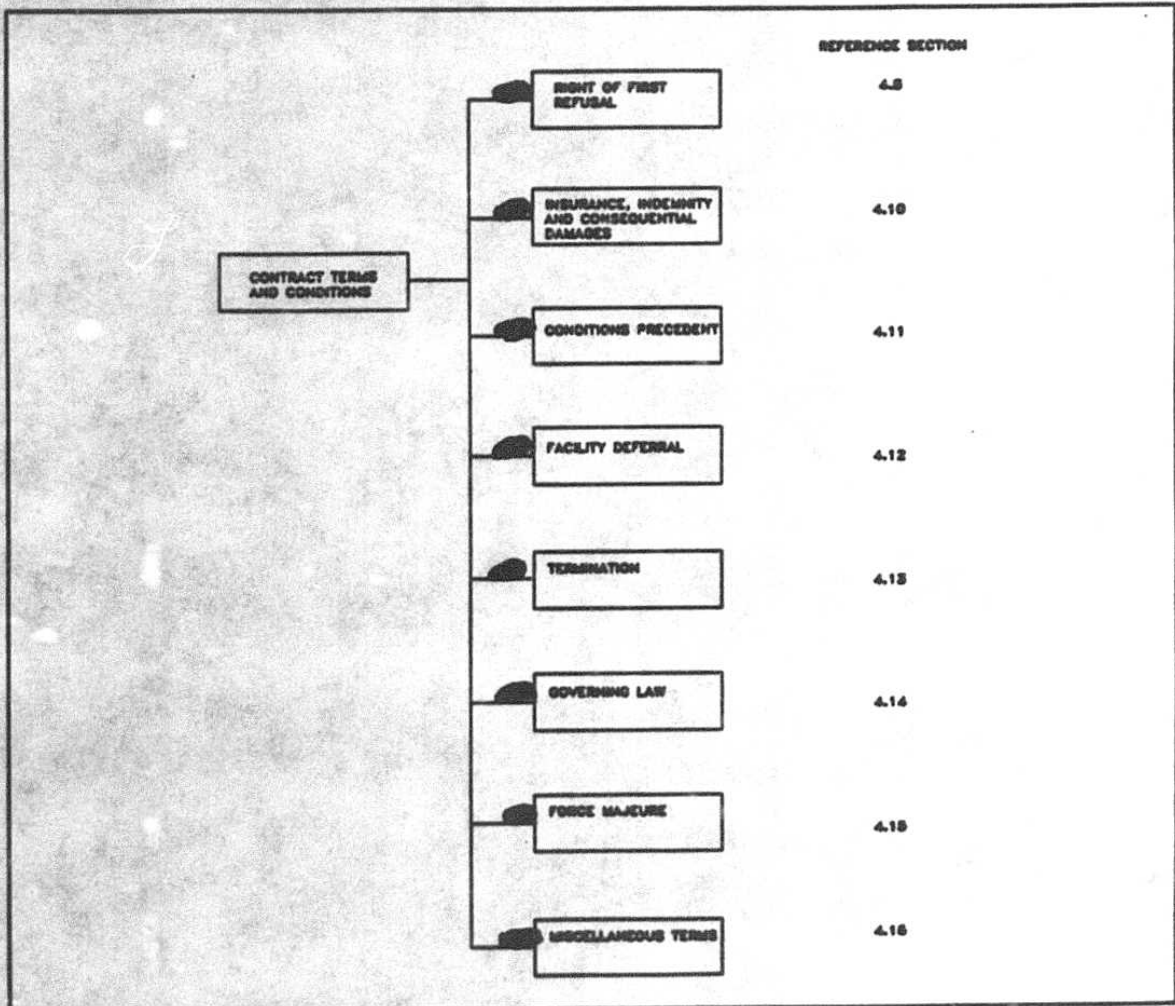
Reviewed By: _____

Date: _____

Date: _____

Criterion 18: Contract Terms And Conditions

(Page 1 of 2)



DOCUMENT NO. 7
OF ATTACHMENT B
(2 COPIES)
WITH CONFIDENTIAL
INFORMATION DELETED

CONFIDENTIAL

Criteria and Weighting Factors

	<u>WEIGHT %</u>		<u>WEIGHT %</u>
1-Price and Cost		10-Maintenance and Outage Scheduling	
2-Location		11-Completion Security	
3-Planning and Scheduling Flexibility		12-Security for Payment in Excess of Value	
4-Fuel Diversity and Risk of Price		13-Financial Viability of Facility and Respondent	
5-Security of Fuel Supply		14-Plant Maintainability and Availability	
6-Power Quality and Reliability		15-Respondent Experience	
7-Dispatchability		16-Level of Development	
8-Reactive Capability and Control		17-State and Community Benefits	
9-Contract Terms		18-Contract Terms and Conditions	

ANALYSIS
JRV/PC 5/1/98
DELIVERY COM MTG