2026 Voluntary RFP for Utility-Scale CETA-Compliant Energy and Capacity Resources

Bidders' Conference

March 5, 2026

PSE PUGET SOUND ENERGY

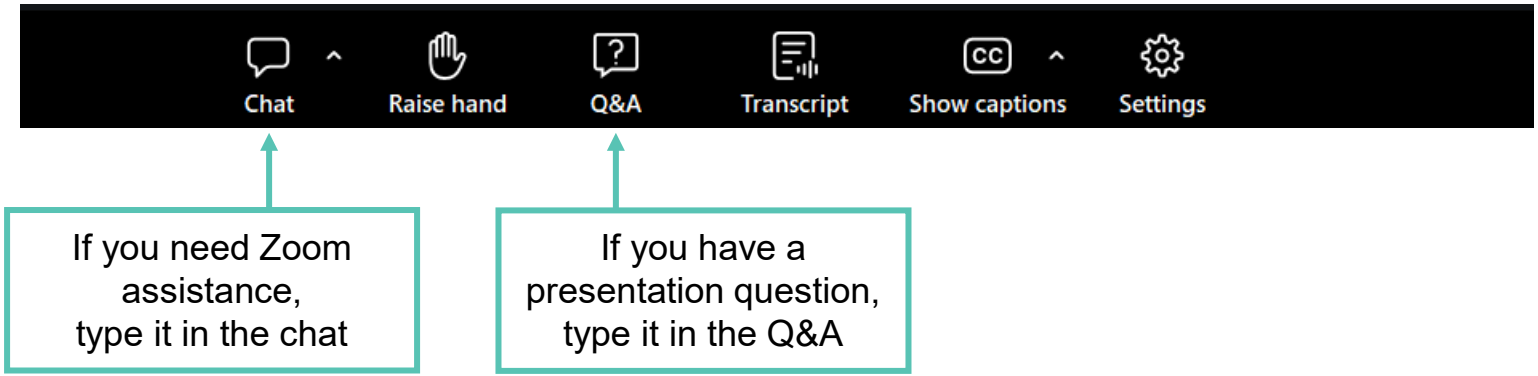
Safety moment: maintain a car emergency kit

Always be prepared, no matter how far you are driving!

- First aid kit
- Ice scraper
- Spare tire, jack, lug wrench, and pressure gauge
  - Check your spare tire pressure regularly
- Jumper cables
- Fire extinguisher
- Snack
- Drinking water
- Blanket
- Flashlight and batteries
- Paper map / atlas

How to use Zoom

- Attendees will remain in listen-only mode
- Enter questions anytime in the Q&A chat – organizers will respond to questions aloud during the Q&A period at the end of the presentations
- If you have technical issues with Zoom, please let us know in the chat



Introductions: Puget Sound Energy

Resource Acquisition

Documentation

- Sheri Maynard

Quantitative

- Janet Phelps
- Weimin Dang
- Sally Robson

Commercial

- Naina Arora

Equity

- Algie Au

Energy Delivery

- Laxman Subedi
- Rylan Caskey
- Jianling Chu

Agenda

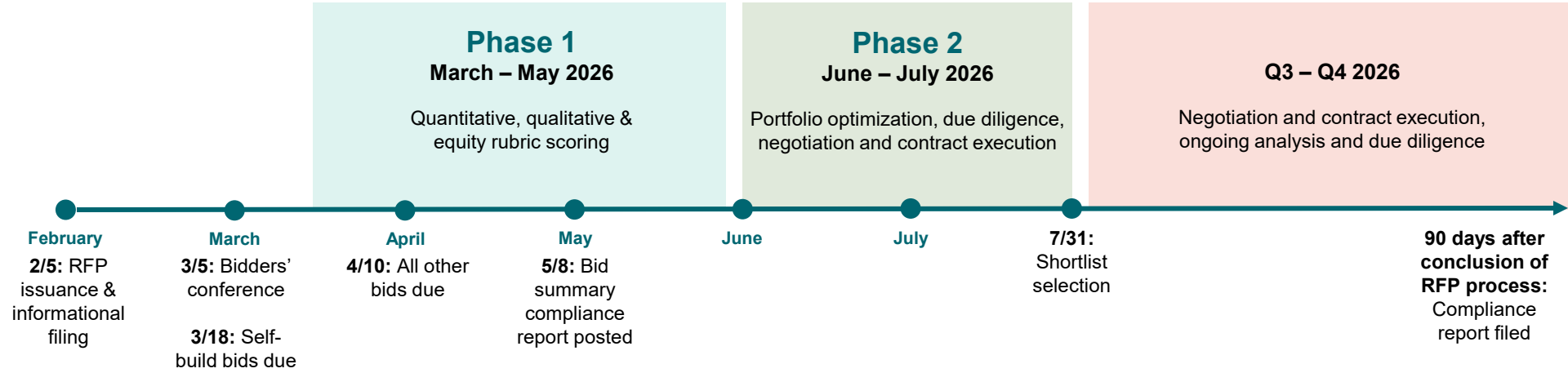
1. **Schedule and resource needs**
2. **Bid preparation**
    - Eligible resources
    - Minimum requirements
    - Transmission assets available for bidder proposals
    - Proposal submission and bid fees
    - Submission portal demonstration
3. **Bid evaluation**
    - Request for Proposals (“RFP”) process overview
    - Phase 1 process and evaluation criteria
    - Phase 2 process
    - PSE participating resource proposals (“self-build”)
4. **Independent Evaluator**
5. **Resources for bidders**
6. **Q&A**

Schedule and resource needs

PSE PUGET SOUND ENERGY

PSE expects to complete Phase 1 in May and select a shortlist by the end of July

PSE could start negotiations as early as the start of Phase 2 and expects to execute contracts in 2026 or early 2027



PSE's 2026 Utility-Scale RFP seeks CETA-compliant energy and capacity resources

The 2026 Voluntary RFP for Utility-Scale CETA-Compliant Energy and Capacity Resources ("2026 Utility-Scale RFP") identifies the following resource deficits:[1]

- Approximately 2.9 million MWh of CETA-compliant energy in 2030
- Approximately 1,556 MW of winter capacity and 59 MW of summer capacity in 2031

[1] Capacity resource and CETA resource needs were identified in February 2026 as part of the 2027 Integrated System Plan ("2027 ISP") process. The CETA resource need is an update to the deficit presented at the December 19, 2024 Resource Planning Advisory Group meeting and will continue to be updated as part of the 2027 ISP process

Bid preparation

PSE PUGET SOUND ENERGY

PPAs, tolling agreements, and ownership will be considered

Resource	Description (including but not limited to)	Contract type
CETA-compliant energy	All commercially proven non-emitting electric generation and renewable resources	PPA and ownership
Baseload generation	Unit contingent, shaped, or blocked	PPA and ownership
Capacity products	Call options, dispatchable, storage	Tolling, PPA, and ownership
Hybrid resources	Renewable + storage	Tolling, PPA, and ownership
Other resources not specified above	Any commercially available resources	

- New or existing resources with commercial operation dates (“CODs”) of January 1, 2032 or earlier will be considered. PSE will not consider conceptual projects
- PSE will consider contracts with terms >4 years and up to the end of the asset’s useful life

PSE will consider any electric resource or energy storage resource greater than 5 MW

- The 2026 Utility-Scale RFP will only accept bids for resources greater than 5 MW
- Qualifying Facilities with nameplate capacities of less than 5 MW may sell power to PSE pursuant to electric tariff rate Schedule 91
  - More information can be found on PSE's website on the Distributed Renewables web page
- PSE issued a separate targeted Distributed Solar and Storage Resources RFP (the "2025 DSS RFP") on September 30, 2025. Bids were due on January 30, 2026
  - The 2025 DSS RFP seeks distributed solar and storage resources up to 6 MW
  - PSE will not evaluate a proposal in both the 2026 Utility-Scale RFP and the 2025 DSS RFP

All bids must meet certain minimum criteria[1]

- COD of January 1, 2032 or earlier
- Demonstrated bidder financial backing, stability, and experience to support the project
  - Has developed and completed at least 3 projects of a similar size and technology type
  - Provide credit support in the form of a letter of credit or parental guarantee from an investment-grade entity
- All attributes associated with the project will accrue to PSE
- Valid interconnection request submitted
- Valid transmission service request submitted
- Fuel supply plan or demonstrated verifiable resource, as applicable

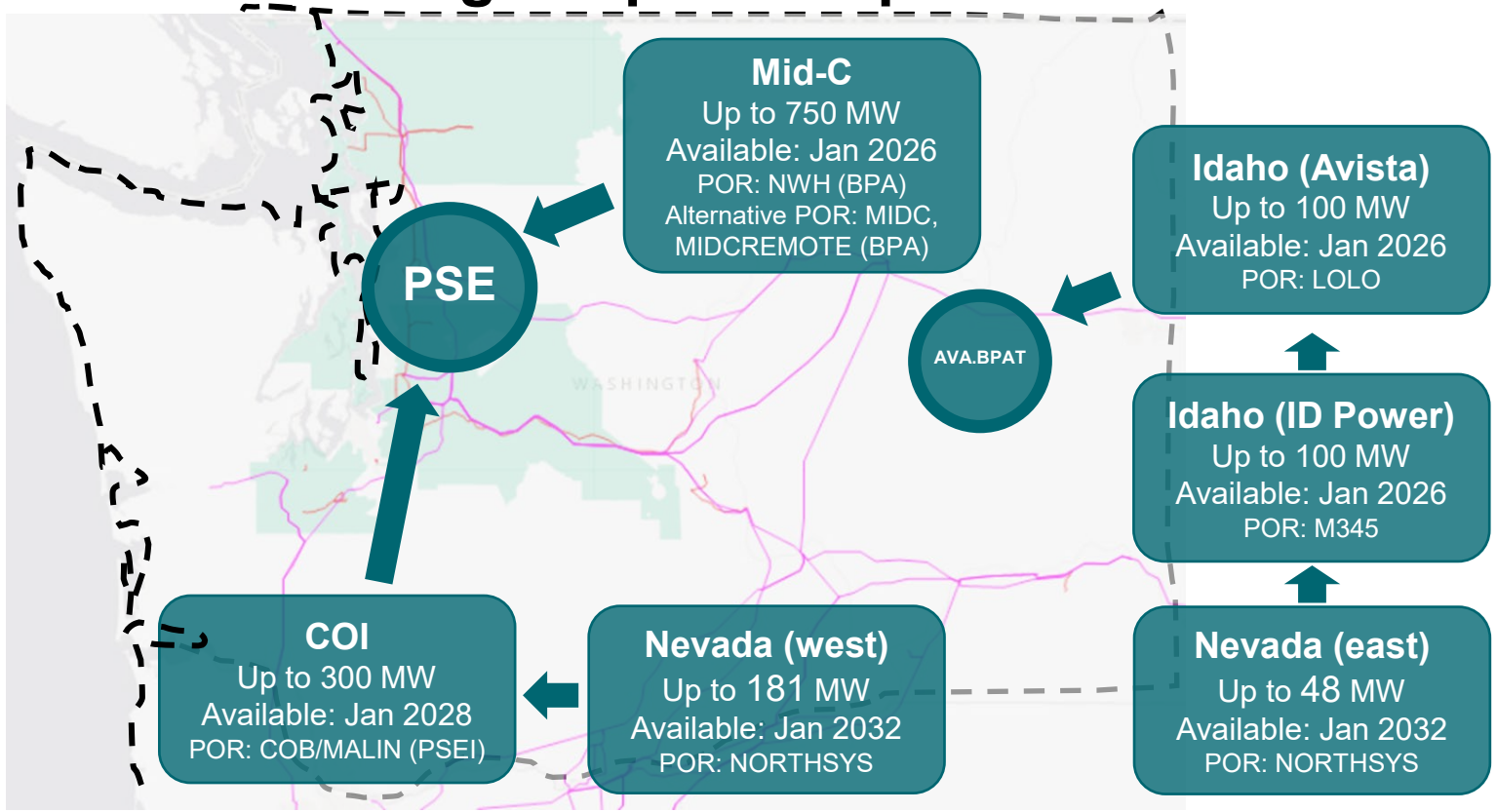
[1] A complete list of minimum requirements is provided in Attachment B-2

Bids for development projects must demonstrate a viable plan and resource[1]

Category	Minimum Criteria
Schedule & COD	• Overall project development and construction schedule through COD
Tax credits	• Plan for realizing assumptions regarding tax credits (if applicable)
Permitting & site control	• Detailed permitting plan that supports the proposed COD • Documentation of site control of project lands
Public affairs & community relations	• Detailed public affairs and community relations plan
Engineering, procurement & design	• Project layout and site plan and description of project components • Designs, materials, and workmanship meeting utility industry best practices, IEEE / ASME / ASCE / ASTM standards, and NERC / WECC guidelines[2]
Labor	• Meet applicable Prevailing Wage Requirements and Apprenticeship Requirements • EPC contract to include labor workforce agreements, as applicable
Wind & solar proposals only	• One year of verifiable resource data
Ownership proposals only	• Capex and Operations & Maintenance budgets

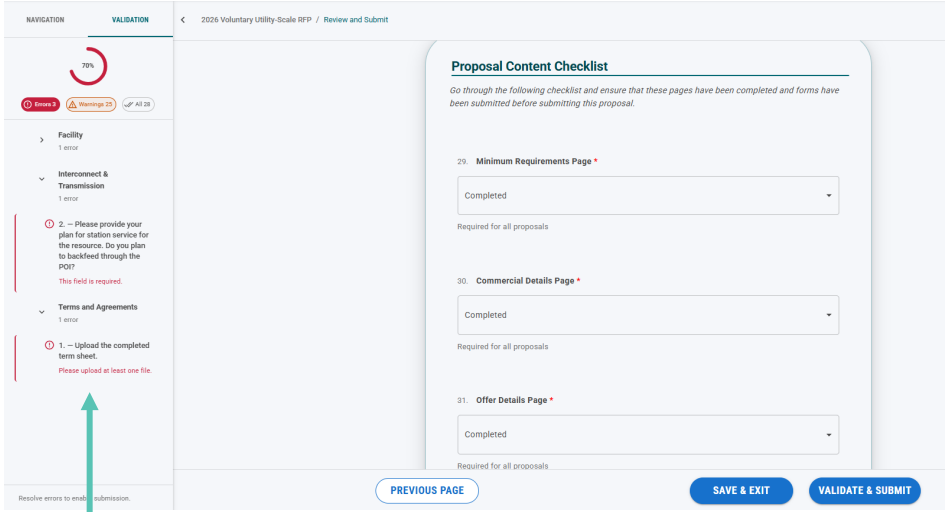
[1] A complete list of minimum requirements is provided in Attachment B-2
[2] Design guidelines for solar, wind, and battery energy storage systems can be downloaded from the RFP portal's Proposal Registration page

PSE transmission assets are available for bidder proposals delivering to specified points



Bids must be complete and submitted on time

- External bidders must submit the following by 11:59 p.m. PPT on April 10, 2026:
  - Web-based proposal form
  - Signed mutual confidentiality agreement
  - Signed customer consent letter (if applicable)
  - Prototype term sheet(s) with redlines
  - Signed bid certification
  - Energy output profile (if applicable)
- PSE participating resource proposals are due by 11:59 p.m. PPT on March 18, 2026
- Submit bids electronically through web platform (https://rfp.pse.com)



The proposal form will prompt submission of required questions and attachments

[1] Attachments required to support or substantiate specific proposal requirements (e.g., project schedule, permitting checklist, resource data, energy delivery studies) are described in Attachment B-2

Bid and success fees are designed to offset costs

- Bidders may submit more than one proposal but must provide a separate bid fee for each proposal
- Bid fee is designed to offset costs, including:
  - Independent Evaluator
  - Other third-party consultants
  - Outside studies
  - Legal services

Bid fee per proposal:

$10,000

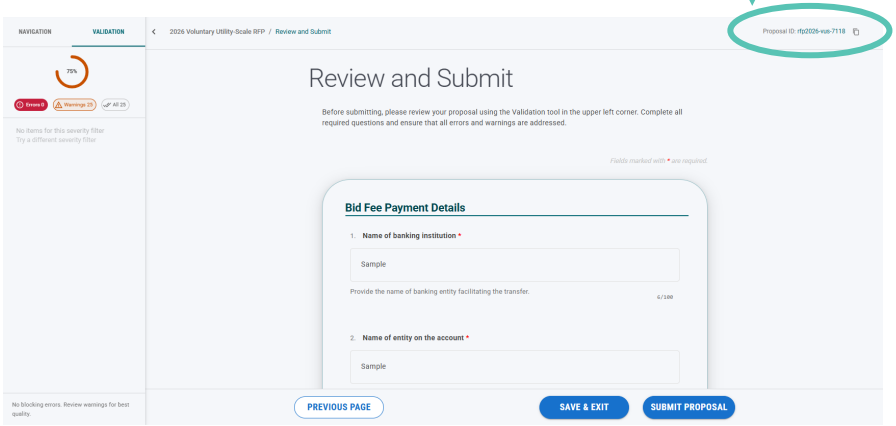
- PSE may enter negotiations and seek to execute contracts for selected resources
- Success fee will be assessed upon contract execution on a per MW basis
- Success fee is designed to offset costs associated with due diligence and legal services related to negotiations

Success fee upon contract execution:

$1,000 / MW of offered nameplate capacity

Bid fees with identifying information are due within three business days of proposal due dates

Proposal ID assigned with proposal initiation

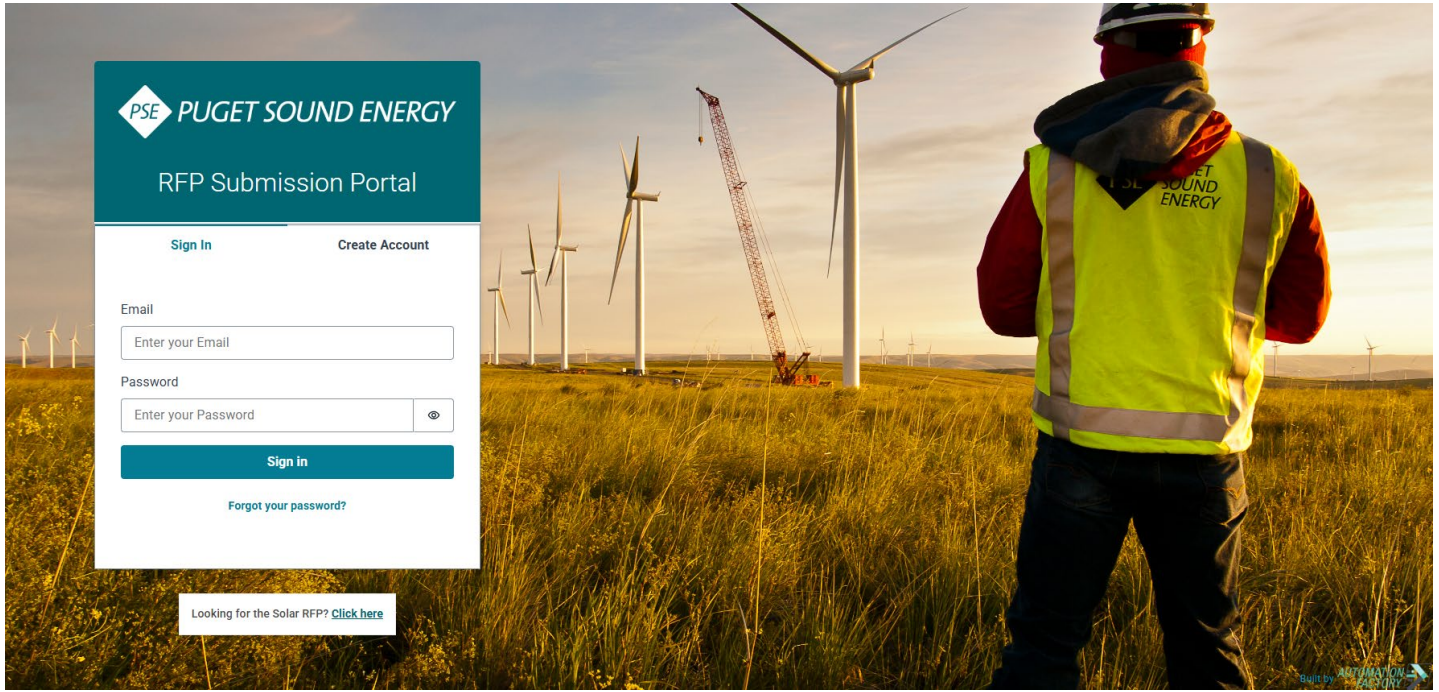


- Send bid fees by certified check (via registered mail) or ACH transfer only
- Complete payment instructions provided in RFP Section 8.3
- Payment must be annotated with:
  - Bidder's name
  - Unique assigned proposal ID number

Proposal submission + bid fee = complete submission

	Proposal due	Bid fee due
PSE participating bids	March 18	March 23
All other bids	April 10	April 15

Bid submission portal demonstration



RFP portal is open for bid submissions:
https://rfp.pse.com

Bid evaluation

PSE PUGET SOUND ENERGY

PSE expects to move quickly through all phases

Intake

- Proposal submission through web platform
- Preliminary eligibility screening and three-day cure period to meet minimum requirements

Phase 1: Screening

- Quantitative evaluation (50%): based on a proposal's levelized cost
- Qualitative evaluation (50%): emphasizes site control, permitting, interconnection & transmission

Phase 1: Equity plan evaluation

- Revised equity scoring rubric consistent with four core energy justice tenets
- Equity scores will be compared with Phase 1 quantitative and qualitative scores to identify candidates with high equity scores and no fatal flaws for ongoing consideration

Phase 2: Optimization & due diligence, negotiations & contracting

- Seeks optimal portfolio of resources
- Due diligence to assess qualitative risks and equity
- Prioritization of resources for negotiation

A pool of resources will advance from Phase 1 based on price, non-price, and equity scores

Quantitative	
Levelized cost of energy or capacity	**50%**
Qualitative	
Interconnection service	15%
Transmission service	15%
Permitting and studies	15%
Site control	5%
Qualitative subtotal	**50%**
Total	100%

Increased from 10% in 2024 Voluntary All-Source RFP

Equity

Decreased from 20% in 2024 Voluntary All-Source RFP

Proposals that would have been eliminated from consideration based on their quantitative + qualitative score but offer meaningful equity and customer benefits may advance to Phase 2

Quantitative screening is worth 50% of the overall Phase 1 score

Proposals will be placed into evaluation groups[1] and scored based on levelized cost of energy ("LCOE") or levelized cost of capacity ("LCOC")[2] — a lower value is better for both

Levelized cost of energy ($ / MWh)

- Net present value of a proposed project's cost divided by the net present value of the project's estimated generation
- Useful for comparing projects with same or similar operating characteristics. Less useful for projects with low or no generation

Levelized cost of capacity ($ / kW-yr)

- Net present value of a proposed project's cost divided by the net present value of the project's offered nameplate capacity
- Useful for comparing projects with same or similar operating characteristics

[1] Resources will be grouped based on factors including but not limited to technology, location, capacity contribution groupings, and major system constraints
[2] Levelized cost of peak capacity ("LCOPC") will be used, when necessary, for comparative analysis of resources in Phase 2

Proposals will be ranked within evaluation groups based on combined price and non-price scores

Wind Project 1 ranks #1 overall with its combination of highest price score and maximum non-price score

		Price score - 50%			Non-price score - 50%						Total - 100%	
ID	Project Name	LCOE	Relative Price Score	Price Score Ranking	Site Control	Permit and Studies	Inter-connection Service	Transmission Service	Non-Price Score	Non-Price Score Ranking	Overall Score	Overall Ranking
1	Wind Project 1	$50.00	100.0	1	4	7	8	9	100.0	1	100.00	1
2	Wind Project 2	$56.25	87.5	3	4	7	8	9	100.0	1	93.75	2
3	Wind Project 3	$50.00	100.0	1	2	7	6	9	87.5	3	93.75	2
4	Wind Project 4	$120.00	-40.0	4	1	1	1	1	13.9	4	-13.07	4
Qualitative weights:					5%	15%	15%	15%				
Qualitative maximum values:					4	7	8	9				

Project with lowest LCOE has highest price score

Non-price score depends on four areas

Energy justice will be evaluated based on four tenets[1]

Requires an understanding of historic and ongoing inequalities and prescribes efforts that seek to reconcile these inequalities

Focuses on inclusive decision-making processes and seeks to ensure that proceedings are fair, equitable, and inclusive for participants, recognizing that marginalized and vulnerable populations have been excluded from decision-making processes

Uses regulatory government organizations or other interventions to disrupt and address recognition, procedural, or distributional injustices, and correct them through laws, rules, policies, orders, and practices

Distribution of benefits and burdens across populations. Aims to ensure that marginalized and vulnerable populations do not receive an inordinate share of the burdens and are not denied access to benefits

[1] WUTC v. Cascade Nat. Gas at UG-210755 - Final Order 09 - Cascade Natural Gas (6).pdf (para.56)

Proposals with high equity scores and no fatal flaws can advance to Phase 2

ID	Project Name	Recognition	Procedural	Distributional	Restorative	Total Equity Score
	Potential Score:	5	5	38	6	54
1	Wind Project 1	2	2	27	3	**34**
2	Wind Project 2	2	1	30	2	**35**
3	Wind Project 3	4	3	24	2	**33**
4	Wind Project 4	2	2	24	3	**31**

Phase 1 will culminate in a candidate list for Phase 2 evaluation

- Best-ranking proposals from evaluation groups will be placed on an initial candidate list
- Selected resources will total at least 150% of PSE's CETA-compliant energy and capacity deficits
- PSE will consider promoting marginal resources with high equity scores

Candidate list for Phase 2 evaluation

Phase 2 includes optimization, due diligence, negotiation, and contract execution

Portfolio optimization

- Fairly compare available resource alternatives
- Identify optimal portfolio to address resource deficits

Due diligence

- Assess risks
- Include equity considerations
- Focus on commercial readiness and deliverability

Negotiation and contract execution

- Proceed with selected bidders

PSE participating resource proposals will be treated consistently with other offers

- PSE may submit **participating resource** proposals to the RFP
- PSE proposals are **due 23 days before** other proposals
- PSE's RFP evaluation team will screen and score the PSE proposals and provide the results to the **Independent Evaluator**
  - The Independent Evaluator recommended completion of Phase 1 evaluation of PSE proposals **prior to evaluation of other bids**
- After evaluating third-party bids, PSE will compare all PSE and third-party bids to provide **rankings within evaluation groups**
- The Independent Evaluator will review all proposals, rankings, and evaluations in Phases 1 and 2

Independent Evaluator

PSE PUGET SOUND ENERGY

Bates White will serve as Independent Evaluator[1]

Bates White Economic Consulting's role[2] is to ensure that PSE's 2026 Utility-Scale RFP process is conducted fairly, transparently, and properly

Responsibilities include:

- Participate in the design of the 2026 Utility-Scale RFP
- Evaluate the unique risks, burdens, and benefits of each bid
- Verify that PSE's inputs and assumptions are reasonable
- Assess whether PSE's process of scoring the bids and selection of initial and final shortlists are reasonable
- Prepare a final report to the WUTC after reconciling rankings with PSE[3]
- Immediately report to PSE and the WUTC any perceived attempt by any individual or party, including any PSE self-build and affiliate Bidders, to influence any findings determined by the Independent Evaluator, or to challenge or interfere with their role in the solicitation process

[1] Approved on April 25, 2024, in Order 1 of Docket UE-240191
[2] As defined in WAC 480-107. Independent Evaluator role is described in WAC 480-107-023
[3] In accordance with WAC 480-107-035(3)

Resources for bidders

PSE PUGET SOUND ENERGY

Resources for bidders

Public website www.pse.com/rfp	• RFP schedule, notifications, and updates • Bid submission portal link
RFP mailbox AllSourceRFPMailbox@PSE.com	• Submit RFP bid preparation and submittal questions • Q&A posted to PSE's website for the benefit of all bidders
Bid submission portal https://rfp.pse.com	• Unlimited opportunity to resubmit proposals during RFP submission window • User guide available on portal site; send questions to RFP mailbox
Bates White Independent Evaluator	• Frank Mossburg: frank.mossburg@bateswhite.com • Ben Sokol: ben.sokol@bateswhite.com
Transmission and interconnection contacts	• PSE: https://www.oatihub.oati.com/Hub/ • BPA: https://www.bpa.gov/about/who-we-are/transmission-contact-information

Q&A

PSE PUGET SOUND ENERGY