NAU NORTHERN ARIZONA UNIVERSITY
Contracts, Purchasing, and Risk Management

nau.edu/purchasing
928-523-4557 office

PO Box 4124
Flagstaff, AZ 86011

November 24, 2026

RFP Addendum 2
Request for Proposal Number: P27DC01
Large-Scale, Offsite Clean Energy Solution

Note the following on the above referenced Request for Proposal.

1. Question: How would pricing for batteries and hybrid projects be presented?

   Consortium response: The primary objective is not to influence project structure, but to reduce market risk. A single-price proposal provides the clearest and easiest basis for evaluation. While hybrid projects can be structured in a variety of ways, a straightforward pricing model will enable the Consortium to make the most effective comparison across Proposals.

2. Question: Is the deliverable potentially SPP and SPP Market plus?

   Consortium response: The Consortium will consider both SPP projects and SPP Markets+ Proposals, including structures utilizing a Virtual Power Purchase Agreement (VPPA) model.

3. Question: Regarding timing, the RFP indicates that notification will occur in March. When is contract execution anticipated?

   Consortium response: The Consortium anticipates identifying a shortlist in January and is targeting contract negotiations and contract execution during the spring. However, these dates are tentative and may be adjusted based on the evaluation and negotiation process.

4. Question: Regarding fully bundled products, do you want broken out structures?

   Consortium response: Energy and Renewable Energy Credits (RECs) are the primary areas of interest. While capacity value may also be considered, there is greater flexibility regarding capacity-related attributes. Proposals should focus on maximizing the value and delivery of energy and RECs while clearly identifying any associated capacity benefits.

nau.edu/purchasing
928-523-4557 office
PO Box 4124
Flagstaff, AZ 86011

5. Question: Is there a required regulatory approval for the Contract? How long will that take? Does the contract need to be approved?

   Consortium response: A Virtual Power Purchase Agreement (VPPA) would not typically require regulatory approval. However, any agreement that is facilitated through a local utility would be subject to the Arizona Corporation Commission (ACC) approval process and related regulatory requirements.

6. Question: For CAISO project, would the university be open to settle a projects "node" or is the University looking for Hub settlement only

   Consortium response: The Consortium strongly prefers HUB-based settlements, as the primary objective is to reduce settlement risk and provide greater pricing certainty. However, proposals utilizing a specific node will be considered. In such cases, the Consortium may review settlement studies and evaluate the associated risks and benefits of the proposed node. The Consortium remains open to considering these alternatives as part of its evaluation.

7. Question: Would the Consortium be open to doing a rec swap from PCC 1 recs?

   Consortium response: REC swap structures will be evaluated.

8. Question: Can you provide information on the value proposition of incorporating battery storage into a hybrid structure, including the preferred project structure and the outcomes being sought?

   Consortium response: Primarily the consortium is interested in how the hybrid system impacts the economics of the settlement hub. Not necessarily looking to shape the load on the grid. Primarily economics driven for projects that include battery.

9. Question: Consortium listed a range for volume requirements. Does the consortium plan to expand the project in the future for a phased project or is this the foreseeable procurement for the near future through 2035?

   Consortium response: Yes, the megawatt hours are the cumulative load the consortium is seeking to procure at this time up to the maximum number. For near and mid-term that the range of demand is accurate.

10. Question: Which entity would be signing the VPPA/PPA?

    Consortium response: The consortium has retained counsel to represent all parties but we will need to execute contracts with each member of the consortium. We envision the

nau.edu/purchasing
928-523-4557 office
PO Box 4124
Flagstaff, AZ 86011

general terms of the contract would be similar for everybody with possibility for some nuances.

11. Question: What is the required amount of security, whether provided through a parent guarantee or a letter of credit?

    Consortium response: Proposers may submit their standard terms and conditions as part of their Proposal. Any requested exceptions or deviations should be clearly identified for evaluation.