

ADDENDUM to MISO MARKET PARTICIPANT RFP

April 3, 2023

UPDATE: Proposals may be submitted by **April 28th, 2023**.

- Please also see the question and answer posted below.

Question: Would DMU consider registering as the Market Participant with MISO, and the third-party vendor would provide services on DMU's behalf?

Answer: Yes, DMU would consider registering as the Market Participant with MISO. It would likely need assistance with this process.

Please direct all additional questions to:

Paul Twite
ptwite@delanomn.us

(763)972-0557

REQUEST FOR PROPOSALS – MARKET PARTICIPANT SERVICES

From Certified MISO Participants

Background

Delano Municipal Utilities (DMU) is a not-for-profit, municipally owned electric utility founded in 1895. Located near the Twin Cities metro area, Delano continues to experience aggressive growth across all sectors. While currently serving 3000 customers, Delano recently achieved a seasonal peak Demand of 18.2MW. Delano's forecast energy is expected to increase to 90,000 MWh by 2035. DMU is located in the Midcontinent Independent System Operator (MISO) footprint.

With annual sales of \$7.8M over 74,000 MWh delivered to our customers in 2022, DMU maintains a working portfolio of various power purchase agreements, transmission ownership, and a local power generating facility. Delano values critical thinking, decisive action and rapid implementation to meet or exceed industry standards. It is a fully underground utility, served by redundant transmission feeds, and maintains high levels of reliability while offering extremely competitive pricing.

Summary

DMU issues this Request for Proposals to seek qualified providers for market-based services, including serving as the market participant for DMU in MISO and other services necessary to satisfy MISO requirements. These services shall be centered on load and resource scheduling, forecasting, as well as other aspects of DMU's portfolio management needs. This document provides general background on DMU, describes the services sought, and allows respondents to submit their qualifications, as well as explain how their organization can provide these services.

General Instructions

Proposals must include complete information as described in this request. Proposals must be submitted no later than **Friday, April 7th @ 11:00am** (COB) in an electronic format to: ptwite@delanomn.us Proposals will be reviewed and evaluated by staff under the direction of the *Delano Water, Power & Light Commission*. The Commission expects to determine finalists by April 24, 2023.

Questions about the RFP should be directed to: Paul Twite, General Manager, Delano Municipal Utilities ptwite@delanomn.us prior to the submission deadline. DMU reserves all rights to accept or reject any or all proposals, and to award a contract in its sole discretion.

Response

Proposals should be short and focused on the general scope of service described herein. At least three municipal references shall accompany the proposal, along with staff qualifications, hourly rates, and an accurate estimate of fees for the scope of work proposed. Please provide information about the nature of any past and current litigation involving the firm as well as any major data/security breaches/incidents. For each, describe the matter, when it began and concluded, and the results. Respondents shall also include credit rating, recent financial statements, and valid MISO certification. Generic sales literature shall not be considered. Historic, hourly demand data will be made available to all respondents upon request.

Market Participant Definition

A legally registered organization or person(s), certified and authorized to perform tasks in the MISO marketplace as described in www.misoenergy.org

Examples of market participant tasks include, but are not limited to: preparation, submission, and management of bids for the transaction of energy; management of revenues from transmission ownership, or auction revenue rights; scheduling of energy; preparation of annual energy forecast or management of resource adequacy; or other market-related activities as required by the load serving entity (LSE).

Qualifications of Respondent

The qualified candidate or organization shall demonstrate competency within the following areas:

Resource Adequacy: Prepare and submit year-ahead planning reserves and energy forecasts required by specified milestone dates.

Financial Transmission Rights Market: Maximize recovery and hedge risk of transmission congestion within the zone. Manage contracts from physical and financial transmission revenue rights (FTR).

Day-ahead Market: Prepare and submit load schedules, analyze load shape, and minimize exposure to real-time market volatility.

Software: Manage and organize Delano's portfolio of power purchase agreements, capacity sales, energy services, energy forecasts and hourly load data by utilizing commercially available software.

Preferences

Special consideration shall be granted to respondents who have extensive knowledge, competency, and references regarding:

- Not-for-profit municipal utility organizations.
- The use of open-source or non-proprietary software.
- Comprehensive training and transparent onboarding process for new clients.
- Proven track record of strategy to compete in the marketplace and minimize risk.

Conditions Regarding Process

DMU reserves the right to reject any or all proposals, to request additional information from any or all respondents, and to suggest modifications to the terms or conditions of any or all proposals. DMU will not reimburse any expenses incurred by a respondent related to the preparation or review of a proposal.

Public Record/Confidentiality

Information supplied by each respondent to DMU is subject to the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13 (the "Act"). Responses submitted become a matter of public record, as set forth therein. Such information shall become public unless it falls within one of the exceptions of the Act.

If a respondent believes any non-public information will be supplied, the respondent shall take reasonable steps to identify and provide reasonable justification to DMU regarding such data, if any, which falls within the exceptions of the Act. However, the respondent agrees as a condition of submitting a proposal that DMU will not be held liable or responsible for any loss or damage that may result from a breach of

confidentiality as may be related to the proposal submitted. DMU will not consider any cost information and references submitted by a respondent to be non-public, confidential, or trade secret information. Simply stating that the document is confidential or making a blanket claim of confidentiality without proper supporting justification is also not a valid reason to declare a proposal as confidential.

The following tables are representative of DMU’s Resource Mix and Energy Shape. Actual historic data will be supplied upon request.

Appendix 1

Energy Portfolio & Current Resources

NAME	START	END	MW	SHAPE	CF	MWH	FUEL
<i>NEBRASKA CITY 2</i>	2009	2040+	2.4	24x7	85	17,700	Coal
RUGBY	2011	2027	3.6	variable	35	10,400	Wind
WPPI	2012	2033	1.2	24x7	100	10,500	Nuclear
AEP	2022	2032	10	24x7	90	21,500	varies

Appendix 2

Typical Load Shape

