TRAVERSE CITY LIGHT & POWER

EST. 1912

CITY OF TRAVERSE CITY

BESS Storage Bidders Conference

June 25, 2026

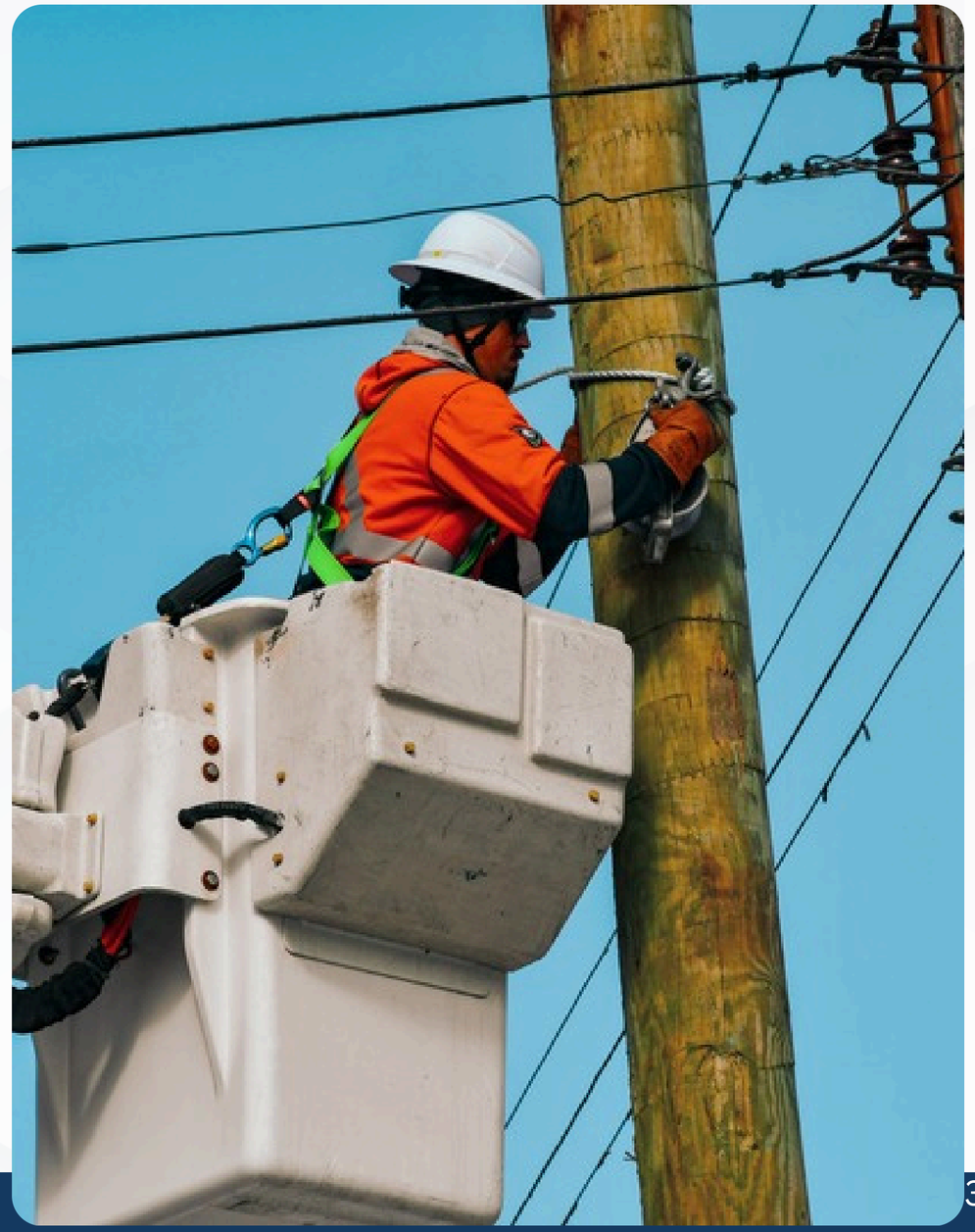
AGENDA

MISSION

To serve as the trusted community partner for delivering innovative, affordable, reliable and environmentally sustainable energy and telecom solutions.

VISION:

Our vision is to lead with positivity, creating a brighter future for all. As an innovative electric and telecom utility, we harness the power of clean energy and fiber connectivity through sustainable partnerships, services, and programs. We enrich our communities by anticipating and exceeding evolving customer needs with operational excellence.



TCLP Metrics

14,000

Meters

114

Years in Operation

70.8

Mega Watts Highest Peak Demand

49

Employees

*Current as of April 2026

423.7

Miles Primary & Secondary Line

TCLP*fiber* Metrics

946

Active Services

5

Years in Operation

3.9

Peak Bandwidth

Maximum rate of data transfer (Gbps)

3

Employees

*Current as of April 2026

91

Miles

Overhead/underground lines

109

VOIP

Voice over the internet protocol

CLIMATE ACTION PLAN

One of the key recommendations of the Climate Action plan is to maximize the value of storage by siting it locally and taking advantage of all possible revenue streams from storage, including use of BESS in a future potential microgrid services program.

ASCEND ANALYTICS ENGAGEMENT

Engaged Ascend Analytics to perform analysis and evaluate Battery Energy Storage based on TCLP’s load and generation portfolio.

LETTER OF INTENT

Entered into a Letter of Interest with the City of Traverse City for a 1 MW Battery Energy Storage System at the City Water Treatment Plant.

CITY OF TRAVERSE CITY

Natural Beauty | Strong Local Economy | High Quality of Life

Located along the shores of Lake Michigan's Grand Traverse Bay, Traverse City is a vibrant and growing community in northwest Michigan known for its natural beauty, strong local economy and high quality of life. With a population of approximately 15,000 residents in the city and a regional population exceeding 150,000, Traverse City serves as the commercial, healthcare, educational and cultural hub of Northern Michigan.

CITY OF TRAVERSE CITY

Tourism | Agriculture | Regional Events

The community experiences significant seasonal population increases driven by tourism, agriculture and regional events. Traverse City's economy is diverse, supported by healthcare, manufacturing, technology, agriculture, small businesses and a robust hospitality sector.

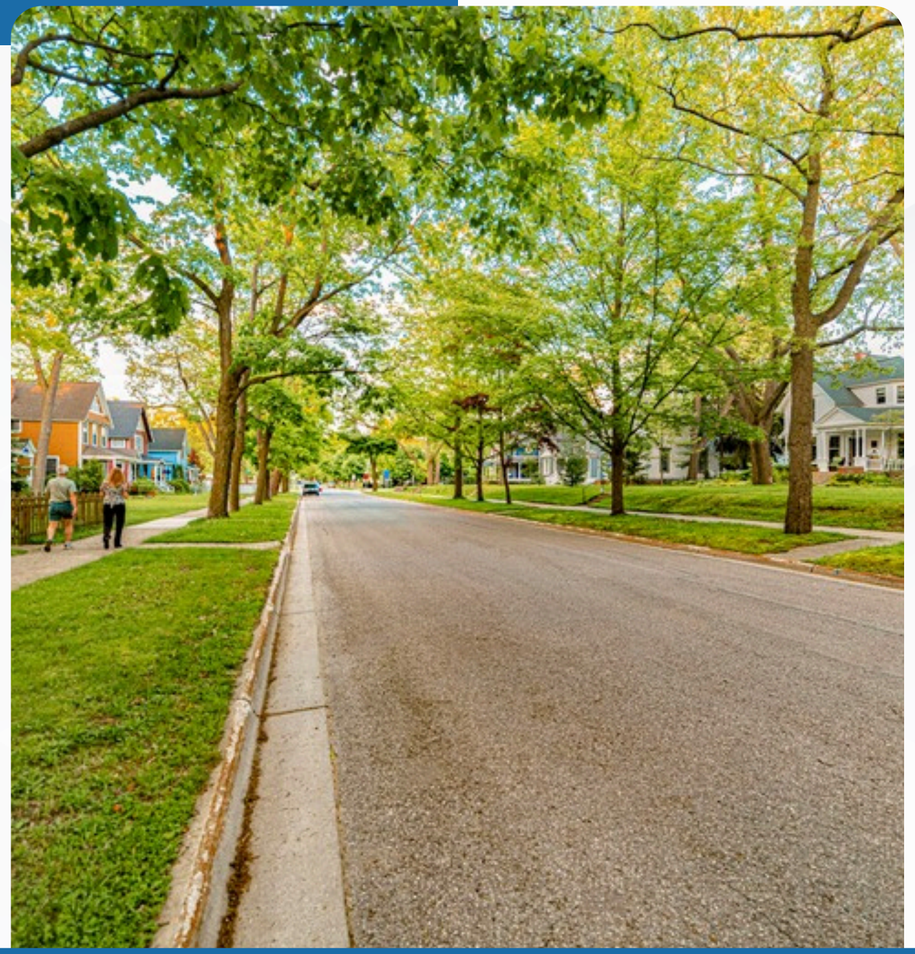
CITY OF TRAVERSE CITY

Clean Energy | Reduce Greenhouse Gas | Enhance System Resilience

The City of Traverse City is committed to advancing clean energy initiatives, reducing greenhouse gas emissions and enhancing system resilience. The community has prioritized investments in renewable energy, energy efficiency and grid modernization.

CITY OF TRAVERSE CITY

Traverse City's forward-looking approach, combined with its strong municipal governance and community engagement positions, provides for the ability to implement innovative energy solutions that deliver both environmental and economic benefits to its residents.



QUESTIONS

We understand additional clarity questions may arise during this conversation. They will be documented, and any additional questions have to be submitted by June 30, 2026, and answers will be provided through an addendum on July 7, 2026.

This presentation will be made available after the meeting on TCLP's website.

WATER TREATMENT PLANT SITE

Art Krueger, City Utility Director

UTILITY OPERATIONS & INTERCONNECTION

Tony Chartrand

LOAD DATA & TAX CREDITS

Jacob Hardy

ASCEND ANALYTICS

Ben Anderson

LONG TERM SERVICE AGREEMENT

Karla Myers-Beman

WATER TREATMENT PLANT SITE

Q. CAN TCLP PROVIDE A SURVEY, GEOTECHNICAL REPORT, ENVIRONMENTAL REPORT, OR EXISTING SITE UTILITY DRAWINGS FOR THE WATER TREATMENT PLANT SITE?

A. THE CITY IS UNAWARE OF A RECENT SURVEY OR GEOTECHNICAL OR ENVIRONMENTAL REPORT. THE CITY DOES HAVE AN AERIAL PHOTO TO SCALE AND AN ORIGINAL SITE PLAN SHOWING THE YARD PIPING/PLANT WATER RESERVOIR LAYOUT.

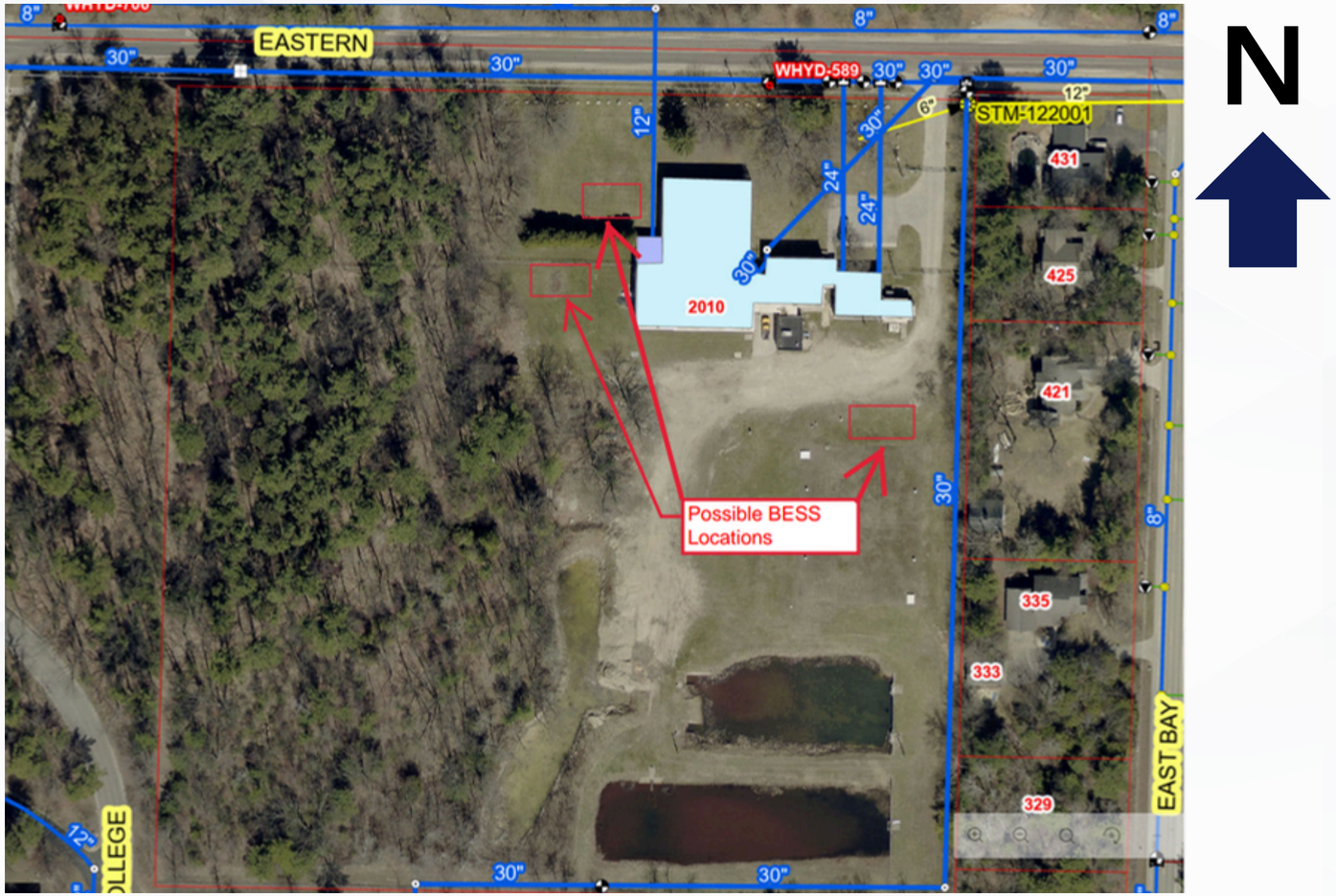
Q. ARE THERE ANY KNOWN ENVIRONMENTAL, WETLAND, EASEMENT, UNDERGROUND UTILITY, OR SITE-ACCESS CONSTRAINTS THAT SHOULD BE CONSIDERED DURING DESIGN?

A. THE CITY IS UNAWARE OF ANY ENVIRONMENTAL OR WETLAND EASEMENTS. UNDERGROUND WATER MAINS ARE ON THE CITY PARCEL SITE. ACCESS IS VIA A SECURITY GATE THAT CAN BE ARRANGED WITH THE WTP SUPERINTENDENT. LARGE OR SEMI-TRUCK ACCESS IS AVAILABLE TO THE FRONT AND REAR YARD.

WATER TREATMENT PLANT SITE

Q. WHAT PORTION OF THE WATER TREATMENT PLANT PROPERTY IS AVAILABLE FOR BESS PLACEMENT, AND ARE THERE PREFERRED OR PROHIBITED LOCATIONS ON THE PARCEL?

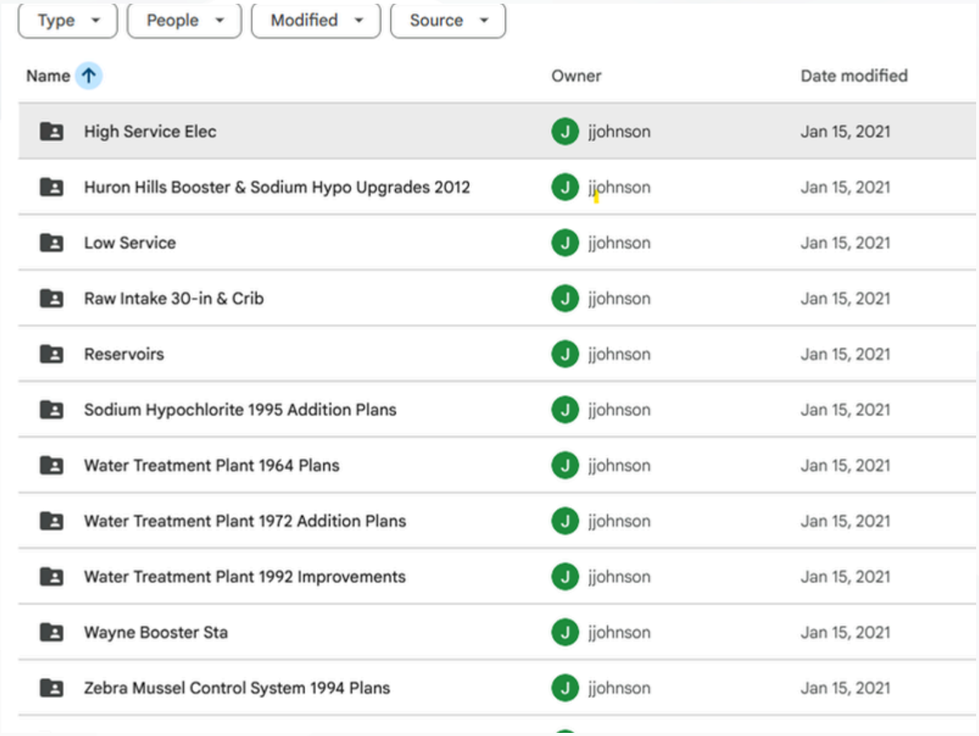
A.



WATER TREATMENT PLANT SITE

Q. PLEASE PROVIDE EXISTING ONE-LINE DIAGRAMS, SITE ELECTRICAL DRAWINGS, AND WATER TREATMENT PLANT SERVICE DETAILS.

A. ITEMS AVAILABE FOR REVIEW



WATER TREATMENT PLANT SITE

Q. ARE THERE ANY FUTURE SITE EXPANSION PLANS THAT MAY IMPACT AVAILABLE PROJECT FOOTPRINT?

A. THE AREA FURTHER WEST AND SOUTH OF THE WEST EDGE OF THE WATER TREATMENT PLANT SHOULD BE RESERVED FOR FUTURE PLANT EXPANSION, POSSIBLY MEMBRANE TREATMENT BUILDING. ALSO, THE AREA WEST OF THE PLANT RESERVOIR TO THE EXISTING DRIVE AREA SHOULD BE RESERVED FOR A FUTURE RESERVOIR EXPANSION OF SIMILAR SIZE TO THE EXISTING.

WATER TREATMENT PLANT SITE

Q. ARE THERE ANY SPECIFIC MUNICIPAL NOISE ORDINANCES OR LOCAL SETBACK REQUIREMENTS AT THE 2010 EASTERN AVENUE PARCEL THAT RESTRICT BESS LAYOUT PLACEMENT OR REQUIRE SPECIALIZED ACOUSTIC DAMPENING ARRAYS BEYOND THE <79 DB EQUIPMENT SPECIFICATION?

A. SINCE THE WATER TREATMENT PLANT BORDERS WITH MULTI-FAMILY AREAS, THE MAX DB AT THE PROPERTY LINE FROM 10:00 PM-7:00 AM IS 65.

Q. THIS APPEARS TO JUST BE FOR A BATTERY. DO YOU KNOW WHAT HAPPENED TO THE SOLAR? THE SOLAR PROJECT IS WHAT WE BELIEVED HAD GOOD VIABILITY - WITH THE STORAGE AS A PART OF IT/ANCILLARY DEPENDING ON TCLP GOALS.
DESIGN?

A. TCLP IS FOLLOWING THE EXECUTED LETTER OF INTEREST WITH THE CITY OF TRAVERSE CITY.

UTILITY OPERATIONS

Q. IS THERE ANY FEEDER BACK FEED, EXPORT, ANTI-ISLANDING, OR REVERSE-POWER LIMITATIONS THAT THE BESS MUST OBSERVE?

A. NO, THE BESS IS ABLE TO BACK FEED ITS FULL RATING. IF THE SYSTEM IS DESIGNED FOR BACKUP THEN ISLANDING IS ACCEPTABLE.

Q. WILL TCLP MAINTAIN DIRECT DISPATCH AUTHORITY OVER THE BESS, OR WILL DISPATCH BE EXECUTED THROUGH A VENDOR-OPERATED ENERGY MANAGEMENT SYSTEM (EMS)?

A. THE CITY OF TRAVERSE CITY AND TCLP WILL BE EVALUATING AN OPERATING MODEL IN WHICH BESS DISPATCH WOULD BE MANAGED THROUGH A THIRD-PARTY VENDOR-OPERATED ENERGY MANAGEMENT SYSTEM.

Q. DOES TCLP HAVE A PREFERRED EMS VENDOR?

A. THERE IS NO PREFERRED EMS VENDOR. THE CITY OF TRAVERSE CITY AND TCLP WILL BE EVALUATING AN OPERATING MODEL IN WHICH BESS DISPATCH WOULD BE MANAGED THROUGH A THIRD-PARTY VENDOR-OPERATED ENERGY MANAGEMENT SYSTEM

UTILITY OPERATIONS

Q. WHAT COMMUNICATION ARCHITECTURE IS PREFERRED BETWEEN TCLP'S ETAP SCADA SYSTEM AND THE BESS CONTROLS PLATFORM (E.G., DNP3, MODBUS GATEWAY, ICCP, DIRECT INTEGRATION)?

A. DNP3

Q. DOES TCLP REQUIRE AUTONOMOUS OPERATION DURING COMMUNICATION OUTAGES, AND IF SO, WHAT FUNCTIONALITY MUST REMAIN ACTIVE?

A. AT THIS TIME, TCLP DOES NOT ANTICIPATE A REQUIREMENT FOR FULLY AUTONOMOUS OPERATION DURING COMMUNICATION OUTAGES. HOWEVER, THE PROPOSED SOLUTION SHOULD INCLUDE DEFINED FAIL-SAFE AND LOCAL CONTROL CAPABILITIES TO ENSURE THE BESS TRANSITIONS TO A SAFE OPERATING STATE DURING LOSS OF COMMUNICATIONS.

UTILITY OPERATIONS

Q. DOES TCLP ANTICIPATE MAINTAINING A MINIMUM STATE OF CHARGE RESERVE FOR RESILIENCY AND EMERGENCY OPERATIONS?

A. THE PRIMARY PURPOSE OF THE BATTERY ENERGY STORAGE SYSTEM (BESS) IS PEAK SHAVING AND DEMAND MANAGEMENT. THE SYSTEM MAY ALSO PROVIDE SECONDARY RESILIENCY BENEFITS BY SUPPLYING BACKUP POWER TO DESIGNATED CRITICAL LOADS DURING OUTAGE EVENTS, SUBJECT TO SYSTEM CONFIGURATION AND AVAILABLE STATE OF CHARGE.

UTILITY OPERATIONS

Q. WHAT CRITICAL LOADS AT THE WATER TREATMENT PLANT ARE EXPECTED TO REMAIN ENERGIZED DURING OUTAGE CONDITIONS?

A. ESSENTIALLY ALL THE WTP OPERATIONS NEED TO STAY IN SERVICE DURING AN OUTAGE WHICH IS CURRENTLY PROVIDED BY THE 750 KW DIESEL GENERATOR, WHICH POWERS BOTH LOW SERVICE PUMPS AND THE WTP UP TO 8 TO 11 MGD TREATMENT RATE. THE WTP IS RATED AT 20 MGD, SO NEED ABOUT HALF CAPACITY DURING AN OUTAGE.

THE PRIMARY PURPOSE OF THE BATTERY ENERGY STORAGE SYSTEM (BESS) IS PEAK SHAVING AND DEMAND MANAGEMENT. THE SYSTEM MAY ALSO PROVIDE SECONDARY RESILIENCY BENEFITS BY SUPPLYING BACKUP POWER TO DESIGNATED CRITICAL LOADS DURING OUTAGE EVENTS, SUBJECT TO SYSTEM CONFIGURATION AND AVAILABLE STATE OF CHARGE.

UTILITY OPERATIONS

Q. IS THERE A MINIMUM BACKUP DURATION REQUIREMENT ASSOCIATED WITH CRITICAL LOAD SUPPORT?

A. NO, TCLP DOES NOT HAVE A MINIMUM BACKUP DURATION REQUIREMENT FOR CRITICAL LOAD SUPPORT ASSOCIATED WITH THE BESS. CRITICAL BACKUP NEEDS ARE CURRENTLY SERVED THROUGH EXISTING GENERATOR ASSETS. ALSO PLEASE SEE PREVIOUS QUESTION.

Q. WHAT ARE THE EXPECTED CHARGE/DISCHARGE WINDOWS UNDER TCLP'S TIME-OF-USE RATES?

A. DURING THE MONTHS (WHEN CONSUMPTION STARTS ON THE BILLING) JUNE, JULY, AUGUST, AND SEPTEMBER FROM 1 TO 5 PM IS THE DISCHARGE PERIOD. THE WINTER MONTHS VARY AND RANGE FROM 8 AM TO 8 PM FOR THE DISCHARGE PERIOD.

UTILITY OPERATIONS

Q. FOR PROPOSALS THAT TRANSITION O&M TO TCLP, WHAT TRANSITION YEAR SHOULD BIDDERS ASSUME?

A. TCLP HAS NOT ESTABLISHED A PREFERRED TRANSITION YEAR FOR ASSUMING OPERATION AND MAINTENANCE RESPONSIBILITIES. BIDDERS MAY PROPOSE THE TRANSITION STRATEGY THEY BELIEVE PROVIDES THE BEST OVERALL VALUE, INCLUDING VENDOR-PERFORMED O&M FOR THE FULL CONTRACT TERM OR TRANSITION TO TCLP AT AN APPROPRIATE POINT DURING PROJECT LIFE. PROPOSALS SHOULD CLEARLY IDENTIFY THE RECOMMENDED TRANSITION TIMING, ASSOCIATED TRAINING, KNOWLEDGE TRANSFER, WARRANTY CONSIDERATIONS, STAFFING REQUIREMENTS, AND ANY IMPACTS ON PROJECT COST, PERFORMANCE, OR RISK.

UTILITY OPERATIONS

Q. WHAT RESPONSIBILITIES WOULD REMAIN WITH THE BIDDER AFTER TRANSITION?

A. FOLLOWING ANY TRANSITION OF OPERATION AND MAINTENANCE RESPONSIBILITIES TO TCLP, THE BIDDER SHALL CLEARLY IDENTIFY THE RESPONSIBILITIES THAT WILL REMAIN WITH THE BIDDER, DEVELOPER, OEM, OR OTHER THIRD-PARTY SERVICE PROVIDER. THIS SHALL INCLUDE, AT A MINIMUM, WARRANTY ADMINISTRATION, SOFTWARE AND FIRMWARE UPDATES, REMOTE MONITORING, CYBERSECURITY SUPPORT, TECHNICAL ASSISTANCE, AVAILABILITY OF REPLACEMENT PARTS, MAJOR CORRECTIVE MAINTENANCE, AND ANY ONGOING PERFORMANCE GUARANTEES.

Q. IN A GRID OUTAGE SCENARIO, IS THE BESS EXPECTED TO PERFORM A SEAMLESS BLACK START AND ISLANDING TRANSITION TO SUPPORT THE WATER TREATMENT PLANT, OR IS A BRIEF MOMENTARY INTERRUPTION ACCEPTABLE WHILE THE MICROGRID ISOLATES?

A. MOMENTARY INTERRUPTION IS ACCEPTABLE.

UTILITY OPERATIONS

Q. WILL THE UTILITY-DEFINED AUTOMATIC DISPATCH STRATEGY PRIORITIZE LOCALIZED WATER TREATMENT PLANT LOAD-FOLLOWING DURING PEAK SUMMER RATE WINDOWS (SUCH AS THE ECO-CHAMPION 1 PM TO 5 PM PEAK), OR WILL IT PRIORITIZE SYSTEM-WIDE TRANSMISSION PEAK SHAVING?

A. PRIORITIZE SYSTEM WIDE CAPACITY AND TRANSMISSION PEAK SHAVING.

UTILITY OPERATIONS

Q. GIVEN NORTHERN MICHIGAN'S EXTREME WINTER TEMPERATURE REQUIREMENT OF -30°C, AUXILIARY HVAC LOADS FOR THERMAL MANAGEMENT CAN VARY DRASTICALLY. WILL TCLP EVALUATE THE PHYSICAL EFFICIENCY/IDLE AUXILIARY CONSUMPTION METRICS AS PART OF THE 85-POINT ECONOMIC VALUE CALCULATION, OR WILL IT BE REVIEWED SEPARATELY UNDER THE 15-POINT RISK/TECHNICAL ASSESSMENT?

A. TCLP EXPECTS BIDDERS TO INCORPORATE AUXILIARY ENERGY CONSUMPTION, THERMAL MANAGEMENT REQUIREMENTS, AND OVERALL SYSTEM EFFICIENCY INTO THEIR PROPOSED PROJECT ECONOMICS. THESE FACTORS SHOULD BE REFLECTED IN THE LIFECYCLE COST ASSUMPTIONS INCLUDED IN THE ECONOMIC VALUE PROPOSAL. THE RISK/TECHNICAL ASSESSMENT WILL FOCUS ON THE TECHNICAL MERITS OF THE PROPOSED SOLUTION, INCLUDING THE SYSTEM'S ABILITY TO RELIABLY OPERATE UNDER NORTHERN MICHIGAN'S ENVIRONMENTAL CONDITIONS, RATHER THAN ASSIGNING SEPARATE ECONOMIC VALUE TO AUXILIARY ENERGY CONSUMPTION.

UTILITY OPERATIONS

Q. THE SPECIFICATION LISTS AN AMBIENT OPERATING RANGE DOWN TO -30°C. ARE BIDDERS REQUIRED TO PROVIDE INDEPENDENT PHYSICAL TESTING DATA OR LOCALIZED CASE STUDIES DEMONSTRATING LIQUID-COOLING PERFORMANCE OR ENCLOSURE INSULATION INTEGRITY AT OR BELOW -30°C?

A. TCLP EXPECTS BIDDERS TO DEMONSTRATE THAT THE PROPOSED ENERGY STORAGE SYSTEM IS CAPABLE OF RELIABLE OPERATION AT AMBIENT TEMPERATURES DOWN TO -30°C. BIDDERS SHOULD PROVIDE DOCUMENTATION SUPPORTING THIS CAPABILITY, WHICH MAY INCLUDE INDEPENDENT TESTING, MANUFACTURER CERTIFICATION, ENGINEERING ANALYSES, OPERATING DATA, OR CASE STUDIES FROM COMPARABLE INSTALLATIONS IN SIMILAR CLIMATIC CONDITIONS. TCLP RESERVES THE RIGHT TO EVALUATE THE ADEQUACY OF THE SUPPORTING DOCUMENTATION AS PART OF THE TECHNICAL EVALUATION.

UTILITY OPERATIONS

Q. WHAT ARE THE GOALS / REQUIREMENTS RELATED TO BACKUP POWER? THE PROVIDED SINGLE LINE DIAGRAM DOES NOT PROVIDE ANY CONTEXT FOR WHERE YOU WOULD LIKE THE BESS SYSTEM TO ISOLATE THE BACKUP CIRCUIT. ARE YOU JUST LOOKING FOR A 480V BACKUP ISOLATION CIRCUIT, OR DO YOU ACTUALLY WANT THE BESS SYSTEM TO ISOLATE UPSTREAM AT THE 13.8KV FEEDER FROM THE PRIMARY METER (WHICH WOULD REQUIRE DISCONNECTING THE WATER TREATMENT LOADS TO CUT IN THE MICROGRID ISOLATION DEVICE)?

A. IF FEASIBLE BACKUP POWER WOULD BE PREFERRED BUT NOT REQUIRED. THE SYSTEM CAN'T INTERFERE WITH OPERATION OF THE EXISTING GENERATOR, AS IT IS REQUIRED FOR LONGER OUTAGES. THE SYSTEM CAN BE ISOLATED ON EITHER THE 480V OR 13.8KV SIDE. SPECIFIC SITE CONDITIONS AND ELECTRICAL CONFIGURATION MAY MAKE ONE OPTION OR THE OTHER MORE FEASIBLE.

LOAD DATA

Q. CAN TCLP PROVIDE THE WATER TREATMENT PLANT INTERVAL LOAD DATA USED IN SUPPORT OF THIS RFP?

A. REVISED DOWNLOADS WILL BE LOADED ONTO THE RFP WEBSITE. HTTPS://WWW.TCLP.ORG/RFPS/RFP-BATTERY-STORAGE-SYSTEM/

Q. CAN TCLP PROVIDE HISTORICAL TCLP SYSTEM PEAK DEMAND DATA AND ANY FORECASTED PEAK DEMAND PROJECTIONS UTILIZED IN PROJECT PLANNING? ?

A. INFORMATION WILL BE LOADED ONTO THE RFP WEBSITE - HTTPS://WWW.TCLP.ORG/RFPS/RFP-BATTERY-STORAGE-SYSTEM/

Q. IS THE PRIMARY ECONOMIC OBJECTIVE REDUCTION OF WATER TREATMENT PLANT DEMAND, TCLP SYSTEM DEMAND, OR BOTH?

A. PRIMARY ECONOMIC OBJECTIVE IS THE TCLP SYSTEM DEMAND TO PEAK SHAVE CAPACITY

LOAD DATA

Q. REGARDING THE PROVIDED WATER TREATMENT PLANT LOAD PROFILE AND THE NEW 2026 TIME OF USE TARIFFS: WILL ASCEND ANALYTICS EVALUATE THE BESS'S ECONOMIC VALUE BASED STRICTLY ON BEHIND-THE-METER RETAIL BILL OPTIMIZATION (CLIPPING THE WATER TREATMENT PLANT'S SPECIFIC DEMAND CHARGES AND SHIFTING ITS ENERGY CONSUMPTION), OR WILL THE ECONOMIC EVALUATION ALSO SIMULATE FRONT-OF-THE-METER WHOLESALE MARKET BENEFIT PATHS (SUCH AS MISO COINCIDENT PEAK SHAVING) USING THAT SAME INTERVAL DATA?

A. THE ECONOMIC EVALUATION WILL ASSUME THAT THE BATTERY IS BEHIND THE RETAIL METER. HOWEVER, THE BATTERY WILL BE DISPATCHED TO REDUCE TCLP'S MISO COINCIDENT PEAK AND TRANSMISSION CHARGES, AND TO REDUCE TCLP'S WHOLESALE ENERGY COSTS THROUGH ENERGY ARBITRAGE.

Q. WE ARE CURRENTLY UNABLE TO LOCATE THE SEPARATE DOWNLOADABLE FILE CONTAINING THE "WATER TREATMENT PLANT LOAD PROFILE" INTERVAL DATA ON THE PUBLIC RFPS PORTAL. COULD YOU PLEASE REPLY WITH THE SUPPLEMENTAL SPREADSHEET/CSV FILE ATTACHED, OR PROVIDE

A. WILL BE LOCATED AT - HTTPS://WWW.TCLP.ORG/RFPS/RFP-BATTERY-STORAGE-SYSTEM/

ASCEND ANALYTICS

Q. CAN TCLP PROVIDE ANY ASSUMPTIONS THAT ASCEND ANALYTICS INTENDS TO USE IN EVALUATING PROJECT ECONOMICS?

A. ASCEND ANALYTICS WILL MODEL SUBMITTED BESS PROJECTS AS ADDITIONS TO TCLP'S EXISTING PORTFOLIO. THE BESS WILL DISPATCH ECONOMICALLY ACCORDING TO LOCAL, HOURLY, DAY-AHEAD PRICES AT THE CONS.MPPA NODE. BECAUSE THE BESS IS LOCATED BTM AND AIMED TOWARD PEAK SHAVING, IT WILL NOT PARTICIPATE IN WHOLESALE ENERGY OR ANCILLARY SERVICE MARKETS.

ASCEND WILL USE THEIR PROPRIETARY NODAL PRICE FORECAST. AT A MONTH-HOUR LEVEL, THE NODAL PRICE FORECAST IS FORMED BASED ON HISTORICAL PRICE OBSERVATIONS COUPLED WITH A DETAILED SUPPLYSTACK ANALYSIS OF MISO AND TCLP'S REGION. THE HOURLY PRICES ARE SIMULATED TO SCALE TO MONTH-HOUR EXPECTATIONS, BUT WITH HOURLY VARIABILITY THAT TRACKS WITH KEY EXPLANATORY VARIABLES: WEATHER AND LOAD.

Q. WILL TCLP OR ASCEND ANALYTICS PROVIDE THE SPECIFIC PRICING NODE ID OR HISTORICAL NODAL PRICING DATASET THAT WILL BE USED TO SIMULATE MARKET PERFORMANCE FOR THE ECONOMIC VALUE CALCULATION?

A. THE BESS WILL BE SIMULATED AT THE CONS.MPPA NODE. A HISTORICAL NODAL PRICING DATASET WILL NOT BE PROVIDED.

ASCEND ANALYTICS

Q. THE RFP SPECIFIES 365 CYCLES PER YEAR FOR USE CASES INCLUDING PEAK SHAVING AND ARBITRAGE. FOR THE ECONOMIC EVALUATION, SHOULD BIDDERS ASSUME EXACTLY ONE FULL CYCLE EQUIVALENT PER DAY, OR WILL ASCEND'S DISPATCH ALGORITHM ALLOW FOR MULTI-CYCLING (E.G., FRACTIONAL CHARGING/DISCHARGING ACROSS SUB-HOURLY INTERVALS) IF OPTIMIZED FOR REVENUE?

A. ASCEND'S DISPATCH ALGORITHM ALLOWS FOR DAILY MULTI-CYCLING AND IS OPTIMIZED FOR REVENUE. THERE IS NOT A STRICT 1-CYCLE-PER-DAY LIMIT, BUT THERE IS A 365-CYCLE-PER-YEAR LIMIT.

INTERCONNECTIONS

Q. ARE ADDITIONAL ONE-LINE DRAWINGS, PROTECTION STUDIES, OR FEEDER INFORMATION AVAILABLE BEYOND THE DOCUMENTS INCLUDED IN THE RFP PACKAGE?

A. NEED MORE SPECIFIC INFORMATION AS TO YOUR REQUEST.

Q. ARE THERE ANY ANTICIPATED FEEDER UPGRADES, SUBSTATION MODIFICATIONS, OR UTILITY-OWNED IMPROVEMENTS THAT BIDDERS SHOULD ACCOUNT FOR?

A. NONE AT THIS TIME.

Q. CAN TCLP CLARIFY WHETHER BLACK-START CAPABILITY IS REQUIRED OR SIMPLY DESIRED?

A. DESIRED BUT NOT REQUIRED.

INTERCONNECTIONS

Q. DOES THE CONTRACTOR'S SCOPE OF WORK TERMINATE AT THE BESS MEDIUM-VOLTAGE TRANSFORMER OUTPUT TERMINALS, OR IS THE CONTRACTOR RESPONSIBLE FOR ROUTING AND PULLING THE 13.8 KV UNDERGROUND/OVERHEAD LINE ALL THE WAY TO THE SPECIFIED INTERCONNECTION POINT?

Q. IS THERE AN OPPORTUNITY TO TIE IN THE BESS SYSTEM AT 480V, OR DO YOU WANT A DEDICATED 13.8KV TRANSFORMER FOR THE BESS?

A. IF YOU WOULD LIKE TO CONNECT AT 480 THEN YES, IT WOULD END AT THE TRANSFORMER OUTPUT TERMINALS.

Q. WILL TCLP HANDLE THE PROGRAMMING, FIBER BACKHAUL, AND CONFIGURATION OF THE SEL-351R RELAY AT THE SUBSTATION END TO MATCH THE BESS PROTECTION SETTINGS, OR MUST THE BIDDER FACTOR UTILITY-SIDE RELAY PROGRAMMING INTO THEIR PROPOSAL COST?

A. TCLP WILL HANDLE PROGRAMMING OF THE SUBSTATION RELAY, DARK FIBER IS AVAILABLE AT THE SITE AND THE BIDDER WILL BE RESPONSIBLE FOR GETTING IT TO THE BESS PROTECTION DEVICE IN THIS SCENARIO.

TAX CREDITS

Q. WHICH FEDERAL TAX CREDITS AND BONUS CREDITS DO TCLP CURRENTLY ANTICIPATE QUALIFYING FOR UNDER THE PROJECT STRUCTURE?

A. THE BIDDER HAS THE FLEXIBILITY TO PROPOSE THE SOLUTION THAT PROVIDES THE BEST OVERALL PROJECT ECONOMICS. IF PURSUING THE APPLICABLE BONUS TAX CREDITS DOES NOT RESULT IN A NET ECONOMIC BENEFIT AFTER CONSIDERING THE ASSOCIATED COMPONENT AND COMPLIANCE COSTS, THE BIDDER MAY PROPOSE AN ALTERNATIVE APPROACH.

Q. DOES TCLP EXPECT COMPLIANCE WITH PREVAILING WAGE AND APPRENTICESHIP REQUIREMENTS?

A. THE BIDDER HAS THE FLEXIBILITY TO PROPOSE THE SOLUTION THAT PROVIDES THE BEST OVERALL PROJECT ECONOMICS. IF PURSUING THE APPLICABLE BONUS TAX CREDITS DOES NOT RESULT IN A NET ECONOMIC BENEFIT AFTER CONSIDERING THE ASSOCIATED COMPONENT AND COMPLIANCE COSTS, THE BIDDER MAY PROPOSE AN ALTERNATIVE APPROACH. HOWEVER, DEVELOPER MUST BE IN COMPLIANCE WITH ANY STATE AND FEDERAL REGULATIONS.

TAX CREDITS

Q. AS A TAX-EXEMPT MUNICIPAL UTILITY UTILIZING DIRECT PAY, IF THE PROJECT FACES A STRUCTURAL REDUCTION IN ESTIMATED BONUS TAX BRACKETS (E.G., DOMESTIC CONTENT PHASE-INS OR LOCAL LABOR PROVISIONS), WILL TCLP ASSUME THE STRUCTURAL TAX CREDIT RISK, OR MUST THE BIDDER PROVIDE FULLY GUARANTEED FIXED PRICING REGARDLESS OF FINAL IRS DOMESTIC CONTENT AUDITING?

A. CITY AND TCLP EXPECTS BIDDERS TO PROPOSE A SOLUTION THAT MAXIMIZES THE OVERALL PROJECT ECONOMICS, INCLUDING ELIGIBILITY FOR APPLICABLE FEDERAL TAX CREDITS, WHERE ECONOMICALLY BENEFICIAL. BIDDERS SHALL CLEARLY IDENTIFY THE TAX CREDITS ASSUMED IN THEIR PROPOSAL, THE BASIS FOR ELIGIBILITY, AND ANY ASSOCIATED ASSUMPTIONS OR COMPLIANCE REQUIREMENTS. CITY AND TCLP WILL EVALUATE PROPOSALS BASED ON THE OVERALL PROJECT VALUE RATHER THAN THE PURSUIT OF ANY SPECIFIC BONUS TAX CREDIT.

TO THE EXTENT THAT A REDUCTION IN AVAILABLE TAX CREDITS RESULTS FROM CHANGES IN FEDERAL LAW, IRS GUIDANCE, OR OTHER FACTORS OUTSIDE THE BIDDER'S CONTROL AFTER PROPOSAL SUBMISSION, TCLP DOES NOT EXPECT THE BIDDER TO GUARANTEE THE AVAILABILITY OR AMOUNT OF SUCH TAX CREDITS. HOWEVER, THE BIDDER IS RESPONSIBLE FOR MEETING THE ELIGIBILITY REQUIREMENTS ASSOCIATED WITH THE TAX CREDITS REPRESENTED IN ITS PROPOSAL AND SHOULD IDENTIFY ANY PRICING OR CONTRACTUAL ASSUMPTIONS RELATED TO THOSE INCENTIVES.

LONG TERM SERVICE AGREEMENT (LTSA)

Q. DOES TCLP HAVE A PREFERRED LTSA TERM LENGTH?

A. TCLP DOES NOT HAVE A PREFERRED LONG-TERM SERVICE AGREEMENT (LTSA) TERM LENGTH. BIDDERS ARE ENCOURAGED TO PROPOSE THE LTSA TERM THEY BELIEVE PROVIDES THE BEST OVERALL VALUE AND PROJECT ECONOMICS. PROPOSALS SHOULD CLEARLY IDENTIFY THE RECOMMENDED TERM, THE SERVICES INCLUDED, PRICING STRUCTURE, PERFORMANCE GUARANTEES, AND ANY RENEWAL OR EXTENSION OPTIONS. TCLP WILL EVALUATE THE PROPOSED LTSA AS PART OF THE OVERALL PROJECT VALUE.

Q. HOW WILL SYSTEM AVAILABILITY BE CALCULATED FOR PURPOSES OF COMPLIANCE WITH THE 98% AVAILABILITY REQUIREMENT?

A. SYSTEM AVAILABILITY SHALL BE CALCULATED ON A CONTINUOUS BASIS AS THE PERCENTAGE OF TOTAL TIME DURING THE MEASUREMENT PERIOD IN WHICH THE BATTERY ENERGY STORAGE SYSTEM IS CAPABLE OF DELIVERING ITS COMMITTED CAPACITY AND PERFORMING ALL REQUIRED FUNCTIONS, SUBJECT TO NORMAL OPERATING CONSTRAINTS AND APPROVED OUTAGE SCHEDULING.

LONG TERM SERVICE AGREEMENT

Q. ARE PLANNED MAINTENANCE OUTAGES EXCLUDED FROM AVAILABILITY CALCULATIONS?

A. YES
EXCLUSION FROM UNAVAILABLE TIME WILL INCLUDE

- SCHEDULED MAINTENANCE AND OUTAGES PREAPPROVED IN ADVANCE.
- FORCE MAJEURE EVENTS

Q. FOR TRANSITION-BASED PROPOSALS, WHAT LEVEL OF OPERATIONAL RESPONSIBILITY DOES TCLP ULTIMATELY ENVISION ASSUMING?

A. TCLP ENVISIONS ULTIMATELY ASSUMING RESPONSIBILITY FOR DAY-TO-DAY OPERATIONAL CONTROL OF THE BATTERY ENERGY STORAGE SYSTEM, INCLUDING ROUTINE MONITORING, DISPATCH EXECUTION, PREVENTIVE MAINTENANCE, AND COORDINATION OF PLANNED OUTAGES, FOLLOWING A DEFINED TRANSITION PERIOD.

LONG TERM SERVICE AGREEMENT

Q. WILL DRAFT CONTRACT DOCUMENTS BE MADE AVAILABLE DURING THE PROCUREMENT PROCESS?

A. DRAFT CONTRACT DOCUMENTS WILL NOT BE ISSUED DURING THE PROCUREMENT PROCESS. CONTRACT TERMS AND DOCUMENTS WILL BE FINALIZED AFTER SELECTION OF THE PREFERRED BIDDER AND WILL BE DEVELOPED THROUGH MUTUAL NEGOTIATION.

LONG TERM SERVICE AGREEMENT

Q. WILL TCLP ACCEPT OEM-BACKED PERFORMANCE GUARANTEES IN LIEU OF CORPORATE GUARANTEES?

A. TCLP MAY CONSIDER OEM-BACKED PERFORMANCE GUARANTEES FOR EQUIPMENT PERFORMANCE OBLIGATIONS; HOWEVER, TCLP RESERVES THE RIGHT TO REQUIRE CORPORATE GUARANTEES, PERFORMANCE BONDS, LETTERS OF CREDIT, OR OTHER FORMS OF FINANCIAL SECURITY TO SUPPORT CONSTRUCTION, COMMISSIONING, WARRANTY, AND CONTRACTUAL PERFORMANCE OBLIGATIONS.

LONG TERM SERVICE AGREEMENT

Q. IS THERE A REQUIRED COMMERCIAL OPERATION DATE OR TARGET IN-SERVICE DATE FOR THE PROJECT?

A. EXPECTED FINAL APPROVAL BY CITY IS DECEMBER 2026/JANUARY 2027.
SOLICIT REASONABLE TIME FRAME FOR COD. APPROXIMATELY 6 MONTHS TO 1 YEAR?

Q. SHOULD BIDDERS SUBMIT SEPARATE COPIED SHEETS FOR EACH PROPOSED DURATION AND O&M STRUCTURE, INCLUDING 2-HOUR VS. 4-HOUR AND BIDDER-OPERATED VS. TRANSITION-TO-TCLP?

A. YES.

LONG TERM SERVICE AGREEMENT

Q. DOES TCLP ANTICIPATE ADDITIONAL BESS DEPLOYMENTS IN FUTURE PHASES THAT MAY RESULT FROM THIS INITIAL PROJECT?

A. TCLP ANTICIPATES THAT ADDITIONAL BATTERY ENERGY STORAGE SYSTEM DEPLOYMENTS MAY BE CONSIDERED IN FUTURE PHASES AS PART OF ITS BROADER LONG-TERM RESOURCE PLANNING AND GRID MODERNIZATION STRATEGY. HOWEVER, ANY FUTURE PROJECTS ARE CONCEPTUAL AT THIS STAGE AND ARE NOT GUARANTEED, AS THEY WILL BE SUBJECT TO FUTURE LOAD GROWTH, SYSTEM NEEDS, REGULATORY CONSIDERATIONS, FUNDING AVAILABILITY, AND BOARD APPROVAL.

LONG TERM SERVICE AGREEMENT

Q. WILL PERFORMANCE BONDING BE REQUIRED?

A. YES, TCLP IS REQUIRED BY STATE LAW.

THANK YOU

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