

Ohio 2009 Renewable RFP2 Frequently Asked Questions – Credit

<u>FAQ#</u>	<u>Date of Posting</u>	<u>Question / Answer</u>
CRE001	10-6-2009	Question: My company is private so I don't want to submit 2 year's financials. Can I still participate in the RFP?
		Answer: Yes, you will need to provide security per the Credit Terms of the Credit Application document available on the RFP website.
CRE002	10-6-2009	Question: My company would like to submit 3 separate offers to this RFP, each under \$100,000 total net value. Do I need to provide security?
		Answer: Yes. The total net value of all offers made by one Respondent determines the requirement for security.
CRE003	10-6-2009	Question: We have two years of financial reports, but they are not audited, should we submit these?
		Answer: No, unaudited reports will not be analyzed. If your company can not provide a credit rating from a major financial reviewer, or two years' audited financial reports, you will need to provide security and complete an Agreement to Provide Security.
CRE004	10-6-2009	Question: Is it possible due to the length of our financial reports and the amount of paper required that all financial information could be emailed to you?

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		Answer: We will accept financial reports electronically, provided they are received by the due date of the credit application. Please ensure any electronically submitted files include the proposer name and the report type.
CRE005	10-6-2009	Question: If we have an existing guaranty with FirstEnergy, can we amend that to include RECs instead of providing a Letter of Credit?
		Answer: No. Please submit a separate Guarantee or a Letter of Credit as per the RFP instructions.
CRE006	10-6-2009	Question: Are the credit levels known prior to bidding?
		Answer: Yes. The credit levels are described in the RFP.
CRE007	10-6-2009	Question: Will there be a confirmation given that the Credit Applications are complete?
		Answer: No. However, if you have completed a credit application for the first RFP, you will not need to re-submit a credit application. If you have a question as to whether your credit application was accepted, email rfp@navigantconsulting.com .
CRE008	10-6-2009	Question: Our company is not rated but our parent is. Can we submit information about our parent in the applications even though we will be the bidder/supplier?
		Answer: If the parent company will be the financially responsible party, for example, by providing a parental guarantee, then you may submit information from the parent. If the parent company will not be the financially responsible party, then you must submit financial information regarding your company.
CRE009	10-6-2009	Question: Will the credit security be reduced over time for those who post 10% of total proposal

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		value and bid on all 3 terms.
		Answer: No.
CRE010	10-6-2009	Question: Will all bidders that are rated by a rating agency and provide adequate supporting documents receive an unsecured credit line?
		Answer: Not necessarily. An unsecured credit line relies upon the rating from the rating agency.
CRE011	10-6-2009	Question: Does FirstEnergy require a standard format of guaranty?
		Answer: Yes, FirstEnergy has a standard form of guaranty, which is posted in the Suppliers Documents section.
CRE012	10-6-2009	Question: Where is the web site to file the credit application?
		Answer: Credit applications must be submitted via email or in hardcopy to Navigant Consulting. The Credit application itself is available at http://www.firstenergyrenewable.com/2009OhioRFP2/files/Supplier_Documents/RFP2-Credit_Application_%28final%29.pdf
CRE013*	10-9-2009	Question: If there are no requirements for replacement RECs and no penalties for under production, will the solar projects still need to provide security to FirstEnergy under the contract?
		Answer: Yes. All projects need to provide security if the total proposal amount exceeds \$100,000.

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CRE014*		Question: How is the “Proposal Value” determined in establishing the credit line?
		Answer: The “Proposal Value” is equal to the number of RECs you would offer to sell multiplied by the price per REC you bid. If you bid in more than one price (tiered bid), or more than one contract year, the “Proposal Value” will be the sum of all bids.

*asked during webinar