



REQUEST FOR PROPOSALS

RENEWABLE NATURAL GAS RESOURCES to meet CARBON EMISSIONS REDUCTION GOALS AND REQUIREMENTS

AVISTA CORPORATION

September 03, 2024

The matters set forth in this Request for Proposal (“RFP”) are not intended to and do not constitute a binding offer or agreement of any party or establish any obligation of any party with respect to the subject matter of this RFP. This RFP may not be relied upon by any party as the basis for a contract by estoppel or otherwise. A binding agreement will arise only upon the negotiation, execution and delivery of mutually satisfactory definitive agreements and the satisfaction of the conditions set forth therein, including completion of due diligence and the approval of such agreements by the respective governing body(ies) and management of each party, which approval shall be in the sole subjective discretion of the respective governing body(ies) and management.

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1 General Information

This Request for Proposal (“RFP”) is part of a broader effort by Avista to secure renewable natural gas resources for its customers over the long term. This RFP specifically asks potential bidders to submit proposals to sell Renewable Natural Gas (as defined in Section 2.1, and also referred to herein as “RNG”) to Avista under long-term contracts from existing or forthcoming projects. Avista may issue a separate Request for Information (RFI) seeking information about opportunities related to RNG project development, investment, or acquisition. For the latest information on the RFI and other procurement activities related to RNG, please check the <https://myavista.com/RNGRFP> on Avista’s website.

1.1 Introduction

Avista Corporation, dba Avista Utilities, (“Avista”), a Washington-based dual fuel energy company, is soliciting proposals from qualified bidders wishing to form long-term partnerships to sell RNG to Avista for delivery to its residential and commercial customers. Awards may be made to multiple bidders offering proposals in accordance with the terms and conditions of this solicitation.

Avista is involved in the production, transmission and distribution of energy as well as other energy-related businesses. Avista provides electricity to 413,000 customers and natural gas to about 378,000 customers across 30,000 square miles and four northwestern states.

Avista recognizes the need to transition to a cleaner energy future. In 2021, Avista announced aspirational goals to reduce natural gas emissions 30% by 2030 and to be carbon neutral in its natural gas operations by 2045. To reach these goals, Avista is exploring several different strategies, including transitioning from conventional natural gas to renewable natural gas (RNG), hydrogen and other renewable biofuels. The electric and gas systems are complementary, and both are needed to maintain reliability and affordability for Avista’s customers.

Avista’s Vision: Better energy for life. Avista is committed to building purpose and aspiration, shaping the best public policy outcomes, and collaborating with others to achieve results that are better for Avista’s customers, employees, and shareholders and the communities that Avista serves. Avista has been part of the communities it serves for over 130 years, woven into the fabric of the everyday lives of its customers.

1.2 Avista Background & Regulatory Summary

Avista provides regulated natural gas distribution services to residential, commercial, and industrial customers in Washington, Oregon, and Idaho. Avista’s legacy of innovation is rooted in the renewable energy it has generated since its founding in 1889 and is headquartered in Spokane Washington. Avista has been a natural gas distribution company since 1959. More information on Avista can be found at: [Investor Overview | Avista Corporation](#)

Throughout Avista’s history, Avista has focused on providing safe, reliable, and responsible energy service. Today, Avista is on the cusp of a very big shift. There is a new generation of technology that has the potential to provide Avista’s customers and communities with more efficient ways to use and manage energy. In a world characterized by an expanding array of options competing for attention,



Avista's focus is to offer solutions that will benefit the environment, provide value to Avista's customers and contribute to a healthy and vibrant community in the areas Avista serves.

REGULATORY SUMMARY

In 2019 the Oregon legislature passed Senate Bill 98, which allows natural gas utilities to invest in carbon reducing infrastructure and or to acquire RNG for delivery to their customers. The rules implementing Senate Bill 98 are established and overseen by the Public Utility Commission of Oregon, including limits on total expenditures for RNG and the overall rate impact to customers.

In 2019 the Washington State legislature also passed a bill supporting RNG procurement. House Bill 1257 established the legal framework for natural gas utilities to acquire renewable resources for their customers. These significant legislative changes established the groundwork for utilities, such as Avista, to enter the RNG markets as developers, long-term buyers and long-term partners to help grow and mature the RNG market in North America.

In January of 2022, Oregon's Climate Protection Program (CPP) was made effective by the Oregon Department of Environmental Quality (DEQ). This first-of-its-kind policy in the nation establishes voluntary volumetric targets for procurement of RNG. By 2045, the law sets a target of 30% of all the gas delivered to Avista customers in Oregon be renewable.

In December of 2023, the court ruled Oregon's CPP invalid. It is anticipated that the Oregon DEQ will resurrect the program in some form and expect the revised program to commence in January 2025. In January 2023, the State of Washington's Climate Commitment Act (CCA) became effective.

According to Avista's 2023 Natural Gas Integrated Resource Plan (2023 IRP), it is anticipated that in order to meet CCA and revised CPP carbon reduction requirements, Avista will require new renewable natural gas (RNG) resources, or other environmental credits or instruments.

1.3 Resource Need

Avista hereby issues this 2024 Renewable Natural Gas (RNG) RFP to meet Oregon's CPP and Washington's CCA carbon reduction requirements, as well as Avista's aspirational corporate goals between 2022 and 2050. It is anticipated that multiple RNG off-take arrangements will be needed to meet the carbon reduction requirements in the states of Oregon and Washington, as well as Avista's aspirational goals.

1.4 Objectives & Purchased Gas Adjustment (PGA) Delivery Period/Price/Ownership Structures

Avista's objective in the 2024 RNG RFP is to secure RNG projects, off-take agreements, and/or commodity purchases (bundled or unbundled) under terms and conditions that are economical and favorable to Avista's customers, while also meeting the Oregon CPP and Washington CCA carbon

reduction requirements and Avista's aspirational corporate goals between 2022 and 2050. Bidders will assume all risks related to eligibility for any federal or state tax incentives included in their Proposals. From responses to this RFP, Avista will develop a "short list" of resources it will elect to conduct additional diligence on. After such diligence, Avista may enter into definitive agreements with selected partners.

As Avista evaluates projects to meet resource needs that offer both clean energy RNG volumes and associated carbon reduction, the intent is to describe PGA delivery periods, pricing, and ownership options with enough flexibility to allow for optimized proposals of these potentially separate or combined goals. Therefore, the terms, types of products and similar pricing may include one or several resources.

PGA Delivery Period: Pursuant to the terms of a PGA, Avista will obtain all rights to the specified output of the project, including the physical gas and or Environmental Attributes generated by the project for a minimum 3-year term and maximum 20-year term. Avista will be responsible for any greenhouse gas emission allowances required for delivery to Avista.

PGA Price: Avista seeks competitive proposals for the sale of RNG project volumes, off-take agreements, and or commodity purchases (bundled or unbundled) (including physical gas and any other attributes, including Environmental Attributes) to Avista at the maximum value to customers.

Ownership Structures: Avista is willing to consider an option to purchase or own the project outright during the term of the PGA. Bidders may also propose other ownership structures, including (i) a turn-key project to be owned by Avista, (ii) joint development and co-ownership, or (iii) another mutually beneficial arrangement.

Avista's intent is to secure resources through one or a combination of bundled or unbundled¹ Gas Purchase Agreements (PGA), ownership (or future option to purchase) opportunities, or attribute only (unbundled commodity) contracts. Bidders are welcome to propose resource opportunities that meet any of the resource needs described above. Avista will consider each project's ability to offset market purchases, provide resource flexibility, contribute to future resource requirements, and help Avista achieve its clean energy goals.

Avista seeks resources to meet some or all of its carbon reduction needs with deliveries beginning as soon as possible. Avista prefers 5 to 15 -year contract terms for PGAs but will consider other PGA lengths.

The RFP is open to parties who currently own, propose to develop, or hold rights to resources, or those marketing a resource or portfolio of resources meeting Avista's requirements for RNG. Bidders must also demonstrate an ability to meet the minimum requirements for eligibility as outlined in section 3. Avista will consider the purchase of bundled or unbundled RNG and will require the transfer of RNG attributes as Renewable Thermal Credits (RTC).

¹ Bundled = Physical gas and associated environmental attribute. Unbundled = Environmental attributes only.

Under this RFP, Avista seeks Projects from RNG sources that satisfy Avista’s compliance obligations with the Oregon CPP and Washington CCA. Bidders may submit multiple proposals; each proposal may include certain configuration, contracting or pricing options. Avista anticipates RNG deliveries to be no earlier than January 1, 2025. Other proposed start date(s) will be evaluated in combination with portfolio alternatives based on filling the resource requirements and acquiring clean energy toward stated future goals.

Avista anticipates proposals from both new and existing RNG resources such as:

- Landfill RNG
- Biomass Fast Pyrolysis Synthetic RNG
- Dairy RNG
- Food Waste RNG
- Municipal Wastewater Treatment Plant RNG
- RNG commodity portfolios (bundled or unbundled)
- Carbon Capture with synthetic RNG byproduct
- Hydrogen
- Other RNG offerings meeting Avista’s needs.

1.5 Document Components

This document is organized in the following manner: **Section 1** describes the relevant **Background** and outlines Avista’s objectives in partnering with other organizations to purchase RNG.

Section 2 outlines the **Project Overview and Scope of Services** expected of the bidder and sets forth certain key defined terms.

Section 3 provides details on the **Bidder Instructions** in regard to submitting a response to the RFP including key dates, questions and communications, submission of the proposal as well as a description of the proposal selection process.

Section 4 provides information on the **Proposal Requirements** including format and required information.

The **appendix** outlines the requirements for **renewable natural gas quality standards** for RNG resources that will interconnect with Avista’s distribution system. Note that Avista does not require that acquired RNG resources be interconnected with its own system and understands that any RNG resource will need to satisfy the interconnection requirements and quality standards of whichever pipeline the project is interconnected to.

2 Project Overview and Scope of Services

2.1 Definitions

Environmental Attributes:

“Environmental Attributes” means any and all environmental claims, credits, benefits, emissions reductions, offsets, and allowances attributable to the production of renewable natural gas and its avoided emission of pollutants. The environmental attributes of renewable natural gas include, but are not limited to, the avoided greenhouse gas emissions associated with the production, transport, and combustion of a quantity of renewable natural gas compared with the same quantity of geologic natural gas.

“Environmental Attributes” do not include:

- (a) The renewable natural gas itself or the energy content of that gas.
- (b) Any tax credits associated with the construction or operation of the renewable natural gas production facility, and any other financial incentives in the form of credits, reductions, or allowances associated with the production of renewable natural gas that are applicable to a state, provincial, or federal income taxation obligation.
- (c) Fuel- or feedstock-related subsidies or “tipping fees” that may be paid to the seller to accept certain fuels, or local subsidies received by the renewable natural gas production facility for the destruction of particular pre-existing pollutants or the promotion of local environmental benefits; or
- (d) Emission reduction credits encumbered or used by the renewable natural gas production facility for compliance with local, state, provincial, or federal operating and/or air quality permits.”

Renewable Natural Gas or (RNG):

“Renewable Natural Gas” or “RNG” is gas that satisfies the definition of “renewable natural gas” or “renewable hydrogen” in either Oregon or Washington. The definitions have been set forth below for your convenience.

Oregon definition per ORS 757.392(7):

“Renewable natural gas” means any of the following products processed to meet pipeline quality standards or transportation fuel grade requirements:

(a) Biogas that is upgraded to meet natural gas pipeline quality standards such that it may blend with, or substitute for, geologic natural gas.

(b) Hydrogen gas derived from renewable energy sources; or

(c) Methane gas derived from any combination of:

a. Biogas.

b. Hydrogen gas or carbon oxides derived from renewable energy sources; or

c. Waste carbon dioxide.

Washington definitions per RCW 54.04.190(6):

- "Renewable natural gas" means a gas consisting largely of methane and other hydrocarbons derived from the decomposition of organic material in landfills, wastewater treatment facilities, and anaerobic digesters.
- "Renewable hydrogen" means hydrogen produced using renewable resources both as the source for the hydrogen and the source for the energy input into the production process.

Renewable Thermal Certificate (RTC):

"Renewable Thermal Certificate" means a unique representation of the Environmental Attributes associated with the production, transport, and use of one dekatherm of Renewable Natural Gas.

Midwest Renewable Energy Tracking System (M-RETS):

Midwest Renewable Energy Tracking System (M-RETS) is the energy certificate system for tracking the purchase and sale of RTCs.

2.2 Scope of Services/Specification Overview

The purpose of this document is to provide interested parties ("Bidders") with information to enable them to prepare and submit a proposal to sell RNG to Avista.

The Bidder may propose one or a combination of both of the following services:

- (a) Bidder would sell and deliver to Avista, and Avista would purchase and receive from Bidder, Renewable Natural Gas, as a bundled product consisting of *both* the Renewable Thermal Certificates as well as the physical gas molecules. Avista would enter into a purchased gas adjustment with the Bidder and receive the Renewable Natural Gas at a specific location.
- (b) The Bidder would sell and deliver to Avista, and Avista would purchase and receive from Bidder, all the Renewable Thermal Certificates of an unbundled RNG product. In this situation, the Bidder would separately sell or otherwise market the physical gas molecules.

In both of the above situations, the Renewable Thermal Certificate that would be purchased by Avista must satisfy the requirements of the definition of Environmental Attributes required in Oregon.

Avista will only purchase RNG if the Environmental Attributes would satisfy all requirements for listing on the M-RETS system. Avista may request further documentation in support of this criteria from any Bidder invited to move on to the next stage of Avista's selection process.



3 Bidder Instructions

3.1 Point of Contact

All correspondence, included but not limited to, questions and submissions shall be directed to:

Michael Whitby, MSC-7
Avista Corporation
1411 East Mission Ave.
Spokane, WA 99202
michael.whitby@avistacorp.com

All correspondence, proposals and documents shall be sent to:

michael.whitby@avistacorp.com

&

avistarngrfp@avistacorp.com

3.2 Request for Proposals Schedule

RFP Event	Event Duration Days/Total Days	Date
RFP Issuance date	0	9/3/2024
Bidders Conference	14/14	9/17/2024
Bidders Conference Questions due to Avista	14/28	10/01/2024
Responses to RFP Questions posted by Avista	14/42	10/15/2024
RFP Submissions due	14/56	10/29/2024
Initial Notification to Responders	21/77	11/19/2024
Responses to Avista RFI (if needed)	TBD	TBD

3.3 Request for Proposal and Bid Procedures

3.3.1 Questions and Communications

For RFP issues and information requests, please direct your question to the email address noted above.

Questions regarding the RFP should be directed to avistarngrfp@avistacorp.com and or michael.whitby@avistacorp.com

Questions and responses will publish to the RNG RFP website at www.myavista.com/RNGRFP.

All Bidders must meet the following requirements:

- 1) Credit Requirements
 - a. Bidder has a long-term debt rating of at least BBB- (or its equivalent) from Standard and Poor's, Moody's, Fitch, Dominion Bond Rating Service or Canadian Bond Rating Service.

- b. The Bidder's parent company has a long-term rating of at least BBB- (or its equivalent) from Standard and Poor's, Moody's, Fitch, Dominion Bond Rating Service or Canadian Bond Rating Service and is willing to provide a corporate guarantee to the counterparty guaranteeing performance under the PGA.

3.3.2 Submission of Proposal

- Each Bidder shall submit its proposal using the template provided, adhering to the requirements outlined in this Section 3.3 and in Section 4. Any qualifications, additions, or clarifications to the proposal response package shall be submitted by way of a separate document and noted on the template.
- Proposals shall be submitted via email to avistarngrfp@avistacorp.com with the subject line: **"AVISTA 2024.01 RENEWABLE NATURAL GAS"** for RNG.
- Multiple proposals from a vendor will be permissible; however, each proposal must conform fully to the requirements for proposal submission. Each such proposal must be separately submitted and labeled as Proposal #1, Proposal #2, etc.

3.3.3 Terms and Conditions of Submission

- Bidder shall comply with all state and federal laws regarding formulation and submittal of proposals.
- Bidder represents that to the bidder's knowledge it has satisfied all the requirements and that everything in its proposal is true and correct.
- Bidder shall under no circumstances use Avista's name or logos in advertising, marketing materials, printed matter, reference lists, or in any other way that could be construed as advertising (e.g., memo pads, tee shirts, binders, reference lists, etc.) without Avista's prior written consent.

Any non-public information provided by Avista in connection with this RFP is confidential and proprietary to Avista. Such materials are to be used solely for the purpose of responding to this RFP. By requesting further information or submitting a proposal, Bidder agrees not to disclose any such information to any third party without the prior written consent of Avista (which consent shall be conditioned upon the written agreement of the intended recipient to treat the same as confidential), except as may be required by law. Avista may request at any time that any or all Avista material be returned or destroyed.

Each Bidder is required to enter into a Mutual Confidentiality Agreement, Exhibit A, before or with submittal of its Preliminary Information (Exhibit B). Executed Mutual Confidentiality Agreements should be sent the listed contact. Avista will countersign and return one fully executed Mutual Confidentiality Agreement to Bidder. Given the timeframe of this RFP process, Avista is unable to entertain modifications to the language contained in the Mutual Confidentiality Agreement.

3.3.4 Errors or Omissions

A Bidder that discovers an error or omission in its proposal response package may withdraw that package and resubmit one, provided that it does so before the deadline for submission of proposal responses.

3.3.5 Request for Proposal Response Withdrawal

A Bidder that wishes to withdraw its proposal response package may do so at any time by submitting notice to the email address noted above.

3.4 Proposal Selection and Award Process

3.4.1 Preliminary Evaluation

The proposals will first be reviewed to determine conformance to the requirements of this RFP. Failure to meet the requirements of this RFP may result in the proposal being rejected. In the event that a Bidder's proposal does not meet all of the RFP requirements, Avista reserves the right to continue the evaluation of the non-conforming proposal and to select the proposal(s) that provide the best opportunities for Avista to secure RNG resources in accordance with its strategy.

3.4.2 Proposal Scoring

Proposals will be rated based on range of criteria including, but not limited to the following:

1. Cost: Provide cost in \$/MMbtu delivered, of the RNG. Identify if bundled (Gas & EA) or unbundled (EA only).
2. Annual escalation: Identify anticipated annual cost escalation.
3. Timing & Duration: Provide resource delivery commencement date and terms of the purchase contract.
4. Contract Renewal/Extensions: Provide contract extension including duration of renewal options.
5. Volume: Provide the volume of RNG/RTC's available for purchase.
6. Location: Provide RNG source location & demonstrated delivery pathway/solution to Avista's natural gas distribution system.
7. Feedstock type: identify feedstock type and carbon intensity (CI), if known.
8. Environmental Attributes: Provide claims of environmental benefits or emissions reductions on other products of the project (e.g., RTC's, RIN's or LCFS credits generated by other volumes of RNG produced by the project).
9. Vendor/Team Experience: Provide detail of experience and proven performance of the firm or team of firms making the proposal.
10. RNG Site Information/History: If operational, provide a brief summary of the project's performance history. If not yet operational, the project's expected performance and evidence of team's performance on similar projects.
11. Risk: Provide counterparty performance risk/delivery risk information including contractual remedies for failure to deliver.
12. Deliverability: Provide statement of overall ability of project to successfully deliver qualifying RNG within the terms of the contract.
13. Site Control: Financial plan to bring Project to completion including credit requirements and procurement plan.
14. ESG: Provide details on demonstrated Corporate Responsibility/Equity/ESG Plan/Programs serving vulnerable communities and diversity contracting.

15. Other: Provide other factors that Avista, in its sole discretion, deems relevant to its selection process for this RFP.

3.4.3 Right to Reject Proposals and Negotiate Contract Terms

Avista has no obligation to reveal the basis for contract award or to provide any information to Bidders relative to the evaluation or decision-making process. All participating Bidders will be notified promptly of proposal acceptance or rejection.

This is not a “low bidder” gets contract” bidding process. This is an RFP process in which Avista reserves all of its rights regarding the review and evaluation of proposals, selection of a firm, and award of a contract. Avista expressly reserves its rights to (a) select a firm and award a contract to that firm, with or without prior negotiations, (b) select one or more firms and then negotiate with such firm or firms jointly or collectively before making an award decision, (c) select no firm and award no contract, with or without prior negotiations, (d) proceed with another RFP or other selection process, after selecting no firm or awarding no contract, and (e) waive and disregard any defects, irregularities, omissions, discrepancies, inconsistencies, lack of “responsiveness,” absence of “responsibility” and any other shortcomings in or of any proposal. In exercising these rights, Avista also reserves the right to make its selection and award decisions based, in whole or in part, on any factors and considerations that it chooses in its sole discretion. This RFP gives rise to no contractual obligations, implied or otherwise. Bidder waives any right to claim damages of any nature whatsoever based on the selection process, final selection, and any communications associated with the selection.

3.4.4 Limitations

Avista reserves the right to cancel or modify the RFP, the RFP schedule, and the RFP process as it deems necessary or to comply with regulatory orders, rules, regulations or guidelines without liability or obligation to any Bidder. Avista retains sole discretion to determine which proposal(s), if any, will be selected for further review and negotiation. Aspects of bidder’s proposal may be subject to further inquiry to specifically define the operation of the project, to ensure adequate financial and credit support for Bidder, to ensure that the project is consistent with Avista’s requirements or for any other reason. Further inquiry shall not imply that a proposal will be selected.

Avista shall not be liable for any expenses incurred by any Bidder in connection with responding to this RFP, or for any direct or indirect costs, fees or lost or foregone profits of any Bidder.

3.4.5 Awards and Final Offers

Awards may be granted to multiple Bidders. Should the Bidder and Avista jointly decide to move forward, Avista may request additional documentation to support Bidder’s ability to satisfy the terms of its bid and Avista’s requirements.

Avista expects that the legal terms of a bundled RNG purchase transaction would be documented in a NAESB Base Contract for Sale and Purchase of Natural Gas (“NAESB Base Contract”), and that transaction-specific details, such as volume, price, delivery location, quality specifications, and regulatory requirements related to Environmental Attributes, would be set forth in a transaction confirmation entered into pursuant to the NAESB Base Contract. The terms of an unbundled purchase of

Renewable Thermal Certificates would be set forth in an agreement containing legal terms that are standard for the purchase of Renewable Thermal Certificates or similar products, to be negotiated between the parties.

3.4.6 Notification of Intent to Award

As a courtesy, Avista will send a notification of award letter to responding Bidders upon the conclusion of the RFP process and will inform all Bidders of their status.

4 Proposal Response Package Preparation

The proposal response package should be organized to comply with the section numbers and names as shown below. Each section heading should be separated by tabs or a blank page or otherwise clearly marked.

Please do not utilize zip files.

RFP Required Items (Within RFP Response Template)

1. Avista 2024 RNG/RFP Response Template (Proposal)

Avista has provided a standard template for all responses. The template provided in in the Excel file format and shall be completed and submitted in the Excel file format. The template provided includes space for proposal details of your project or off-take opportunity. Instructions are provided on the first tab of the template.

2. Avista/Vendor Mutual Confidentiality Agreement

Per RFP section 3.3.3, Avista requires a Mutual Confidentiality Agreement (Exhibit A) be provided in advance of, or as a part of the proposal submittal.

3. 2024 Response Template Certification

The proposal template provided contains a tab for certification. Please certify and sign your proposal and provide a copy of the certification page to Avista in the PDF format.

4. Purchase Agreements (Optional)

Per section 3.4.4 of the RFP, respondents may provide draft contract agreements as a part of their RFP response to expedite possible future proposal evaluation. Please provide these draft contract agreement(s) in WORD or PDF formats.

5. Additional Information

The RFP proposal response template provided includes an "Additional Information" section for respondents to provide information beyond the required data.

Appendix – Avista Renewable Natural Gas Specification

The local natural gas utility to which this project might interconnect is Avista, which has the following specification for the injection of renewable natural gas into its distribution system:

I. Biomethane Quality Specifications

A. Carbon Dioxide. The Biomethane shall contain a maximum of two percent carbon dioxide by volume.

B. Oxygen. The Biomethane shall contain a maximum of 0.2 percent oxygen by volume. And producer will make every reasonable effort to keep the gas free of oxygen.

C. Total Inerts. The Biomethane shall contain a maximum of three percent total inerts by volume (total combined percentages of carbon dioxide, nitrogen, oxygen, and any other inert compound).

D. Hydrogen Sulfide. The Biomethane shall contain a maximum of 0.25 grains of hydrogen sulfide per one hundred standard cubic feet by volume (4 ppm) measured as hydrogen sulfide.

E. Total Sulfur. The Biomethane shall not contain more than seventy-five hundredths (0.75) of a grain of total sulfur compounds, measured as sulfur, per one hundred (100) standard cubic feet (12.6 ppm). This includes COS and CS₂, hydrogen sulfide, mercaptans and mono, di and poly sulfides.

F. Hydrocarbon Dewpoint. The hydrocarbon dewpoint of the Biomethane shall not exceed 15 degrees Fahrenheit at delivery pressure.

G. Water Vapor. The Biomethane shall contain a maximum of seven pounds of water vapor per million standard cubic feet.

H. Liquids. The Biomethane shall contain no liquids.

I. Temperature. The Biomethane shall be delivered at a temperature no less than 45 degrees Fahrenheit and no more than 120 degrees Fahrenheit.

J. Heating Value. The Biomethane shall be delivered with a heating value no less than 985 Btu per Standard Cubic Feet on a dry basis and no more than 1150 Btu per Standard Cubic Feet.

K. Interchangeability. The Biomethane shall have a Wobbe number no less than 1300 and no more than 1400.

L. Toxic or Hazardous Substance. The Biomethane shall not contain any toxic or hazardous substances in concentrations which, in the normal use of Biomethane, may be hazardous to health, injurious to pipeline facilities, limit merchantability, or be contrary to applicable government standards. Producer acknowledges that Avista prohibits biomethane from a landfill containing hazardous waste, as defined in 40 C.F.R. Section

261.3, from being injected into its pipeline system. Producer hereby specifically stipulates not to supply, or cause to supply, biomethane from a landfill containing hazardous waste.

M. Objectionable Substances. The Biomethane shall be commercially free from foreign odors, solid matter, dust, gums, gum forming constituents, or any other substance which interferes with the intended merchantability of the Biomethane or Avista's ability to properly odorize, or causes interference with the proper and safe operation of the lines, meters, regulators, or other appliances through which it may flow.

N. Biologicals. The Biomethane shall not contain microbiological organisms, active bacteria, or bacterial agents at levels that are higher than the natural gas in the LDC System and that are capable of causing or contributing to injury to Company's pipelines, meters, regulators, or other facilities and appliances through which such Biomethane flows, or interference with the proper operation of Company's facilities. See limits for Biologicals in Table 1.

O. Additional Constituents.

Table 1. Additional Constituent Specifications

Constituent	Trigger Level ^a mg/m ³ (ppm _v)	Lower Action ^a Level mg/m ³ (ppm _v)	Upper Action ^a Level mg/m ³ (ppm _v)
Health Protective Constituents – Carcinogenic			
Arsenic	0.019 (0.006)	0.19 (0.06)	0.48 (0.15)
P-Dichlorobenzene	5.7 (0.95)	57 (9.5)	140 (24)
Ethylbenzene	26 (6.0)	260 (60)	650 (150)
n-Nitroso-di-n-propylamine	0.033 (0.006)	0.33 (0.06)	0.81 (0.15)
Vinyl Chloride	0.84 (0.33)	8.4 (3.3)	21 (8.3)
Health Protective Constituents – Non-Carcinogenic			
Antimony	0.60 (0.12)	6.0 (1.2)	30 (6.1)
Copper	0.060 (0.02)	0.60 (0.23)	3.0 (1.2)
Lead	0.075 (0.009)	0.75 (0.09)	3.8 (0.44)
Methacrolein	1.1 (0.37)	11 (3.7)	53 (18)
Mercaptans (Alkyl Thiols)	N/A (12)	N/A (120)	N/A (610)
Toluene	904 (240)	9,000 (2,400)	45,000 (12,000)
Pipeline Integrity Protective Constituents^{b,c}			
Ammonia	0.0004% (3mg/m ³)	0.001% (7mg/m ³)	0.0025% (18mg/m ³)
Biologicals	4x10 ⁴ / SCF ^c	4x10 ⁴ / SCF ^c	> 4x10 ⁴ / SCF ^c
Hydrogen	0.10%	1%	5%
Mercury	0.08 mg/m ³	TBD ^d	TBD ^d
Siloxanes	0.05 mg Si/m ³	0.1 mg Si/m ³	0.3 mg Si/m ³
Notes:			
a. The first number is in milligrams per cubic meter of air (mg/m ³), while the second number in parenthesis is in parts per million volume (ppm _v), unless otherwise specified			
b. Testing requirements will be the lower of stated biomethane values or other tariff requirements			
c. qPCR per Acid-producing Bacteria (APB), Sulfate-reducing Bacteria (SRB), Iron-oxidizing Bacteria (IOB), group and commercially free of bacteria > 0.2 microns			
d. Industry data still pending.			