



2023 Central Procurement Entity

Local Resource Adequacy

Request for Offers & Commitments

Solicitation Protocol

March 22, 2023

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Internal

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I. Introduction and Background

I.A. Introduction

Pursuant to California Public Utilities Commission (“CPUC”) Decision (“D.”) [20-06-002](#), the Central Procurement Entity Decision (“CPE Decision”), [D.20-12-006](#), the Local Capacity Requirement Reduction Compensation Mechanism Decision (“LCR RCM Decision”), and [D.22-03-034](#) (“RA OIR Phase 1 Decision”) (collectively, “Decisions”), Pacific Gas and Electric Company (“PG&E”) acting as the Central Procurement Entity (“CPE” or “PG&E CPE”) in its distribution service area is issuing its 2023 CPE Local Resource Adequacy (“RA”) Request for Offers and Commitments (“RFO”) to procure local RA capacity (“Local RA”) or obtain self-shown commitments for Local RA for delivery beginning within the 2024-2026 compliance years.

Per the Decisions, PG&E is required to procure Local RA or obtain self-shown commitments for Local RA to meet the 3-year forward multi-year Local RA requirement on behalf of all CPUC-jurisdictional load serving entities (“CPUC LSEs”) within its electric distribution service area. PG&E CPE is procuring Local RA or having Local RA committed in areas within PG&E’s distribution service area that are transmission constrained (“Local Capacity Areas”).

In 2023 PG&E CPE is required to procure or obtain self-shown commitments for:

- 1) 100 percent of the CPUC’s 2024 Local RA requirements in PG&E’s distribution service area;
- 2) 100 percent of the CPUC’s 2025 Local RA requirements in PG&E’s distribution service area; and
- 3) 50 percent of the CPUC’s 2026 Local RA requirements in PG&E’s distribution service area.

Each participant in this RFO (“Participant”) is strongly encouraged to review the Decisions prior to participating in this RFO. For purposes of this RFO, the definition of “Participant” includes an LSE that provides a Non-Compensated Self-Shown Commitment¹.

I.B. New for 2023 PG&E CPE Solicitation Process

To finalize prompt year procurement by the middle of July 2023, PG&E as CPE will break out this year’s procurement process with two separate deadlines for targeted execution. This competitive solicitation will be broken out into two tracks after qualification as detailed in the timeline presented below in section II.F.

¹ The Non-Compensated Self-Shown Commitment is described in Section II.C. below.

- 1) Track 1 will focus on negotiating and executing Competitive Offers that include 2024 RA capacity delivery.
- 2) Track 2 will focus on negotiating and executing all other Competitive Offers.

Additionally, PG&E CPE is introducing the following option to CPUC LSEs with respect to Offers that meet the requirements of subsections (1) and (2) set forth immediately below (“RA Confirm Option”). PG&E CPE will allow CPUC LSEs with such Offers to transact with the CPE under the PG&E CPE Local RA Confirmation Letter, which will be governed by the PG&E CPE EEI Master Agreement². This RA Confirm Option will be limited to the below Offers and will exclude Compensated Self-Shown Commitments:

- 1) Offers from CPUC LSEs with respect to an existing resource already under contract with such CPUC LSE, who is a non-owner/operator of the resource; and
- 2) Such Offers that have a delivery term that will not commence prior to the 2024 RA compliance period on 1/1/2024 and will not extend beyond the 2026 RA compliance period ending on 12/31/2026.

CPUC LSEs who are interested in the RA Confirm Option will need to execute the PG&E CPE EEI Master Agreement with the PG&E CPE; if interested, please reach out to the PG&E CPE by email at the CPESolicitations@pge.com prior to the competitive offer deadlines listed in the schedule in section II.F below. The RA Confirm Option will not be available for offers of new-build resources at this time.

I.C. PG&E as the CPE

This RFO is being performed by PG&E acting in its role as the CPE in its distribution service area and is separate and distinct from PG&E’s procurement on behalf of its bundled electric service customers.

The Decisions allow PG&E, on behalf of its bundled electric service customers, to participate (“PG&E Participant”) in this RFO in the same manner as all other CPUC LSEs. The Decisions outline specific requirements with respect to PG&E Participant’s participation in PG&E CPE’s RFO (e.g., timing of offer submission).

Consistent with the Decisions, PG&E CPE has developed both a competitive neutrality rule, which was adopted in the LCR RCM Decision, and a strict code of conduct in consultation with the Cost Allocation Mechanism Procurement Review Group (“CAM PRG”), an Independent Evaluator (“IE”), and the CPUC’s Energy Division (“Energy Division”), to prevent the sharing of

² The “PG&E CPE EEI Master Agreement” consists of the PG&E CPE EEI Master Power Purchase and Sale Agreement Cover Sheet and the PG&E CPE Paragraph 10 to the Collateral Annex, both of which are available on the PG&E CPE 2023 RFO website as Appendix E6 and Appendix E7, respectively.

confidential, market sensitive information that PG&E CPE receives from third parties as part of this RFO.

I.D. Background on Local RA Program

In 2004, the CPUC adopted the RA framework to ensure adequate generation capacity is available for reliable electric service in California. The RA program requires all CPUC LSEs to procure sufficient generation capacity, or RA, for their customers' expected load plus a planning reserve margin.

The Local RA program incorporates a three-year forward multi-year requirement for procurement of generation capacity in areas within California that are transmission constrained.

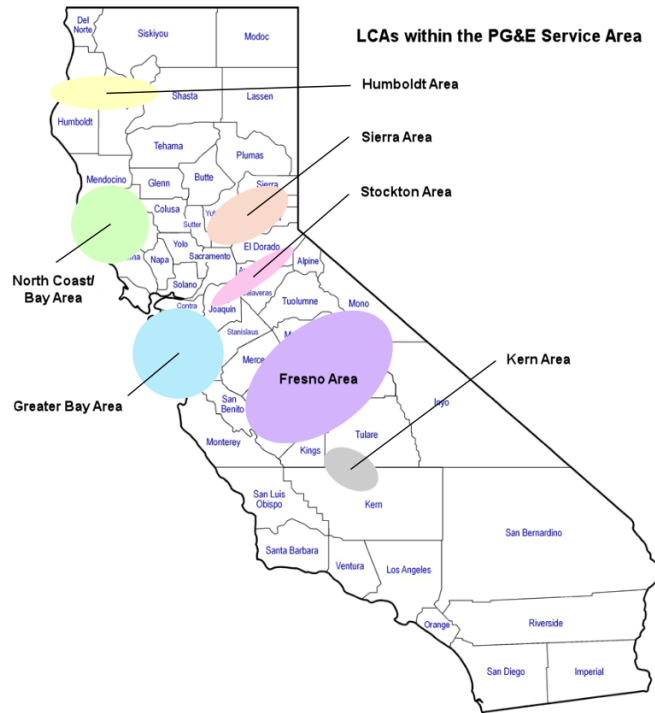
Local capacity requirements are determined through the California Independent System Operator Corporation's ("CAISO") annual Local Capacity Technical Study. Based on the results of the CAISO's annual Local Capacity Technical Study, the CPUC adopts and allocates local capacity requirements for PG&E and SCE's service areas to the relevant central procurement entity (PG&E or SCE).

Capacity that meets the local capacity requirements adopted by the CPUC is referred to as Net Qualifying Capacity ("NQC"), which is calculated by the CPUC and CAISO for each resource and published by the CAISO on an annual basis. The most recent NQC list is located on CAISO's website at the following link:

<http://www.aiso.com/planning/Pages/ReliabilityRequirements/Default.aspx>.

The Local Capacity Areas in PG&E's electric distribution service area are Greater Bay Area, Greater Fresno, Humboldt, Kern, North Coast/North Bay, Sierra, and Stockton (collectively, "PG&E Local Capacity Areas"), as shown in Figure ID.1.

Figure ID.1: PG&E Local Capacity Area (LCA) Map



I.E. Website and Communication

PG&E CPE has established a website at pge.com/2023cperfo where Participants may access and download all RFO documents, announcements, and Q&As that are posted.

To ensure the accuracy and consistency of information provided to all Participants, PG&E CPE encourages Participants to submit any inquiries via e-mail to CPESolicitations@pge.com and copy the Independent Evaluator ("IE"), Merrimack Energy Group, Inc., at merrimackIE@merrimackenergy.com. With respect to a matter of general interest raised by any Participant, PG&E CPE may, without reference to the inquiring Participant, post the question and PG&E CPE's response on PG&E CPE's RFO website. PG&E CPE will attempt to respond to all inquiries but may decline to respond to any inquiry at the PG&E CPE's discretion.

All correspondence will be monitored by the IE, Merrimack Energy Group, who was selected to oversee this RFO. The IE is an independent, third-party evaluator who is required by the CPUC to monitor and evaluate PG&E CPE's RFO process as well as the Agreement execution process.

II. RFO Goals and Overview

II.A. PG&E CPE Resource Needs

In order to meet its central procurement obligations ordered in the Decisions, PG&E CPE is seeking to (1) obtain commitments from CPUC LSEs that will self-show their resources to reduce the total Local RA need in PG&E's distribution service area, and (2) procure RA capacity from new and existing resources that are located in PG&E's Local Capacity Areas to meet the remaining Local RA need allocated to PG&E CPE by the CPUC. All resources must meet the requirements and criteria specified in this RFO.³

II.B. Resource Eligibility Requirements

- All resources participating in this RFO must have a single CAISO Resource Identification ("CAISO Resource ID"), as defined in the CAISO Tariff. Aggregated behind-the-meter resources, including demand response, must be in a single Sub-LAP, as such term is defined in the CAISO Tariff.
- All resources participating in this RFO must be able to provide RA. Resources must meet the applicable CPUC and CAISO RA requirements, CAISO requirements for deliverability, as well as any other requirements that will enable PG&E CPE to receive all applicable RA benefits associated with the resource.
- All resources participating in this RFO must be electrically connected in a PG&E Local Capacity Area and remain listed as such per the CAISO's Local Capacity Technical Study.

Details on additional eligibility requirements for participation in this RFO are included in [Attachment 1: Non-Compensated Self-Shown Commitment Process](#) ("Attachment 1"), [Attachment 2A: Competitive Offer Process – Compensated Self-Shown Commitment](#) ("Attachment 2A"), and [Attachment 2B: Competitive Offer Process – Bundled RA & Bundled RA with Energy Settlement](#) ("Attachment 2B"). Participants are encouraged to thoroughly review each relevant attachment.

II.C. Commitments and Products Requested by PG&E CPE

PG&E CPE is requesting the following commitments and/or products in this RFO:

³ Per D. 22-03-034, PG&E CPE filed an Aggregate Procurement Summary detailing procurement results to date on an aggregate level in its Annual Compliance Report through Advice Letter 6706-E. *PG&E CPE AL 6706-E, Attachment 2 (Public Attachment A)*: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6706-E.pdf.

Non-Compensated Self-Shown Commitment: A commitment from a CPUC LSE to self-show Local RA that is ineligible for compensation consistent with the process outlined in the Decisions. Participants that provide a Non-Compensated Self-Shown Commitment will retain the system and, if applicable, flexible RA attributes of the resource.

Compensated Self-Shown Commitment: A commitment from a CPUC LSE to self-show Local RA that is eligible for compensation consistent with the process outlined in the Decisions. Participants that provide a Compensated Self-Shown Commitment will retain the system and, if applicable, flexible RA attributes of the resource.

Bundled RA: A bundled RA capacity product (“Bundled RA”) that will be compensated, which includes local, system and, if applicable, flexible RA attributes.

Bundled RA with Energy Settlement: Bundled RA that will be compensated, which includes a financial energy settlement based on CAISO market energy prices.

II.D. CPE Commitment & Procurement Processes

Participants may provide the commitments and/or products identified above using two distinct processes:

1. Non-Compensated Self-Shown Commitment Process:

PG&E CPE requests that CPUC LSEs that meet the criteria set forth in this Solicitation Protocol for this RFO (“Protocol”) submit to PG&E CPE a Non-Compensated Self-Shown Commitment.

More details on the Non-Compensated Self-Shown Commitment process can be found in [Attachment 1: Non-Compensated Self-Shown Commitment Process](#) of this Protocol.

2. Competitive Offer Process:

PG&E CPE requests that entities that meet the criteria set forth in this Protocol submit competitive offers as detailed below (each, “Competitive Offer”):

Compensated Self-Shown Commitment: PG&E CPE seeks to execute Agreements as described herein with CPUC LSEs that elect to offer Compensated Self-Shown Commitments.

More details on Competitive Offers for Compensated Self-Shown Commitments can be found in [Attachment 2A: Competitive Offer Process – Compensated Self-Shown Commitments](#) of this Protocol.

Bundled RA: PG&E CPE seeks to execute Agreements as described herein with Participants for Bundled RA (inclusive of system and flexible RA attributes, where applicable).

More details on Competitive Offers for Bundled RA can be found in [Attachment 2B: Competitive Offer Process – Bundled RA & Bundled RA with Energy Settlement](#) of this Protocol.

Bundled RA with Energy Settlement: PG&E CPE seeks to execute Agreements as described herein with Participants for Bundled RA with Energy Settlement (inclusive of system and flexible RA attributes, where applicable).

More details on Competitive Offers for Bundled RA with Energy Settlement can be found in [Attachment 2B: Competitive Offer Process – Bundled RA & Bundled RA with Energy Settlement](#) of this Protocol.

Option to Self-Show for No Compensation: Per Ordering Paragraph (“OP”) 4(b)(2) of the CPE Decision, CPUC LSEs have the option to indicate in their Competitive Offers for either Bundled RA OR Bundled RA with Energy Settlement that the Local RA associated with their Competitive Offer will be a Non-Compensated Self-Shown Commitment if their Competitive Offer is not selected as part of the Competitive Offer Process (“Default to Self-Shown Option”).

Competitive Offers and Non-Compensated Self-Shown Commitments shall not be made contingent upon or subject to the execution of any Agreement related to any other Competitive Offer or the acceptance of any other Non-Compensated Self-Shown Commitment.

II.E. Commitment, Product, and Process Summary

An overview of the commitments, products, and processes used in this RFO for PG&E CPE to meet its central procurement obligations are described Table II.1 below.

Table II.1: Overview of 2023 CPE Local RA RFO Commitments, Products, and Processes

Process	Commitment or Product	Participant Type
Non-Compensated Self-Shown Commitment Process	<u>Non-Compensated Self-Shown Commitment</u>	CPUC LSEs
Competitive Offer Process <i>(Split into two tracks for execution only. See section II.F below for more details)</i>	<u>Compensated Self-Shown Commitment</u>	CPUC LSEs
	<u>Bundled RA</u> <i>Option for CPUC LSEs only: May indicate in their Competitive Offers that the Local RA attributes associated with the Competitive Offer for Bundled RA will be a Non-Compensated Self-Shown Commitment if the Competitive Offer is not selected as part of the Competitive Offer Process.</i>	Any Participant

Competitive Offer Process Continued	<u>Bundled RA with Energy Settlement</u> <i>Option for CPUC LSEs only: May indicate in their Competitive Offers that the Local RA attributes associated with the Competitive Offer for Bundled RA with Energy Settlement will be a Non-Compensated Self-Shown Commitment if the Competitive Offer is not selected as part of the Competitive Offer Process.</i>	Any Participant
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This Protocol sets forth the terms and conditions by which PG&E CPE will accept Non-Compensated Self-Shown Commitments and Competitive Offers to meet the objectives of the Decisions. A Participant submitting a Non-Compensated Self-Shown Commitment or Competitive Offer in response to this RFO agrees to be bound by all the terms, conditions, and other provisions of this RFO and any changes or supplements to it that may be issued by PG&E CPE. The obligations of the Participant are further described in Section III: “Terms for RFO Participation”.

Competitive Offers that meet the requirements and eligibility criteria specified in this Protocol will be deemed qualified (“Qualified”) and PG&E CPE will notify Participants that their Competitive Offers are Qualified in accordance with the schedule in Table II.2 below. PG&E CPE will evaluate Competitive Offers that are deemed Qualified and may seek to enter into Agreements related to those Competitive Offers.

This Protocol governs the administration and submission of Non-Compensated Self-Shown Commitments and Competitive Offers in connection with the RFO. This Protocol supersedes any other written or oral form of communication during the RFO.

II.F. Expected RFO Schedule

The expected schedule for this RFO is listed in Table II.2 below. All deadlines occur at 5:00 P.M. Pacific Prevailing Time (“PPT”), unless otherwise noted.

The 2023 PG&E CPE Local RA RFO will include two separate targeted execution deadlines. The first targeted execution deadline is set for the middle of July 2023 for Competitive Offers that include delivery of RA capacity in the 2024 compliance year (Track 1). A second execution deadline of early August will apply to all other Competitive Offers received in the RFO (Track 2).

Table II.2: Expected Schedule for PG&E’s 2023 CPE Local RA RFO

Event	Dates
Participants are invited to register online to receive notices regarding the RFO at www.pge.com/cpe	Ongoing
PG&E CPE issues RFO	March 22, 2023
Participants’ Webinar	March 30, 2023
Deadline for CPUC LSEs to submit Non-Compensated Self-Shown Commitments ⁴ via Power Advocate	April 18, 2023 at 1PM (PPT)
Deadline for PG&E Participant to submit Competitive Offers via Power Advocate	April 25, 2023 at 1PM (PPT)
Deadline for Non-PG&E Participants to submit Competitive Offers via Power Advocate ⁵	April 26, 2023 at 1PM (PPT)
<p>PG&E CPE notifies Participants that their Offer(s) are Qualified and whether they fall into Track 1 or Track 2 timeframe for potential execution.</p> <p>PG&E CPE notifies the CAM PRG of all Qualified Offers for <u>Track 1 and Track 2.</u></p>	Mid-May 2023
Estimated time frame for execution of Agreement(s) resulting from the Track 1 Competitive Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and the respective Participant (Track 1)	Mid-July 2023
Estimated time frame for execution of Agreement(s) resulting from the Track 2 Competitive Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and the respective Participant (Track 2)	Early August 2023
PG&E CPE’s estimated Local RA Showing for the 2024, 2025, and 2026 compliance years with the CPUC	Mid-August 2023

The schedule above and documents associated with the RFO are subject to change at PG&E CPE’s sole discretion at any time and for any reason. PG&E CPE will endeavor to notify Participants of any changes to the RFO but shall not be liable for any costs or liability incurred by Participants or any other party due to any change or for failing to provide notice or acceptable notice of any change.

PG&E prefers projects that can agree to terms in an expedited fashion. Except for the terms that are binding upon execution, PG&E’s obligations under an Agreement will be conditioned upon PG&E’s receipt of CPUC Approval within a stated period of time, as described further within the applicable

⁴ The schedule for the Non-Compensated Self-Shown Commitment Process is consistent with the timeline adopted in the RA OIR Phase 1 Decision.

⁵ The deadline for the Competitive Offer Process for Compensated Self-Shown Commitments is consistent with the timeline adopted in the RA OIR Phase 1 Decision.

Agreement. PG&E reserves the right to seek CPUC Approval of certain Agreements prior to execution of others. PG&E intends to request CPUC approval within 180 days of filing the executed agreements with the CPUC, but the CPUC approval process could take longer. Participants should factor the CPUC's approval process into their project development timelines and proposals.

III. Terms for RFO Participation

Each Participant providing a Non-Compensated Self-Shown Commitment or Competitive Offer also shall provide its electronic signature of a duly authorized representative of Participant in the applicable Non-Compensated Self-Shown Commitment Form and/or Offer Form. By providing such signature the Participant (a) agrees to be bound by all terms, conditions, and other provisions of this RFO and any changes or supplements to it that may be issued by PG&E CPE, and (b) makes the following representations and warranties, as applicable, as of its signature date and throughout the RFO process:

1. Participant has read, understands, and agrees to be bound by all terms, conditions, and other provisions of the RFO.
2. Participant has had the opportunity to seek independent legal and financial advice of its own choosing with respect to the RFO, including all Appendices to the RFO.
3. Participant has obtained all necessary authorizations, approvals and waivers, if any, required of Participant as a condition of providing its Non-Compensated Self-Shown Commitment or Competitive Offer and executing the applicable Self-Shown Attestation⁶ and/or Agreement with PG&E CPE in the form submitted with its Non-Compensated Self-Shown Commitment or Competitive Offer.
4. Participant is not PG&E, an affiliate of PG&E, PG&E Corporation, or any of their affiliates; provided that, this representation and warranty shall not be applicable to PG&E Participant.
5. Participant is submitting its Non-Compensated Self-Shown Commitment or Competitive Offer subject to all applicable laws including, but not limited to, the Federal Power Act and all amendments thereto, and Public Utilities Code section 454.5, and all amendments thereto.
6. Participant represents that it has carefully considered the terms and conditions of its Non-Compensated Self-Shown Commitment or Competitive Offer and that it is submitting its Non-Compensated Self-Shown Commitment or Competitive Offer in good faith, such that PG&E CPE may reasonably expect Participant to execute an

⁶ Self-Shown Attestation is defined in Section VIII below.

applicable Self-Shown Attestation⁷ and/or Agreement as provided in its Non-Compensated Self-Shown Commitment or Competitive Offer.

7. Neither Participant nor any of Participant's consultants has engaged in and shall not engage in communications concerning any terms contained in Participant's Non-Compensated Self-Shown Commitment or Competitive Offer, or review or evaluation of Participant's Non-Compensated Self-Shown Commitment or Competitive Offer, unless explicitly authorized in writing by PG&E CPE, with any of the following parties or entities: any other Participant in the RFO or their consultants or any non-PG&E members of PG&E's CAM or PRG group. The Participant (including any of its respective consultants) has not engaged in and shall not engage in activities in violation of State or Federal antitrust laws or other unlawful or unfair business practices in connection with the RFO ("Prohibited Communication Activities").

Notwithstanding the foregoing, Participant may engage in such communications with its advisors, counsel, experts, or employees who have a need to know the content of the communications and have agreed to keep such information confidential (collectively, "Advisors"). In addition, Participant may engage in communications with other Participants submitting a Non-Compensated Self-Shown Commitment or Competitive Offer in the RFO and their respective Advisors ("Other Participants"), so long as: (1) such Other Participants are under common ownership and control with Participant; (2) Participant and Other Participants do not engage in Prohibited Communication Activities; and (3) in the event Participant and Other Participant share a common Advisor, Participant has, prior to sharing any such communications with such Other Participant and the common Advisor, provided PG&E CPE with (a) written notice of such Other Participant and common Advisor and (b) an agreement that Participant has not and shall not engage in Prohibited Communication Activities with either the Other Participant or the common Advisor.

8. If Participant's Competitive Offer is Qualified, Participant agrees to participate in good faith, and to inform PG&E CPE if the resource that is the subject of the Qualified Competitive Offer has been submitted into another solicitation with PG&E or any other entity.
9. If a Participant is submitting a Competitive Offer jointly with other entities, and the Competitive Offer is Qualified, PG&E CPE may require, as part of the qualifying process, additional representations, and warranties, along with additional documentation, from all entities involved in the Competitive Offer.
10. Participant will promptly notify PG&E CPE of any change in circumstances that may affect its ability to fulfill the terms of its Non-Compensated Self-Shown Commitment or Competitive Offer, at any time from submission of the Non-Compensated Self-

⁷ Self-Shown Attestation is defined in Section VIII below.

Shown Commitment or Competitive Offer to PG&E CPE's acceptance of the Non-Compensated Self-Shown Commitment or Competitive Offer, or Participant's withdrawal of the Non-Compensated Self-Shown Commitment or Competitive Offer, as applicable.

11. If a Participant is submitting a Competitive Offer, Participant will list any additional services its resource will provide outside of this RFO, per CPUC D.18-01-003, on Multiple-Use Application Issues, as applicable.

A BREACH BY PARTICIPANT OF ANY OF THE REPRESENTATIONS AND WARRANTIES IN SECTION III. OF THIS PROTOCOL, IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO PG&E UNDER APPLICABLE LAW, IS GROUNDS FOR IMMEDIATE DISQUALIFICATION OF SUCH PARTICIPANT FROM PARTICIPATION IN THE RFO AND, DEPENDING ON THE NATURE OR SEVERITY OF THE BREACH, MAY ALSO BE GROUNDS FOR TERMINATING THE RFO IN ITS ENTIRETY.

IV. PG&E CPE's Reservation of Rights

This RFO is an invitation to submit Non-Compensated Self-Shown Commitments or Competitive Offers to PG&E CPE; it does not constitute an offer to buy and creates no obligation for PG&E CPE to execute any Agreement or to enter into any transaction under any Agreement or otherwise as a consequence of the RFO. PG&E CPE reserves the right to request information from a Participant at any time during the RFO process. PG&E CPE reserves the right, in its sole discretion, to reject any Competitive Offer at any time for any reason, including but not limited to grounds that the Competitive Offer does not conform to the terms and conditions of this RFO or contains terms that are not acceptable to PG&E CPE. PG&E CPE also retains the discretion, in its sole judgment, at any time: (a) to formulate and implement new or additional criteria for the evaluation and selection of Competitive Offers only after consulting with the IE; (b) to engage with any Participant; (c) to deem or no longer deem any Competitive Offers as Qualified or (d) to modify this RFO as it deems appropriate to implement the RFO and to comply with applicable law or other direction provided by the CPUC. PG&E CPE reserves the right, in its sole discretion, to reject any Non-Compensated Self-Shown Commitment if it does not conform to the terms and conditions of this RFO implementing the Decisions. PG&E CPE will not be liable for and will not reimburse any Participant for Participant's costs or expenses relating to eligibility for or participation in this RFO, including without limitation the preparation of any Non-Compensated Self-Shown Commitment and/or Competitive Offer, under any circumstances. In addition, PG&E CPE reserves the right to either suspend or terminate this RFO at any time for any reason. PG&E CPE will not be liable in any way, by reason of such withdrawal, rejection, suspension, termination, or any other action described in this paragraph to any third party, including any Participant.

V. Confidentiality Agreement

Except with PG&E CPE's prior written consent, Participant shall not disclose its participation in this RFO (other than by attendance at any meeting held by PG&E CPE with respect to the RFO), collaborate on, provide to, or discuss with any other Participant or potential Participant bidding strategies or the content of any Non-Compensated Self-Shown Commitment(s) or Competitive Offer(s), including without limitation the price or any other terms or conditions of any Non-Compensated Self-Shown Commitment(s) or Competitive Offer(s). With respect to a Non-Compensated Self-Shown Commitment provided by a Participant, the Participant shall maintain in strict confidence the content of such Non-Compensated Self-Shown Commitment and shall not, without PG&E CPE's prior written consent, disclose the content of the Non-Compensated Self-Shown Commitment, in whole or in part, except: (a) to its affiliates, or their respective officers, directors, partners, employees, agents, or representatives who have a need to know the content of the communications and have agreed to keep such information confidential; or (b) in order to comply with any applicable law, regulation, rule or order issued by a court or entity with competent jurisdiction over Participant. The foregoing confidentiality obligation with respect to the content of a Non-Compensated Self-Shown Commitment shall survive the termination or conclusion of this RFO and continue in full force and effect until the expiration of the time period of the self-shown commitment as stated in such Non-Compensated Self-Shown Commitment.

Except as provided below, all information and documents clearly identified by Participant as "Confidential" on the page(s) on which confidential information appears shall be considered confidential information. PG&E CPE shall maintain such confidential information in strict confidence and, subject to the exceptions set forth below, shall only disclose such confidential information to PG&E or PG&E Corporation's officers, directors, employees, agents, counsel, accountants, advisors, or contractors for the sole purpose of performing their duties in connection with the RFO, evaluation of submissions made in connection therewith, or negotiation of any Agreement; provided that, PG&E CPE may use confidential information, consolidated with other market information and not specifically attributed to the Provider, for PG&E CPE's own internal use or in the context of regulatory or other proceedings.

It is expressly acknowledged and agreed by Participant that materials submitted by Participant in connection with this RFO will be provided to the CPUC, its staff, the Independent Evaluator, PG&E Procurement Review Group ("PRG"), and Cost Allocation Mechanism group ("CAM"). To the extent available under applicable law, regulation, rule or order, PG&E CPE will seek confidential treatment with respect to any Participant-supplied non-public RFO information and documents ("Participant's Confidential Information") that are submitted by PG&E CPE to the CPUC. PG&E CPE will also seek confidentiality and/or non-disclosure agreements with the PRG and CAM applicable to the Participant's Confidential Information. PG&E CPE cannot, however, ensure that the CPUC will afford confidential treatment to a Participant's Confidential Information, or that those confidentiality agreements or orders will be obtained from and/or honored by the PRG, CAM, or the CPUC.

With respect to any information or documents provided by the Participant, PG&E CPE shall have the right to disclose such information and documents to the CPUC, its staff, the Independent Evaluator, the PRG, CAM, CAISO, any other control area operator or balancing authority and any other entity in order to comply with any applicable law, regulation, rule or order issued by a court or entity with competent jurisdiction over PG&E CPE, at any time, even in the absence of a protective order, confidentiality agreement or nondisclosure agreement, as the case may be, without notification to the Participant and without liability or any responsibility of PG&E CPE to the Participant or any third party.

Depending upon Participant's submittal in response to Appendix B, PG&E CPE may require additional confidentiality obligations with collaborating entities.

VI. Procurement Review Group/Cost Allocation Mechanism Review

PG&E CPE will consult the IE, PRG and CAM in accordance with the Decisions. Following completion of PG&E CPE's review of Non-Compensated Self-Shown Commitments and Competitive Offers, PG&E CPE will submit a summary of all Non-Compensated Self-Shown Commitments and Competitive Offers to the PRG and CAM.

In accordance with OP 13 of the CPE Decision, PG&E CPE will submit Competitive Offers received from PG&E Participant to the PRG, CAM, and IE in advance of the receipt of Competitive Offers from any other entities, via email with a timestamp date before the offer deadline for other Participants.

Following the evaluation of Competitive Offers, PG&E CPE will submit the results of the evaluation and its recommendations to the PRG and CAM. Such information may include the ranking of Competitive Offers, the consideration of qualitative criteria, and PG&E CPE's recommendations based on such information. PG&E CPE has no obligation to obtain the concurrence of the PRG and CAM with respect to any Competitive Offer.

PG&E CPE assumes no responsibility for the actions of the PRG or CAM, including actions that may delay or otherwise affect the schedule for this RFO, including the timing of the selection of Competitive Offers.

VII. Notification to Participants

The RFO Schedule set forth in Section II.F may be modified by PG&E CPE at PG&E CPE's sole discretion. PG&E CPE will endeavor to notify Participants of any changes to the RFO Schedule but shall not be liable for any costs or liability incurred by Participants or any other party due to any change or for failing to provide notice or acceptable notice of any change.

As previously stated, PG&E CPE may contact Participants during the review and evaluation process to seek clarity or notify Participants of deficiencies or inconsistencies in their Non-

Compensated Self-Shown Commitments or Competitive Offers, however Participants should not expect this level of guidance due to the time constraints of the RFO.

PG&E CPE expects to be able to provide an e-mail notification to Participants whose Competitive Offers have been Qualified. PG&E CPE anticipates notifying those Participants whose Competitive Offers were not Qualified shortly thereafter.

VIII. Submission of Self-Shown Attestation

In accordance with OP 2 of the RA OIR Phase 1 Decision, a CPUC LSE that provides a Non-Compensated Self-Shown Commitment or Compensated Self-Shown Commitment must submit an attestation (“Self-Shown Attestation”) that provides that:

- a. The LSE has the capacity rights to the Resource Adequacy (RA) resource for the period it is self-showing;
- b. The LSE intends to self-show the RA resource on annual and monthly RA plans to satisfy its system and/or flexible RA needs;
- c. If applicable, the resource that the LSE intends to self-show for compensation under the Local Capacity Requirement Reduction Compensation Mechanism (LCR RCM) meets the eligibility requirements pursuant to Decision 20-12-006.

Additional details on Self-Shown Attestations are included in [Attachment 1](#), [Attachment 2A](#), and [Attachment 2B](#). Participants are encouraged to thoroughly review each relevant attachment.

In addition to a Self-Shown Attestation, CPUC LSEs that submit a Competitive Offer for a Compensated Self-Shown Commitment are required to execute an Agreement if the Competitive Offer is selected. This process is consistent with OP 4 of the RA OIR Phase 1 Decision.

IX. Execution of Agreement

By submitting a Competitive Offer, Participant agrees, that if its Competitive Offer is Qualified, the Participant is prepared to execute the applicable Agreement consistent with the Participant’s Competitive Offer. PG&E CPE’s determination of a Participant’s Competitive Offer as being Qualified will not constitute any agreement by PG&E CPE to any of the Participant’s changes to the Agreement that Participant submitted.

PG&E CPE reserves the right to execute Agreements resulting from this RFO with any individual Participant at any time. PG&E CPE has a strong preference to execute Agreements that are substantially similar to the form Agreements.

X. Waiver of Claims and Limitations of Remedies

Except as expressly set forth in this Protocol, by submitting a Non-Compensated Self-Shown Commitment or Competitive Offer, Participant knowingly and voluntarily waives all remedies or damages at law or equity concerning or related in any way to the RFO, the Protocol and/or any attachments to the Protocol (“Waived Claims”). The assertion of any Waived Claims by Participant may, to the extent that Participant’s Non-Compensated Self-Shown Commitment or Competitive Offer has not already been rejected or disqualified, automatically disqualify such Non-Compensated Self-Shown Commitment or Competitive Offer from further consideration in the RFO or otherwise.

By submitting a Non-Compensated Self-Shown Commitment or Competitive Offer, Participant agrees that the sole and exclusive forums in which Participant may assert any challenge with respect to the conduct or results of the RFO are those specified herein. Participant may assert such a challenge through the Alternative Dispute Resolution (“ADR”) services provided by the CPUC pursuant to Resolution ALJ-185, August 25, 2005. This ADR process is voluntary in nature, and does not include processes, such as binding arbitration, that impose a solution on the disputing parties. However, PG&E CPE will consider the use of such ADR under the appropriate circumstances. Additional information about this program is available on the CPUC’s website at the following link:

http://docs.cpuc.ca.gov/published//Agenda_resolution/47777.htm

Participant further agrees that other than through the foregoing ADR process, the only means of challenging the conduct or results of the RFO is a protest to PG&E CPE’s submittal to the CPUC of one or more Agreements entered into as a result of the RFO, that the sole basis for any such protest shall be that PG&E CPE allegedly failed in a material respect to conduct the RFO in accordance with this Protocol, and the exclusive remedy available to Participant in the case of such a protest shall be an order of the CPUC that PG&E CPE again conduct any portion of the RFO that the CPUC determines was not previously conducted in accordance with the Protocol. Participant expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs, and/or attorney’s fees. Unless PG&E CPE elects to do otherwise in its sole discretion during the pendency of such a protest or ADR process, the RFO and any related regulatory proceedings related to the RFO will continue as if the protest had not been filed, unless the CPUC has issued an order suspending the RFO or PG&E CPE has elected to terminate the RFO.

Participant agrees to indemnify and hold PG&E CPE harmless from any and all claims by any other Participant asserted in response to the assertion of a Waived Claim by Participant or as a result of a Participant’s protest to an Advice Letter filing with the CPUC resulting from the RFO.

Except as expressly provided in this Protocol, nothing herein, including Participant’s waiver of the Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of PG&E CPE.

XI. Termination of the RFO-Related Matters

PG&E CPE reserves the right at any time, in its sole discretion, to terminate the RFO for any reason whatsoever without prior notification to Participants and without liability of any kind to, or responsibility of, PG&E CPE or anyone acting on PG&E CPE 's behalf. Without limitation, grounds for termination of the RFO may include the assertion of any Waived Claims by a Participant or a determination by PG&E CPE that, following evaluation of the Competitive Offers, there are no Competitive Offers that provide adequate ratepayer benefit.

PG&E CPE reserves the right to change the Competitive Offer evaluation criteria for any reason, to terminate further participation in the Competitive Offer process by any Participant, to accept any Competitive Offer or to enter into any definitive Agreement, to evaluate the qualifications of any Participant, and to reject any or all Competitive Offers, all without notice and without assigning any reasons and without liability to PG&E CPE or anyone acting on PG&E CPE 's behalf. PG&E CPE shall have no obligation to consider any Competitive Offer.

Unless earlier terminated, the RFO will terminate automatically upon the execution of one or more Agreements by selected Participants as described herein. In the event that no Agreements are executed, then the RFO will terminate automatically on that date which is twelve (12) months after issuance date of the RFO without any further action required by PG&E CPE.

In the event of termination of the RFO for any reason, PG&E CPE will not reimburse the Participant for any costs or expenses incurred in connection with the RFO, including with respect to eligibility for this RFO or preparation of any RFO submission, regardless of whether such Participant's Non-Compensated Self-Shown Commitment or Competitive Offer is accepted, not accepted, selected, not selected, rejected, or disqualified.

Attachment 1: Non-Compensated Self-Shown Commitment Process

I. OVERVIEW

In accordance with the Decisions, PG&E CPE is seeking Non-Compensated Self-Shown Commitments as part of the Non-Compensated Self-Shown Commitment Process of this RFO. CPUC LSEs can submit Non-Compensated Self-Shown Commitments from procured or owned resources for no compensation to PG&E CPE. PG&E CPE strongly encourages Participants to review the Decisions for details on how CPUC LSEs retain the system and flexible RA attributes of resources used for Non-Compensated Self-Shown Commitments.

Competitive Offers and Non-Compensated Self-Shown Commitments shall not be made contingent upon or subject to the execution of any Agreement related to any other Competitive Offer or the acceptance of any other Non-Compensated Self-Shown Commitment.

The deadline for the Non-Compensated Self-Shown Commitment Process is detailed in Table III.1 below.

II. COMMITMENT OVERVIEW

Table II.1 below provides an overview of the Non-Compensated Self-Shown Commitment Process of this RFO, including the commitment to be provided pursuant to this RFO.

Table II.1: Overview of Non-Compensated Self-Shown Commitments

Commitment	Shown Term ⁸	Attestation(s)
Non-Compensated Self-Shown Commitment	May not commence prior to the 2024 RA compliance period on 1/1/2024 and may not extend beyond the 2026 RA compliance period on 12/31/2026.	Self-Shown Attestation (Located within Appendix F1: Non-Compensated Self-Shown Commitment Form)

III. EXPECTED SCHEDULE FOR NON-COMPENSATED SELF-SHOWN COMMITMENT PROCESS

The expected schedule for the Non-Compensated Self-Shown Commitment Process is listed in Table III.1 below. All deadlines occur at 5:00 P.M. Pacific Prevailing Time (“PPT”), unless otherwise noted.

⁸ Shown Term is measured as the expected commencement of the self-shown commitment to the expected conclusion of the self-shown commitment.

If you encounter any digital or disability access issues, or you would like to provide PG&E with feedback or suggestions regarding such access, please e-mail our team at solicitationaccessibility@pge.com. This mailbox is monitored during regular business hours (M-F; 8am-5pm). We will respond to your inquiry within 2 business days.

Table III.1: Expected Schedule for Non-Compensated Self-Shown Commitment Process

Event	Date
Participants are invited to register online to receive notices regarding the RFO at www.pge.com/cpe	Ongoing
PG&E CPE issues RFO	March 22, 2023
Participants' Webinar	March 30, 2023
Deadline for CPUC LSEs to submit Non-Compensated Self-Shown Commitments ⁹	April 18, 2023 at 1PM (PPT)
Adjustment Date for any Non-Compensated Self-Shown Commitments Submitted (NQC Updates Only) ¹⁰	August 1, 2023
PG&E CPE's estimated Local RA Showing for the 2024, 2025, and 2026 compliance years with the CPUC	Mid-August 2023

IV. SHOWN TERM

In accordance with the CPE Decision, PG&E CPE is seeking Non-Compensated Self-Shown Commitments with Shown Terms commencing in 2024, 2025, or 2026. The Shown Term may not commence prior to the 2024 RA compliance period on 1/1/2024 and may not extend beyond the end of the 2026 RA compliance period on 12/31/2026.

V. ELIGIBILITY REQUIREMENTS FOR THE NON-COMPENSATED SELF-SHOWN COMMITMENT PROCESS

In addition to the eligibility requirements described in Section II.B of the Protocol, the following requirements apply to the Non-Compensated Self-Show Commitment Process:

A. Eligible Participants

Per the Decisions, only CPUC LSEs are eligible to submit Non-Compensated Self-Shown Commitments.

⁹ Schedule for the Non-Compensated Self-Shown Commitment Process is consistent with the timeline in RA OIR Phase 1 Decision.

¹⁰ The purpose of this deadline is to ensure the PG&E CPE has the most up to date capacity values for its compliance showing due in mid-August. Only updates to the NQC values proportional to the commitment values provided in April 2023 through an executed attestation submitted as part of this 2023 CPE Local RA RFO is requested by this deadline. Any modifications that increase/decrease the amount originally committed (not solely due to NQC changes) or any incremental capacity showings is not permitted at this time.

B. Eligible Resources

Per OP 4 of the CPE Decision, any resource that is procured or owned by a CPUC LSE that can provide Local RA within the PG&E Local Capacity Areas may provide a Non-Compensated Self-Commitment.

VI. SELF-SHOWN ATTESTATION

Per OP 2 of the RA OIR Phase 1 Decision, a CPUC LSE that elects to submit a Non-Compensated Self-Shown Commitment must execute an attestation that provides that:

- a. The LSE has the capacity rights to the Resource Adequacy (RA) resource for the period it is self-showing; and
- b. The LSE intends to self-show the RA resource on annual and monthly RA plans to satisfy its system and/or flexible RA needs

To meet the foregoing requirement, CPUC LSEs that elect to submit a Non-Compensated Self-Shown Commitment must execute and submit the Self-Shown Attestation included within Appendix F1: Non-Compensated Self-Shown Commitment Form.

VII. NON-COMPENSATED SELF-SHOWN COMMITMENT SUBMITTAL PROCESS OVERVIEW

All Non-Compensated Self-Shown Commitments must be provided to PG&E CPE by their applicable deadlines as specified in the schedule in Table III.1.

Submitting Documents: All Non-Compensated Self-Shown Commitments for this RFO must be submitted electronically through Power Advocate, a web-based platform PG&E CPE will use to collect all documents from Participants.

Prior to submitting a Non-Compensated Self-Shown Commitment, Participants must register with Power Advocate. Detailed instructions about submitting documents through Power Advocate and using the online platform are posted on the RFO website. Power Advocate registrants should be registered under the entity submitting the Non-Compensated Self-Shown Commitment. Consultants or advisers of Participants should not submit a Non-Compensated Self-Shown Commitment on behalf of Participants. PG&E CPE strongly encourages Participants to review the detailed instructions and register with Power Advocate well before Non-Compensated Self-Shown Commitments are due.

Each Non-Compensated Self-Shown Commitment should be uploaded as a “Commercial and Administrative” document type in Power Advocate. Document file names should **not** contain any special characters such as “*&#”. Please keep file names short and include short references to Participant’s name.

There are separate Power Advocate Links provided for the Non-Compensated Self-Shown Commitment and Competitive Offer process in this RFO. Please ensure documents are submitted to the site listed below.

Table VII.1: PG&E 2023 CPE Local RA RFO Non-Compensated Self-Shown Commitment Submittal

Offer Type	Power Advocate Links	Event ID
Non-Compensated Self-Shown Commitment(s) from all CPUC LSEs	https://www.poweradvocate.com/pR.do?okey=139879&pubEvent=true	139879

Electronic Document Formats: Electronic documents must be submitted as Microsoft Word, Microsoft Excel, or PDF files, as identified in Table VII.2.

Non-Compensated Self-Shown Commitment must contain all required information noted in Table VII.2 below and must be organized in accordance with these instructions.

Table VII.2: Non-Compensated Self-Shown Commitment Package

Appendix	Title	Description	Format
F1	Non-Compensated Self-Shown Commitment Form	Appendix F1 is to be used for all Non-Compensated Self-Shown Commitments.	MS Excel
N/A	Self-Shown Attestation	Please follow all instructions for Self-Shown Attestation submittal as detailed in Appendix F1	PDF

VIII. SELF-SHOWN ATTESTATION INFORMATION

CPUC LSEs submitting Non-Compensated Self-Shown Commitments will need to ensure that the Self-Shown Attestation within Appendix F1: Non-Compensated Self-Shown Commitment Form (i) is completely and accurately filled out, (ii) includes the electronic signature by its respective authorized representative, and (iii) complies with all instructions for submission as detailed in Appendix F1: Non-Compensated Self-Shown Commitment Form.

Participants may only submit one Non-Compensated Self-Shown Commitment per resource. Participants submitting Non-Compensated Self-Shown Commitments from multiple resources must submit all commitments within a single Appendix F1: Non-Compensated Self-Shown Commitment Form.

*** End of Attachment 1 ***

Attachment 2A: Competitive Offer Process – Compensated Self-Shown Commitment

I. OVERVIEW

In accordance with the Decisions, PG&E CPE is seeking Competitive Offers for Compensated Self-Shown Commitments from CPUC LSEs. CPUC LSEs offering a Compensated Self-Shown Commitment to PG&E CPE must ensure that their resources meet the eligibility requirements for compensation under the LCR RCM Decision as detailed in this Attachment 2A. PG&E CPE strongly encourages Participants to review the Decisions for details on how CPUC LSEs retain the system and flexible RA attributes of resources used for Compensated Self-Shown Commitments.

CPUC LSEs that submit Competitive Offers for Compensated Self-Shown Commitments may not submit an alternative Competitive Offer for either Bundled RA or Bundled RA with Energy Settlement or a Non-Compensated Self-Shown Commitment from that same resource in the same delivery month.

Competitive Offers and Non-Compensated Self-Shown Commitments shall not be made contingent upon or subject to the execution of any Agreement related to any other Competitive Offer or the acceptance of any other Non-Compensated Self-Shown Commitment.

The deadline to submit Competitive Offers for Compensated Self-Shown Commitments is detailed in Table III.1.

II. COMMITMENT OVERVIEW

Table II.1 below provides an overview the Competitive Offer Process for Compensated Self-Shown Commitments.

Table II.1: Overview of Compensated Self-Shown Commitments

Commitment	Shown Term	Initial Shown Date (“ISD”)	Agreement(s) or Attestation(s)
Compensated Self-Shown Commitment	<ul style="list-style-type: none"> - Must commence on the later of (1) the start of the term of the underlying contract for the resource, or for UOG the beginning of the useful life for that resource, and (2) the beginning of the 2024 RA compliance period on 1/1/2024 - Must end on the earlier of (1) the end term of the underlying contract, or for UOG the end of the resource’s useful life, and (2) the end of the 2026 RA compliance period on 12/31/2026 	<ul style="list-style-type: none"> - Any month from 2024 to 2026, subject to the Shown Term requirements - ISD must begin on first day of month 	<ul style="list-style-type: none"> Appendix E1 – Compensated Self-Shown RA Agreement Self-Shown Attestation (Located within Appendix F2- Compensated Self-Shown Commitment Form)

If you encounter any digital or disability access issues, or you would like to provide PG&E with feedback or suggestions regarding such access, please e-mail our team at solicitationaccessibility@pge.com. This mailbox is monitored during regular business hours (M-F; 8am-5pm). We will respond to your inquiry within 2 business days.

III. EXPECTED SCHEDULE FOR THE COMPETITIVE OFFER PROCESS

The expected schedule for the Competitive Offer Process of the RFO is listed in Table III.1 below. All deadlines occur at 5:00 P.M. Pacific Prevailing Time (“PPT”), unless otherwise noted.

Table III.1: Expected Schedule for Competitive Offer Process of PG&E’s 2023 CPE Local RA RFO

Event	Dates
Participants are invited to register online to receive notices regarding the RFO at www.pge.com/cpe	Ongoing
PG&E CPE issues RFO	March 22, 2023
Participants’ Webinar	March 30, 2023
Deadline for PG&E Participant to submit Competitive Offers via Power Advocate	April 25, 2023 at 1PM (PPT)
Deadline for Non-PG&E Participants to submit Competitive Offers via Power Advocate ¹¹	April 26, 2023 at 1PM (PPT)
PG&E CPE notifies Participants that their Offer(s) are Qualified and whether they fall into Track 1 or Track 2 timeframe for potential execution. PG&E CPE notifies the CAM PRG of all Qualified Offers for Track 1 and Track 2 .	Mid-May 2023
Estimated time frame for execution of Agreement(s) resulting from the Track 1 Competitive Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and the respective Participant (Track 1)	Mid-July 2023
Estimated time frame for execution of Agreement(s) resulting from the Track 2 Competitive Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and the respective Participant (Track 2)	Early August 2023
PG&E CPE’s estimated Local RA Showing for the 2024, 2025, and 2026 compliance years with the CPUC	Mid-August 2023

The schedules above and documents associated with the RFO are subject to change at PG&E CPE’s sole discretion at any time and for any reason. PG&E CPE will endeavor to notify Participants of any changes to the RFO but shall not be liable for any costs or liability incurred by Participants or any other party due to a change or for failing to provide notice or acceptable notice of any change.

¹¹ The deadline for the Competitive Offer Process for Compensated Self-Shown Commitments is consistent with the timeline adopted in the RA OIR Phase 1 Decision.

IV. SHOWN TERM

In accordance with the Decisions, PG&E CPE is seeking Competitive Offers for Compensated Self-Shown Commitments with Shown Terms commencing in 2024, 2025, or 2026.

Compensated Self-Shown Commitments¹²

- Per OP 3 of the LCR RCM Decision, the Shown Term must commence on the later of (1) the start of the term of the underlying contract for the resource, or, for utility-owned generation (“UOG”), the beginning of the useful life for that resource, and (2) the beginning of the 2024 RA compliance period on 1/1/2024.
- Per OP 3 of the LCR RCM Decision, the Shown Term must end on the earlier of (1) the end term of the underlying contract, or, for UOG, the end of the resource’s useful life, and (2) the end of the 2026 RA compliance period on 12/31/2026.
- Shown Term must commence on the first day of any calendar month within the 2024, 2025, or 2026 RA compliance periods.

V. EXISTING AND NEW RESOURCE DEFINITION

For the purposes of the Competitive Offer Process, Existing and New resources are defined as follows in Table V.1:

Table V.1: Existing and New Resource Definition

Defined Term	Definition
Existing Resource	Resources that are listed on the 2023 CAISO NQC List <u>and</u> have achieved Commercial Operation Date (“COD”) in accordance with CAISO’s New Resource Implementation process and requirements (“CAISO COD”) by April 25, 2023. ¹³
New Resource	Resources that are <i>not</i> listed on the CAISO NQC List <u>or</u> have <i>not</i> achieved CAISO COD by April 25, 2023.
	Existing or retired resources that are being repowered to achieve a net increase in generation capacity.

VI. ELIGIBILITY REQUIREMENTS FOR COMPETITIVE OFFERS FOR COMPENSATED SELF-SHOWN COMMITMENTS

In addition to the eligibility requirements described in Section II.B of the Protocol, the following requirements apply to Competitive Offers for Compensated Self-Shown Commitments:

¹² See D.20-12-006, OP 3(g), pg. 46.

¹³ <http://www.caiso.com/participate/Pages/NewResourceImplementation/Default.aspx>

A. Eligible Participants

Per the Decisions, only CPUC LSEs are eligible to submit Competitive Offers for Compensated Self-Shown Commitments.

B. Eligible Resources

Pursuant to the LCR RCM Decision, the following resources that can provide Local RA within the PG&E Local Capacity Areas are eligible to submit Competitive Offers for Compensated Self-Shown Commitments:

- Any local preferred resource or energy storage resource with an original contract executed on or after June 17, 2020 up to the life of the resource’s original contract, or in the case of utility-owned generation up to the original life of the resource. Per the LCR RCM Decision, the existing definition of preferred resources from the State’s Energy Action Plan EAP II, as adopted in D.14-03-004, applies to the LCR RCM, which identifies demand response, renewable resources, and distributed generation as preferred resources.
- A hybrid resource that consists of a preferred resource and an energy storage resource, if either the preferred or the energy storage resource has an original contract executed on or after June 17, 2020.
 - In the case of a hybrid resource, the entire hybrid resource may be eligible for the LCR RCM.
 - In the case of an energy storage resource added to a preferred resource with an original contract executed before June 17, 2020, in which the resources are co-located, only the component with an original contract executed on or after June 17, 2020 shall be eligible for the LCR RCM.
 - The LCR RCM shall not apply to hybrid resources that consist of a fossil resource and an energy storage resource with an original contract executed on or after June 17, 2020. If the energy storage resource is co-located with a fossil resource, the energy storage resource may be separately eligible as a standalone component.

C. Interconnection

1) New Resources:

a) In-Front-of-the-Meter

Participants must provide the status of the project’s interconnection application, the status of the project’s studies associated with the interconnection process, as well as all other electrical interconnection information requested in Appendix B.

At the time of the Competitive Offer submittal, Participants must have Participating Transmission Operator (PTO) or Utility Distribution Company (UDC) documentation showing that the resource is expected to receive Deliverability Status sufficient to support the delivery of RA associated with their Competitive Offer, per the obligations of the corresponding agreement. Participants must remain active in the applicable interconnection queue until the resource's required network upgrades have been completed.

Participants are reminded that PG&E is releasing this RFO in its central procurement entity function and in that function PG&E has no obligation nor ability to influence the Participating Transmission Operator or Utility Distribution Company. PG&E in its CPE function is not responsible or liable for delays in interconnection or transmission or distribution service or inability to obtain retail electric service for any resource. For more information, please refer to the Separation of Functions section of the applicable Agreement.

- b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response
Must describe their customer acquisition plans in Appendix B.

2) Existing Resources:

Not required to provide this demonstration.

D. Safety

1) New Resources

PG&E is committed to providing safe utility (electric and gas) service to its customers. As part of this commitment, PG&E requires that the Participants recognize safety is of paramount importance. In connection with this RFO, Participants may be required to meet certain safety standards, provide safety information related to the technology for the Resource, and provide information regarding safety history, including for the entities that will construct, operate, or maintain the resource(s). Per Appendix B of this RFO, Participants are required to identify the known safety-related hazards and risks associated with their technology. Participants are also required to describe their ability to mitigate safety risks and comply with applicable safety-related codes and standards identified by the Participant.

A Participant's obligations with respect to safety may vary based on the particular Agreement, resource, and product or commitment type, as well as the commercial relationship of the entities involved in the transaction. Participants will be responsible for any fees and costs associated with meeting PG&E CPE's safety requirements in the RFO and the applicable Agreement. Prior to a Participant submitting a Competitive Offer, PG&E CPE recommends that Participants review the safety provisions in the form Agreement.

2) Existing Resources

Not required to provide this demonstration.

E. Site Control

1) New Resources:

a) In-Front-of-the-Meter

Participants must demonstrate site control at the time of the Competitive Offer submission. Examples of acceptable forms of Site Control are:

- 1) Fee Title
- 2) Recorded Exclusive Easement
- 3) Executed Option Agreement
- 4) Lease (Non-revocable)
- 5) Lease Option (Non-revocable)

b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response

Not required to provide this demonstration.

2) Existing Resources:

Not required to provide this demonstration.

VII. SELF-SHOWN ATTESTATION

Per OP 2 of the RA OIR Phase 1 Decision, CPUC LSEs that submit Competitive Offers for Compensated Self-Shown Commitments must execute an attestation that provides that:

- a. The LSE has the capacity rights to the Resource Adequacy (RA) resource for the period it is self-showing;
- b. The LSE intends to self-show the RA resource on annual and monthly RA plans to satisfy its system and/or flexible RA needs; and
- c. If applicable, the resource that the LSE intends to self-show for compensation under the Local Capacity Requirement Reduction Compensation Mechanism (LCR RCM) meets the eligibility requirements pursuant to Decision 20-12-006.

To meet this requirement, CPUC LSEs that submit Competitive Offers for Compensated Self-Shown Commitments must execute and submit the Self-Shown Attestation included within Appendix F2: Compensated Self-Shown Commitment Form.

VIII. AGREEMENTS

In addition to a Self-Shown Attestation, CPUC LSEs that submit a Competitive Offer for a Compensated Self-Shown Commitment are required to execute an Agreement if the Competitive Offer is selected for procurement. This process is consistent with OP 4 of the RA OIR Phase 1 Decision.

PG&E CPE has a strong preference for standardized Agreements and prefers to execute Agreements that are substantially similar to the form Agreement provided. Participants must provide a completed version of the relevant Agreement, including any proposed markups, as part of their Competitive Offer package which will be used by PG&E CPE as part of the review process for that Competitive Offer. Participants may only submit one version of proposed markups for each relevant Agreement.

The following Agreement must be used for Compensated Self-Shown Commitments:

- Appendix E1 –Compensated Self-Shown Commitment Agreement

IX. PRICING

Participants are required to include pricing in their Competitive Offers for Compensated Self-Shown Commitments. Pricing must be provided as \$/kW-month per calendar year.

CPUC LSEs that submit Competitive Offers for Compensated Self-Shown Commitments are compensated through the LCR RCM. If selected, pursuant to the Decisions, Competitive Offers for Compensated Self-Shown Commitments will have their compensation capped at a pre-determined local price. The pre-determined local price is determined by:

- Using the weighted average price from the last four quarters of Energy Division Power Charge Indifference Adjustment (PCIA) responses for both System and Local RA
- Subtracting System RA price from Local RA price.

The pre-determined local price will be differentiated by local area or sub-local area unless higher-level aggregation is required to mask individual resource prices.

CPUC LSEs may submit a price at or below the pre-determined local price as published by the CPUC.

For additional information on pre-determined local prices, please review the LCR Reduction Compensation Mechanism 2023 Prices published by the CPUC.¹⁴

¹⁴ The LCR Reduction Compensation Mechanism prices for 2023 have not been published as of the date of the CPE's launch of the solicitation. The CPE team will update this link once the final 2023 prices have been published on by the CPUC.

X. CREDIT

There are no collateral requirements for the Compensated Self-Shown Commitment Agreement.

XI. COMPETITIVE OFFER SUBMITTAL PROCESS OVERVIEW

All Competitive Offers must be provided to PG&E CPE by their applicable deadlines as specified in the schedules in Table III.1.

Submitting Documents: All Competitive Offers for this RFO must be submitted electronically through Power Advocate, a web-based platform PG&E CPE will use to collect all documents from Participants.

Prior to submitting a Competitive Offer, Participants must register with Power Advocate. Detailed instructions about submitting documents through Power Advocate and using the online platform are posted on the RFO website. Power Advocate registrants should be registered under the entity submitting the Competitive Offer. Consultants or advisers of Participants should not submit a Competitive Offer on behalf of Participants. PG&E CPE strongly encourages Participants to review the detailed instructions and register with Power Advocate well before Competitive Offers are due.

Each Competitive Offer should be uploaded as a “Commercial and Administrative” document type in Power Advocate. Each Competitive Offer should be submitted as a separate zip file. Document file names should **not** contain any special characters such as “* & #”. Please keep file names short and include short references to Participant’s name (such as an acronym), project name, and the appendix that is being submitted (e.g., App B).

There are separate Power Advocate Links provided for the Competitive Offer process depending on the Participant in this RFO. Please ensure documents are submitted to the applicable site listed below.

Table XI.1: PG&E 2023 CPE Local RA RFO Competitive Offer Package Submittal

Offer Type	Power Advocate Links	Event ID
Competitive Offer(s) from PG&E Participant ¹⁵	https://www.poweradvocate.com/pR.do?okey=139877&pubEvent=true	139877
Competitive Offer(s) from All Non-PG&E Participants	https://www.poweradvocate.com/pR.do?okey=139873&pubEvent=true	139873

¹⁵ Per OP 13 of the CPE Decision, all PG&E Participant Offers, including utility-owned generation (UOG), must be submitted to the CAM PRG and IE in advance of the receipt of offers from any other entities.

Electronic Document Formats: Electronic documents must be submitted as Microsoft Word, Microsoft Excel, or PDF files, as identified in Table XI.2. However, maps or drawings may be in alternate formats (e.g., jpg, kmz) as appropriate. Each Appendix must be submitted as a separate document within the associated Offer’s zip file. PDF files should be provided in a searchable format. The Participant should not provide documents in other electronic formats, unless specifically requested.

Competitive Offers must contain all required and relevant information noted in Table XI.2 below and must be organized in accordance with these instructions.

Table XI.2: Offer Package for Competitive Offers for Compensated Self-Shown Commitments

Appendix	Title	Description	Format
A1	Offer Form - Compensated Self-Shown Commitment	Appendix A1 is to be used for Competitive Offers for Compensated Self-Shown Commitments	MS Excel
B1	Supplemental Local Resource Information	Appendix B1 is to be used to describe the existing or proposed local resource.	MS Excel
B2	Supplemental Counterparty Financial Information	Appendix B2 is to be used to provide counterparty financial information.	MS Word
E1	Compensated Self-Shown Commitment Agreement	CPUC LSEs must provide any proposed markups to the Agreement. CPUC LSEs may not submit more than version of proposed markups for each relevant Agreement.	MS Word
F2	Compensated Self-Shown Commitment Form	Appendix F2 is to be used for all Compensated Self-Shown Commitments.	MS Excel
N/A	Self-Shown Attestation	Please follow all instructions for Self-Shown Attestation submittal as detailed in Appendix F2	PDF
N/A	Map of Local Resource Facilities	(New Resources Only) In-front-of-the-meter resources must provide files of the local resource’s major facility components, which include, at a minimum, the generation facility, access roads, electric and gas connection routes to utility facilities, and the outline of the land parcel that the facilities are located on.	Google KML/KMZ or ESRI Shapefile

If a Participant is submitting multiple Competitive Offers in this RFO, the following documents only need to be submitted once via PowerAdvocate:

- Appendix B2 – Supplemental Counterparty Financial Information

XII. SELF-SHOWN ATTESTATION INFORMATION

CPUC LSEs submitting Competitive Offers for Compensated Self-Shown Commitments will need to ensure that the Self-Shown Attestation included in Appendix F2: Compensated Self-Shown Commitment Form (i) is completely and accurately filled out, (ii) includes the electronic signature by its respective authorized representative, and (iii) complies with all instructions for submission as detailed in Appendix F2: Compensated Self-Shown Commitment Form.

CPUC LSEs must submit one Self-Shown Attestation and one Appendix F2: Compensated Self-Shown Commitment Form per Competitive Offer for a Compensated Self-Shown Commitment.

XIII. OFFER FORM INFORMATION

Participants are strongly advised to carefully review the relevant Agreement(s) prior to inputting data into Appendix A1 –Offer Form – Compensated Self-Shown Commitment. PG&E CPE will utilize the information from the Offer Form submitted by a Participant to populate the relevant data in the Agreement(s). **Participants should input data into Appendix A – Offer Form with the understanding that this information will result in terms with contractual implications. Participants will need to ensure that the Offer Form is completely and accurately filled out. Participants who request changes to the information in their Offer Form after the relevant submittal deadline may be removed from this RFO.**

Participants may only submit one Competitive Offer for a Compensated Self-Shown Commitment from a resource at a specific interconnection point within the Offer Form. See Section XV below regarding Offer variants. **Participants should follow all instructions for Competitive Offer submission as detailed in the Offer Form.**

XIV. REQUIREMENT FOR COMPLETE COMPETITIVE OFFER PACKAGES

Each Participant’s Competitive Offer must be complete at the time of submission. Failure to provide all required information and documents may result in PG&E CPE determining a Competitive Offer as being incomplete and not eligible for qualification. PG&E CPE will only seek to enter into an Agreement with Competitive Offers that are Qualified.

XV. NO VARIATIONS ALLOWED FOR COMPETITIVE OFFERS FOR COMPENSATED SELF-SHOWN COMMITMENT

No variations are allowed within a Competitive Offer for a Compensated Self-Shown Commitment.

XVI. ADDITIONAL COMPETITIVE OFFER INFORMATION

Note on Joint Offers: If a Participant is submitting a Competitive Offer with another Participant (“Joint Offer”), each Participant will need to be registered as a separate Participant in Power Advocate. For each Joint Offer, PG&E CPE may require additional documentation or conditions. Additional documents or conditions could include retaining separate legal counsel, restricting the sharing of certain information, or requiring all parties to the Joint Offer to execute a

modified Confidentiality Agreement. PG&E CPE may require Participants in a Joint Offer to agree to and execute modified terms for RFO participation, similar to those set forth in Section III, “Terms for RFO Participation”.

XVII. EVALUATION OF COMPETITIVE OFFERS

Competitive Offers will be reviewed for eligibility based on the requirements and criteria specified in this Protocol. PG&E CPE’s evaluation of Competitive Offers for Compensated Self-Shown Commitments will remain consistent with the requirements of the Decisions. The Decisions require the use of all-source selection criteria, including the loading order and least cost best fit (“LCBF”) methodology adopted in D.04-07-029, using quantitative and qualitative criteria.

Criteria used to evaluate Competitive Offers may include but are not limited to the criteria listed below.

Quantitative Attributes:

The quantitative valuation compares a Competitive Offer’s cost to its benefits. The cost may consist of the contract fixed cost, variable cost, and transmission network upgrade cost. The benefit may consist of capacity value and energy value, to the extent provided in the Agreement.

Qualitative Attributes:

In addition to the quantitative criteria noted above, pursuant to the Decisions, PG&E CPE will consider the following selection criteria as qualitative factors:

- Future needs in local and sub-local areas;
- Resource costs;
- Operational characteristics of the resources (facility type);
- Location of the facility (with consideration for environmental justice);¹⁶
- Costs of potential alternatives;
- Greenhouse Gas adders;
- Energy-use limitations; and
- Procurement of preferred resources and energy storage (to be prioritized over fossil generation);

¹⁶ Per OP 9 of D.22-03-034, “In its solicitation, the central procurement entity shall direct bidders to include the CalEnviroScreen score of the resource location (or if unavailable, the pollution burden of the resource location).” Per the California Office of Environmental Health Hazard Assessment, “CalEnviroScreen ranks census tracts in California based on potential exposures to pollutants, adverse environmental conditions, socioeconomic factors, and prevalence of certain health conditions.” For more information, please visit: <https://oehha.ca.gov/calenviroscreen>.

Consistent with the requirement of the Decisions to use the all-source selection criteria, including the loading order, and LCBF methodology adopted in D.04-07-029, PG&E CPE may also consider additional qualitative factors that it has considered in previous LCBF evaluation protocols adopted by the Commission, including but not limited to:

- Viability of the resource;
- Flexibility of the resource;
- Safety;
- Contract tenor;
- Counterparty concentration; and
- Previous experience with a counterparty.

Per the Decisions, all of the methodology and criteria set forth above apply to Competitive Offers for Compensated Self-Shown Commitments in the same way as the methodology and criteria are applied to Competitive Offers for Bundled RA and Bundled RA with Energy Settlement.

Any or all qualitative factors may impact the evaluation of a Competitive Offer and the probability of execution of any potential Agreement.

**** End of Attachment 2A ****

Attachment 2B: Competitive Offer Process – Bundled RA & Bundled RA with Energy Settlement

I. OVERVIEW

All Participants:

In accordance with the CPE Decision, PG&E CPE is seeking Competitive Offers for Bundled RA (system, local, and, if applicable, flexible) and Bundled RA with Energy Settlement. Per OP 8(c) of the CPE Decision, CPUC LSEs will receive credits for any system and flexible RA procured based on coincident peak load share (as is currently done by the CPUC for Cost Allocation Mechanism resources).

Competitive Offers and Non-Compensated Self-Shown Commitments shall not be made contingent upon or subject to the execution of any Agreement related to any other Competitive Offer or the acceptance of any other Non-Compensated Self-Shown Commitment.

The deadline to submit Competitive Offers is detailed in Table III.1.

CPUC LSEs Only:

Within their Competitive Offers for Bundled RA and Bundled RA with Energy Settlement, CPUC LSEs may indicate that the Local RA attributes associated with such Competitive Offer will be a Non-Compensated Self-Shown Commitment if their Competitive Offer is not selected in the Competitive Offer Process. This option is only available to Participants who are CPUC LSEs. CPUC LSEs electing this option must also meet the requirements for Non-Compensated Self-Shown Commitment Process as detailed in [Attachment 1](#) of this Protocol in addition to the requirements detailed in this Attachment 2B.

CPUC LSEs that submit Competitive Offers for Bundled RA or Bundled RA with Energy Settlement may not submit an alternative Competitive Offer for Compensated Self-Shown Local RA or a Non-Compensated Self-Shown Commitment from that same resource in the same delivery month.

II. PRODUCT OVERVIEW

An overview of the products eligible to be submitted in the Competitive Offer Process for Bundled RA and Bundled RA with Energy Settlement are listed in Table II.1 below.

Table II.1: Overview of Competitive Offers for Bundled RA and Bundled RA with Energy Settlement

For the 2023 PG&E CPE RFO, the Competitive Offer Process will be separated into two tracks for execution based on the capacity delivery terms. The PG&E CPE will consider Competitive Offers for Bundled RA and Bundled RA with Energy Settlement for capacity beginning delivery in calendar year 2024 for execution by the middle of July 2023 (“**Track 1**”).

If you encounter any digital or disability access issues, or you would like to provide PG&E with feedback or suggestions regarding such access, please e-mail our team at solicitationaccessibility@pge.com. This mailbox is monitored during regular business hours (M-F; 8am-5pm). We will respond to your inquiry within 2 business days.

All other Competitive Offers for Bundled RA and Bundled RA with Energy Settlement for capacity delivered after 2024 will be considered for execution by early August 2023 (“Track 2”).

Product	Delivery Term ¹⁷	Initial Delivery Date (“IDD”)	Agreement(s) or Attestation(s)
Bundled RA	<p>Eligible Delivery Terms: Greater than or equal to 1 month¹⁸</p>		Appendix E2 – RA Agreement for Owner of Existing Resource
Bundled RA with Energy Settlement	<p>PG&E CPE Preferred Delivery Terms:</p> <ul style="list-style-type: none"> PG&E CPE has a preference for Delivery Terms of 1 – 60 months. For New resources where seller is the owner of the resource, PG&E CPE may prefer a Delivery Term of 10 years or 15 years to help incentivize the development of new local resources. 	<p>For Existing Resources only: IDD must be the first day of any calendar month within the 2024, 2025, or 2026 RA compliance years</p> <p>For New Build Resources only: IDD must be the first day of any calendar month commencing prior to December 31, 2028.</p>	<p>Appendix E3 – RA Agreement for Owner of New Resource</p> <p>Appendix E4 – RA Agreement for Non-Owner of Existing Resource</p> <p>Appendix E5 – RA Agreement for Non-Owner of New Resource</p> <p>Appendix E6 – PG&E CPE EEI Master Power Purchase and Sale Agreement Cover Sheet</p> <p>Appendix E7 – PG&E CPE EEI Paragraph 10 to the Collateral Annex</p> <p>Appendix E8 - PG&E CPE Local RA Confirmation Letter</p> <p>Self-Shown Attestation (Located within Appendix F3– Default to Self-Shown Commitment Form)</p>

Default to Self-Shown Option

Per the CPE Decision, CPUC LSEs may indicate in their Competitive Offers that the Local RA attributes associated with such Competitive Offer will be a Non-Compensated Self-Shown Commitment if their Competitive Offer is not selected by PG&E CPE as part of the Competitive Offer Process. CPUC LSEs may only elect for the Default to Self-Shown Option with resources that are owned or under an existing contract. CPUC LSEs electing this option must also meet the requirements for the Non-Compensated Self-Shown Commitment Process as detailed in [Attachment 1](#) of this Protocol in addition to the requirements detailed in this Attachment 2B.

¹⁷ Delivery Term is measured as the expected commencement of deliveries to the expected conclusion of deliveries.

¹⁸ Per OP10 of D.22-03-034, “...the central procurement entity shall consider bids of any contract term length greater than or equal to one month.”

CPUC LSEs must submit one Self-Shown Attestation and one Appendix F3: Default to Self-Shown Commitment Form per Competitive Offer for which they opt to select the Default to Self-Shown Option. The applicable Self-Shown Attestation must be submitted with the Competitive Offer Package.

If an Agreement with Participant is executed related to a Competitive Offer that includes the Default to Self-Shown Option, Participant agrees that, per the terms of the Self-Shown Attestation, the associated Self-Shown Attestation shall be deemed null and void as of the execution date of the Agreement without any further action required by Participant or PG&E CPE.

An overview of the additional commitment in the Competitive Offer Process for Participants who elect the Default to Self-Shown Option is listed in Table II.2 below.

Table II.2: Overview of Default to Self-Shown Option if Competitive Offer Not Selected

Commitment	Shown Term	Agreement(s) or Attestation(s)
Non-Compensated Self-Shown Commitment	The Shown Term may not commence prior to the 2024 RA compliance period on 1/1/2024 and may not extend beyond the 2026 RA compliance period on 12/31/2026	Self-Shown Attestation (Located within Appendix F3: Default to Self-Shown Commitment Form)

III. EXPECTED SCHEDULE FOR THE COMPETITIVE OFFER PROCESS

The expected schedule for the Competitive Offer Process of the RFO is listed in Table III.1 below. All deadlines occur at 5:00 P.M. Pacific Prevailing Time (“PPT”), unless otherwise noted.

Table III.1: Expected Schedule for Competitive Offer Process of PG&E’s 2023 CPE Local RA RFO

Event	Dates
Participants are invited to register online to receive notices regarding the RFO at www.pge.com/cpe	Ongoing
PG&E CPE issues RFO	March 22, 2023
Participants’ Webinar	March 30, 2023
Deadline for PG&E Participant to submit Competitive Offers via Power Advocate	April 25, 2023 at 1PM (PPT)
Deadline for Non-PG&E Participants to submit Competitive Offers via Power Advocate ¹⁹	April 26, 2023 at 1PM (PPT)

¹⁹ The deadline for the Competitive Offer Process for Compensated Self-Shown Commitments is consistent with the timeline adopted in the RA OIR Phase 1 Decision.

PG&E CPE notifies Participants that their Offer(s) are Qualified and whether they fall into Track 1 or Track 2 timeframe for potential execution.	Mid-May 2023
PG&E CPE notifies the CAM PRG of all Qualified Offers for Track 1 and Track 2.	
Estimated time frame for execution of Agreement(s) resulting from the Track 1 Competitive Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and the respective Participant (Track 1)	Mid-July 2023
Estimated time frame for execution of Agreement(s) resulting from the Track 2 Competitive Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and the respective Participant (Track 2)	Early August 2023
PG&E CPE's estimated Local RA Showing for the 2024, 2025, and 2026 compliance years with the CPUC	Mid-August 2023

The schedules above and documents associated with the RFO are subject to change at PG&E CPE's sole discretion at any time and for any reason. PG&E CPE will endeavor to notify Participants of any changes to the RFO but shall not be liable for any costs or liability incurred by Participants or any other party due to a change or for failing to provide notice or acceptable notice of any change.

IV. DELIVERY TERM

In accordance with the CPE Decision, PG&E CPE is seeking Competitive Offers for Bundled RA and Bundled RA with Energy Settlement.

Bundled RA & Bundled RA with Energy Settlement

- May have a Delivery Term greater than or equal to 1 month.^{20 21}
- Existing resources must have an IDD that falls on the first day of any calendar month within the 2024, 2025, or 2026 RA compliance years.
- New resources must have an IDD that falls on the first day of any calendar month commencing prior to December 31, 2028.
- PG&E CPE has a preference for Delivery Terms from 1 month – 60 months.²²

²⁰ Per OP10 of D.22-03-034, "...the central procurement entity shall consider bids of any contract term length greater than or equal to one month."

²¹ Per OP22 of D.20-06-002, "For any executed contract that exceeds a five-year term, the central procurement entity shall submit a Tier 3 Advice Letter for approval."

²² Per OP22 of D.20-06-002, "...an executed contract with a five-year term or less shall be deemed reasonable and preapproved if the following conditions are met: a. The procured resource meets the established local capacity requirements and underlying data supporting those requirements, which are based on the California Independent System Operator's Local Capacity Requirements Technical Study; b. If the Cost Allocation Mechanism Procurement Review Group was properly consulted, as described in Ordering Paragraph 13; and c. If procurement was deemed by the independent evaluator to have followed all relevant Commission guidance, including the least cost best fit methodology and other noted selection criteria."

- For New resources where seller is the owner of the resource, PG&E CPE may prefer a Delivery Term of 10 years or 15 years to help incentivize the development of new local resources.

V. EXISTING AND NEW RESOURCE DEFINITION

For the purposes of the Competitive Offer Process, Existing and New resources are defined as follows in Table V.1:

Table V.1: Existing and New Resource Definition

Defined Term	Definition
Existing Resource	Resources that are listed on the 2023 CAISO NQC List <u>and</u> have achieved Commercial Operation Date (“COD”) in accordance with CAISO’s New Resource Implementation process and requirements (“CAISO COD”) by April 25, 2023. ²³
New Resource	Resources that are <i>not</i> listed on the CAISO NQC List <u>or</u> have <i>not</i> achieved CAISO COD by April 25, 2023.
	Existing or retired resources that are being repowered to achieve a net increase in generation capacity.

VI. ELIGIBILITY REQUIREMENTS FOR COMPETITIVE OFFERS FOR BUNDLED RA AND BUNDLED RA WITH ENERGY SETTLEMENT

In addition to the eligibility requirements described in Section II.B of the Protocol, the following requirements apply to Competitive Offers for Bundled RA and Bundled RA with Energy Settlement:

A. Eligible Participants

All Participants are eligible to submit Competitive Offers for Bundled RA and/or Bundled RA with Energy Settlement; however, only CPUC LSEs are eligible for the Default to Self-Shown Option.

B. Eligible Resources

Any New or Existing Resource of any technology type that can provide local RA within the PG&E Local Capacity Areas.

²³ <http://www.caiso.com/participate/Pages/NewResourceImplementation/Default.aspx>

C. Interconnection

1) **New Resources:**

a) In-Front-of-the-Meter

At a minimum, at the time of the Competitive Offer submittal, resources must have a completed Phase I Interconnection Study report resulting from an interconnection request that demonstrates evidence of a construction schedule that can meet the proposed Initial Delivery Date.

At the time of the Competitive Offer submittal, Participants must have Participating Transmission Operator (PTO) or Utility Distribution Company (UDC) documentation showing that the resource is expected to receive Deliverability Status sufficient to support delivery of product associated with their Competitive Offer, including RA, per the obligations of the corresponding agreement. Participants must remain active in the applicable interconnection queue until the resource's required network upgrades have been completed.

Participants are reminded that PG&E is releasing this RFO in its central procurement function and in that function PG&E has no obligation nor ability to influence the Participating Transmission Operator or Utility Distribution Company. PG&E in its CPE function is not responsible or liable for delays in interconnection or transmission or distribution service or inability to obtain retail electric service for any resource. For more information, please refer to the Separation of Functions section of the applicable Agreement.

b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response Must describe their customer acquisition plans in Appendix B.

2) **Existing Resources:**

Not required to provide this demonstration.

D. Safety

1) **New Resources**

PG&E is committed to providing safe utility (electric and gas) service to its customers. As part of this commitment, PG&E requires that the Participants recognize safety is of paramount importance. In connection with this RFO, Participants will be required to meet certain safety standards, provide safety information related to the technology for the resource, and provide information regarding safety history, including for the entities that will construct, operate, or maintain the resource(s). Per Appendix B of this RFO, Participants are required to identify the known safety-related hazards and risks associated with their technology. Participants are also required to describe their ability

to mitigate safety risks and comply with applicable safety-related codes and standards identified by the Participant.

A Participant's obligations with respect to safety may vary based on the particular Agreement, resource, and product type, as well as the commercial relationship of the entities involved in the transaction. Each of the Agreements contains specific requirements intended to ensure that the Participant and the entities that construct, operate, or maintain the resource, as applicable, do so in a safe, reliable, and efficient manner that protects the public health and safety of California residents, business, employees, and the community. Participants will be responsible for any fees and costs associated with meeting PG&E CPE's safety requirements in the RFO and the applicable Agreement. Prior to a Participant submitting a Competitive Offer, PG&E CPE recommends that Participants review the safety provisions in the form Agreement.

2) Existing Resources

Not required to provide this demonstration.

E. Site Control

1) New Resources:

a) In-Front-of-the-Meter

Participants must demonstrate site control at the time of the Competitive Offer submission. Examples of acceptable forms of Site Control are:

- 1) Fee Title
- 2) Recorded Exclusive Easement
- 3) Executed Option Agreement
- 4) Lease (Non-revocable)
- 5) Lease Option (Non-revocable)

b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response

Not required to provide this demonstration.

2) Existing Resources:

Not required to provide this demonstration.

VII. AGREEMENTS

To comply with the CPE Decision, PG&E CPE is seeking Competitive Offers for Bundled RA and Bundled RA with Energy Settlement. PG&E CPE has a strong preference for standardized Agreements and prefers to execute Agreements that are substantially similar to the form Agreement provided. Participants must provide a completed version of the relevant Agreement, including any proposed markups, as part of their Competitive Offer package which

will be used by PG&E CPE as part of the review process for that Competitive Offer. Participants may only submit one version of proposed markups for each relevant Agreement.

The following Agreement(s) may be used for Bundled RA and Bundled RA with Energy Settlement:

- Appendix E2 – RA Agreement for Owner of Existing Resource
- Appendix E3 – RA Agreement for Owner of New Resource
- Appendix E4 – RA Agreement for Non-Owner of Existing Resource
- Appendix E5 – RA Agreement for Non-Owner of New Resource

VIII. SELF-SHOWN ATTESTATION

Per OP 2 of the RA OIR Phase 1 Decision, CPUC LSEs that competitively offer Bundled RA and Bundled RA with Energy Settlement and elect the Default to Self-Shown Option must execute an attestation that provides that:

- a. The LSE has the capacity rights to the Resource Adequacy (RA) resource for the period it is self-showing; and
- b. The LSE intends to self-show the RA resource on annual and monthly RA plans to satisfy its system and/or flexible RA needs

To meet this requirement, CPUC LSEs that competitively offer Bundled RA and Bundled RA with Energy Settlement and elect the Default to Self-Shown Option must execute and submit the Self-Shown Attestation included within Appendix F3: Default to Self-Shown Commitment Form.

IX. PRICING

Participants are required to include pricing in their Competitive Offers for Bundled RA and Bundled RA with Energy Settlement. Pricing must be provided as \$/kW-month per calendar year.

X. CREDIT

Upon execution of an Agreement with PG&E CPE, the Participant may need to provide credit support to secure its obligations under the Agreement (“Performance Assurance”).²⁴ For reference, the tables below describe the credit requirements in each of the Agreements.²⁵

If a Participant is rated investment grade and meets PG&E CPE’s credit evaluation criteria, it may qualify for an appropriate amount of unsecured credit.²⁶ Participants, who qualify for

²⁴ PG&E as the CPE will not be required to provide Performance Assurance.

²⁵ Credit requirements described in Section X only apply to procurement by PG&E CPE in this RFO. PG&E CPE reserves the right to amend the credit requirements based on market conditions in future CPE RFOs.

²⁶ A credit rating of BBB- or higher by Standard and Poor’s Inc. or Baa3 by Moody’s is considered investment grade.

unsecured credit, may still be required to provide Performance Assurance if the credit requirement is beyond the assigned unsecured credit limit. If the Agreement requires the Participant to provide Performance Assurance and the Participant is providing a Letter of Credit or a Guaranty, please carefully review the Letter of Credit and Guaranty requirements set forth in the applicable Agreement.

RA Agreements

Tables X.1 and X.2 below describe the collateral requirements within the RA Agreements. Table X.1 only applies to Participants who are CPUC LSEs within PG&E’s electric distribution service area. Table X.2 applies to all other entities.

Table X.1: Credit/Collateral Requirements within the RA Agreements for CPUC LSEs within PG&E’s Electric Distribution Service Area

Resource Type	Delivery Term	Credit Requirement
Existing Resources	Less than or equal to 60 months	Unsecured credit, no collateral requirements
	Greater than 60 months	Greater of \$40/kW or 10% of the sum of the highest estimated monthly payments (excluding Energy Settlement) for any 36 consecutive month period during the Delivery Term
New Resources	Less than or equal to 60 months	Project Development Security (PDS): \$80/kW (Within five days of execution) Delivery Term Security (DTS): N/A
	Greater than 60 months	Project Development Security (PDS): \$80/kW (Within five days of execution) Delivery Term Security (DTS): Greater of \$40/kW or 10% the sum of the highest estimated monthly payments (excluding Energy Settlement) for any 36 consecutive month period during the Delivery Term

Table X.2: Credit/Collateral Requirements within the RA Agreements for All Other Entities

Resource Type	Delivery Term	Credit Requirement
Existing Resources	Less than or equal to 36 months	20% of the sum of the highest estimated monthly payments (excluding Energy Settlement) for any 12 consecutive month period during the Delivery Term
	Greater than 36 months and less than or equal to 60 months	10% of the sum of the highest estimated monthly payments (excluding Energy Settlement) for any 24 consecutive month period during the Delivery Term
	Greater than 60 months	Greater of \$40/kW or 10% the sum of the highest estimated monthly payments (excluding Energy Settlement) for any 36 consecutive month period during the Delivery Term.
New Resources	Greater than or equal to 1 month	<p>Project Development Security (PDS): \$80/kW (Within five days of execution)</p> <p>Delivery Term Security (DTS): Greater of \$40/kW or 10% of the sum of the highest estimated monthly payments (excluding Energy Settlement) for any 36 consecutive month period during the Delivery Term</p>

In the event that a Competitive Offer by PG&E Participant is selected, and an Agreement is executed between PG&E Participant and PG&E CPE, PG&E Participant will not be required to post collateral.

XI. COMPETITIVE OFFER SUBMITTAL PROCESS OVERVIEW

All Competitive Offers must be provided to PG&E CPE by their applicable deadlines as specified in the schedules in Table III.1.

Submitting Documents: All Competitive Offers for this RFO must be submitted electronically through Power Advocate, a web-based platform PG&E CPE will use to collect all documents from Participants.

Prior to submitting a Competitive Offer, Participants must register with Power Advocate. Detailed instructions submitting documents through Power Advocate and using the online

platform are posted on the RFO website. Power Advocate registrants should be registered under the entity submitting the Competitive Offer. Consultants or advisers of Participants should not submit a Competitive Offer on behalf of Participants. PG&E CPE strongly encourages Participants to review the detailed instructions and register with Power Advocate well before Competitive Offers are due.

Each Competitive Offer should be uploaded as a “Commercial and Administrative” document type in Power Advocate. Each Competitive Offer should be submitted as a separate zip file. Document file names should **not** contain any special characters such as “*&#”. Please keep file names short and include short references to Participant’s name (such as an acronym), project name, and the appendix that is being submitted (e.g., App B).

There are separate Power Advocate Links provided for the Competitive Offer process depending on the Participant in this RFO. Please ensure documents are submitted to the applicable site listed below.

Table XI.1: PG&E 2023 CPE Local RA RFO Competitive Offer Package Submittal

Offer Type	Power Advocate Links	Event ID
Competitive Offer(s) from PG&E Participant ²⁷	https://www.poweradvocate.com/pR.do?okey=139877&pubEvent=true	139877
Competitive Offer(s) from All Non-PG&E Participants	https://www.poweradvocate.com/pR.do?okey=139873&pubEvent=true	139873

Electronic Document Formats: Electronic documents must be submitted as Microsoft Word, Microsoft Excel, or PDF files, as identified in Table XI.2. However, maps or drawings may be in alternate formats (e.g., jpg, kmz) as appropriate. Each Appendix must be submitted as a separate document within the associated Offer’s zip file. PDF files should be provided in a searchable format. The Participant should not provide documents in other electronic formats, unless specifically requested.

Competitive Offers must contain all required and relevant information noted in Table XI.2 below and must be organized in accordance with these instructions.

Table XI.2: PG&E 2023 CPE Local RA RFO Competitive Offer Package

Appendix	Title	Description	Format
A2	Offer Form - Bundled RA and Bundled RA with Energy Settlement	Appendix A2 is to be used for Competitive Offers for Bundled RA and Bundled RA with Energy Settlement	MS Excel

²⁷ Per OP 13 of the CPE Decision, all PG&E Participant Offers, including utility-owned generation (UOG), must be submitted to the CAM PRG and IE in advance of the receipt of offers from any other entities.

Appendix	Title	Description	Format
B1	Supplemental Local Resource Information	Appendix B1 is to be used to describe the existing or proposed local resource.	MS Excel
B2	Supplemental Counterparty Financial Information	Appendix B2 is to be used to provide counterparty financial information.	MS Word
C	FERC 717 Waiver ²⁸	Authorizes the disclosure of Participant's transmission-related information to PG&E CPE.	MS Word
E2, E3, E4 or E5	RA Agreement for Owner of Existing Resource RA Agreement for Owner of New Resource RA Agreement for Non-Owner of Existing Resource RA Agreement for Non-Owner of New Resource	Participants must provide any proposed markups to the Agreement. Participants may not submit more than version of proposed markups for each relevant Agreement.	MS Word
F3	Default to Self-Shown Commitment Form	(Only for Competitive Offers for Bundled RA or Bundled RA with Energy Settlement with the Default to Self-Shown Option) Appendix F3 is to be used for all Competitive Offers with the Default to Self-Shown Option	MS Excel
N/A	Self-Shown Attestation	(Only for Competitive Offers for Bundled RA or Bundled RA with Energy Settlement with the Default to Self-Shown Option) Please follow all instructions for Self-Shown Attestation submittal as detailed in Appendix F3	PDF
N/A	Map of Local Resource Facilities	(New Resources Only) In-front-of-the-meter resources must provide files of the local resource's major facility components, which include, at a minimum, the generation facility, access roads, electric and gas connection routes to utility facilities, and the outline of the land parcel that the facilities are located on.	Google KML/KMZ or ESRI Shapefile

²⁸ This requirement pertains to Generator Owners/Operators only.

If a Participant is submitting multiple Competitive Offers in this RFO, the following documents only need to be submitted once via PowerAdvocate

- Appendix B2 – Supplemental Counterparty Financial Information
- Appendix C – FERC 717 Waiver²⁹

XII. SELF-SHOWN ATTESTATION INFORMATION

CPUC LSEs competitively offering Bundled RA and Bundled RA with Energy Settlement with the Default to Self-Shown Option will need to ensure that the Self-Shown Attestation included within Appendix F3: Default to Self-Shown Commitment Form (i) is completely and accurately filled out, (ii) includes the electronic signature by its respective authorized representative, and (iii) complies with all instructions for submission as detailed in Appendix F3: Default to Self-Shown Commitment Form.

CPUC LSEs must submit one Self-Shown Attestation and one Appendix F3: Default to Self-Shown Commitment Form per Competitive Offer for which they elect the Default to Self-Shown Option.

XIII. OFFER FORM INFORMATION

Participants are strongly advised to carefully review the relevant Agreement(s) prior to inputting data into Appendix A2 – Bundled RA and Bundled RA with Energy Settlement Offer Form. PG&E CPE will utilize the information from the Offer Form submitted by a Participant to populate the relevant data in the Agreement(s).

Participants should input data into Appendix A – Offer Form with the understanding that this information will result in terms with contractual implications. Participants will need to ensure that the Offer Form is completely and accurately filled out. Participants who request changes to the information in their Offer Form after the relevant submittal deadline may be removed from any further participation in the RFO.

Participants should follow all instructions for Competitive Offer submission as detailed in the Offer Form.

XIV. REQUIREMENT FOR COMPLETE COMPETITIVE OFFER PACKAGES

Each Participant's Competitive Offer Package must be complete at the time of submission. Failure to provide all required information and documents may result in PG&E CPE determining a Competitive Offer as being incomplete and not Qualified. PG&E CPE will only seek to enter into an Agreement with Competitive Offers that are eligible for qualification.

²⁹ This requirement pertains to Generator Owners/Operators only.

XV. NUMBER OF VARIATIONS ALLOWED FOR COMPETITIVE OFFERS FOR BUNDLED RA OR BUNDLED RA WITH ENERGY SETTLEMENT

Each Competitive Offer for Bundled RA or Bundled RA with Energy Settlement submitted by a Participant may include up to five (5) mutually exclusive Competitive Offer variations at a specific interconnection point. Participants can vary the following Competitive Offer characteristics: product (Bundled RA or Bundled RA with Energy Settlement), price, delivery term, and quantity offered. The Offer Form has been developed so that all five (5) Competitive Offer variations will reside in one excel workbook.

Participants need to only submit one Appendix B1 per Competitive Offer. Differences in Competitive Offer variations should be described within Appendix B1.

XVI. ADDITIONAL COMPETITIVE OFFER INFORMATION

Note on Joint Offers: If a Participant is submitting a Competitive Offer with another Participant (“Joint Offer”), each Participant will need to be registered as a separate Participant in Power Advocate. For each Joint Offer, PG&E CPE may require additional documentation or conditions. Additional documents or conditions could include retaining separate legal counsel, restricting the sharing of certain information, or requiring all parties to the Joint Offer to execute a modified Confidentiality Agreement. PG&E CPE may require Participants in a Joint Offer to agree to and execute modified terms for RFO participation, similar to those set forth in Section III, “Terms for RFO Participation”.

XVII. EVALUATION OF COMPETITIVE OFFERS

Competitive Offers will be reviewed for eligibility based on the requirements and criteria specified in this Protocol. PG&E CPE’s evaluation of Competitive Offers for Bundled RA and Bundled RA with Energy Settlement will remain consistent with the requirements of the Decisions. The Decisions require the use of all-source selection criteria, including the loading order and least cost best fit (“LCBF”) methodology adopted in D.04-07-029, using quantitative and qualitative criteria.

Criteria used to evaluate Competitive Offers may include but are not limited to the criteria listed below.

Quantitative Attributes:

The quantitative valuation compares a Competitive Offer’s cost to its benefits. The cost may consist of the contract fixed cost, variable cost, and transmission network upgrade cost. The benefit may consist of capacity value and energy value, to the extent provided in the Agreement.

Qualitative Attributes:

In addition to the quantitative criteria noted above, pursuant to the Decisions, PG&E CPE will consider the following selection criteria as qualitative factors:

- Future needs in local and sub-local areas;
- Resource costs;
- Operational characteristics of the resources (facility type);
- Location of the facility (with consideration for environmental justice);³⁰
- Costs of potential alternatives;
- Greenhouse Gas adders;
- Energy-use limitations; and
- Procurement of preferred resources and energy storage (to be prioritized over fossil generation);

Consistent with the requirement of the Decisions to use the all-source selection criteria, including the loading order, and LCBF methodology adopted in D.04-07-029, PG&E CPE may also consider additional qualitative factors that it has considered in previous LCBF evaluation protocols adopted by the Commission, including but not limited to:

- Viability of the resource;
- Flexibility of the resource;
- Safety;
- Contract tenor;
- Counterparty concentration; and
- Previous experience with a counterparty.

Per the Decisions, all of the methodology and criteria set forth above apply to Competitive Offers for Compensated Self-Shown Local RA in the same way as the methodology and criteria are applied to Competitive Offers for Bundled RA and Bundled RA with Energy Settlement.

Any or all qualitative factors may impact the evaluation of a Competitive Offer and the probability of execution of any potential Agreement.

*** End of Attachment 2B ***

³⁰ Per OP 9 of D.22-03-034, "In its solicitation, the central procurement entity shall direct bidders to include the CalEnviroScreen score of the resource location (or if unavailable, the pollution burden of the resource location)." Per the California Office of Environmental Health Hazard Assessment, "CalEnviroScreen ranks census tracts in California based on potential exposures to pollutants, adverse environmental conditions, socioeconomic factors, and prevalence of certain health conditions." For more information, please visit: <https://oehha.ca.gov/calenviroscreen>.