Spring 2023 PG&E Solar Choice and Regional Renewable Choice (RRC) RFO Participants' Webinar

May 19, 2023





The purpose of this webinar is to provide an overview of the Spring 2023 PG&E Solar Choice and Regional Renewable Choice Request for Offers (RFO) issued by PG&E on May 16, 2023.



Topics	Presenter
Introduction	Beverly Moris
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Q&A	All



Webinar Format

- PG&E will not take questions during the presentation. Please save all questions for the Q&A session.
- At any time during this presentation Participants should email their questions to the following Mailbox: <u>GTSRProcurement@pge.com</u>
 - Questions will be answered at the end of the webinar
 - PG&E may not address all questions during the Q&A portion of the webinar.
 - After the webinar, PG&E will compile and post a Q&A document on the applicable PG&E website:
 - www.pge.com/rfo/spring23-solar-choice
 - www.pge.com/rrc-spring2023
- The slides and audio portion of the webinar will be posted on PG&E's website at the websites above.



Document Conflicts

- This presentation is intended to be a summary level discussion of the information and requirements established in the RFO materials (it does not include all of the detailed information in the RFO materials).
- To the extent that there are any inconsistencies between the information provided in this presentation and the requirements in the RFO materials, the **RFO materials shall govern**.
- PG&E encourages participants to carefully review:
 - Applicable Protocols
 - Applicable Power Purchase Agreements (PPAs)
 - Applicable CPUC Decisions (linked on websites)
 - Monitor the Q&A link on the applicable RFO website
- <u>Given that the Power Purchase Agreement is non-negotiable, PG&E urges participants to submit</u> <u>clarifying questions regarding the PPA prior to submittal of an offer under this RFO.</u>

PG&E

Independent Evaluator (IE)

- Primary role of the IE is to:
 - Monitor RFO processes to ensure fair and equal treatment of all potential counterparties
 - Monitor evaluation processes to ensure PG&E has implemented the methodology as described and that Offers are treated consistently
 - Report on RFO process and proposed transactions to CPUC when files for CPUC approval
- The IE may review all proposed data and communications with Participants
- The Independent Evaluator is Arroyo Seco Consulting.
 - Lewis Hashimoto (arroyosecoconsulting@gmail.com)

Public Disclosure of Information

- By participating in these solicitations, each Participant acknowledges and expressly authorizes PG&E to publicly disclose the following information as required by the CPUC – further outlined in the PPA:
 - Names of the companies that submitted Offers into PG&E's RFO
 - Number of Offers received from each company
 - Number of Offers received and selected by PG&E
 - Project Size
 - Participating technologies
 - Location of bids by county; and
 - Progression of each executed contract's project development milestones
- PG&E will provide periodic updates to the CPUC on each project's progress toward the achievement of project development milestones.



Communications and Website

- The Solar Choice RFO website (<u>www.pge.com/rfo/spring23-solar-choice</u>) and RRC RFO website (<u>www.pge.com/rrc-spring2023</u>) provides everything you need to submit an offer, including (but not limited to) the following:
 - RFO Documents for the Solicitation
 - Detailed instructions for submitting offer(s) using Power Advocate
 - Announcements, updates and Q&A
- All Solar Choice and RRC Solicitation communications should be directed to: <u>GTSRProcurement@pge.com</u> with a copy to the Independent Evaluator at <u>arroyosecoconsulting@gmail.com</u>



Spring 2023 GTSR RFOs Schedule

Date/Time	Event
May 16, 2023	Solicitation launched
May 19, 2023	Participants Webinar
June 16, 2023 by 1:00 P.M. PPT	Deadline for Participants to submit Offers through Power Advocate
June 23, 2023	PG&E notifies selected Participants and any waitlisted Participants
June 30, 2023	Submittal of Signed PPA. Participants that wish to continue participation in PG&E's RFO must return a signed PPA and required documentation
August 2023	Target timeframe of Execution of final Agreements
September 2023	Target Advice Letter filing date for CPUC approval

*PG&E reserves the right to change the dates above for any reason.

Program Overview:

Green Tariff Shared Renewables (**GTSR**)



What is Green Tariff Shared Renewables?

Green Tariff Shared Renewables: Two related but distinct programs (From CPUC

Decision 15-01-051 & Resolution E-4734 to implement Senate Bill 43)



Regulatory name = Green Tariff PG&E's brand name = PG&E's Solar Choice

Customer subscribes to a pool of projects through PG&E

PG&E procures solar resources and retires RECs on behalf of participating customers.

Procurement Process = RAM



Regulatory name = Enhanced Community Renewables PG&E's brand name = Regional Renewable Choice

Customer subscribes to a portion of the output of one project directly <u>through the developer</u>

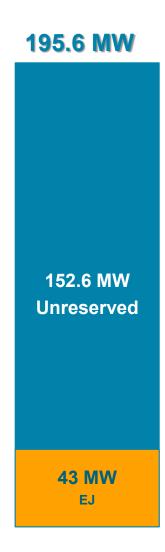
Three party structure which involves a transaction among all parties (described in more detail later)

Procurement Process = RAM



GTSR Program Megawatts

- PG&E has 195.6 MW of procurement remaining in the unreserved and Environmental Justice categories.
- PG&E's target for the Spring 2023 Solar Choice RFO is 176.15 MW of the remaining 195.6 MW in the GTSR program.
- 43 MW of the 195.6 MW is reserved for procurement in disadvantaged communities, designated in "Environmental Justice" tracts
- Projects must be As-available peaking (i.e. Solar)
- PG&E is not accepting storage offers in Solar Choice





Environmental Justice

- Pursuant to SB 43, 100 MW of the 600 MW program cap for the GTSR program is reserved for Environmental Justice (EJ) Projects, further defined in D.15-01-051 as the 20% most impacted communities based on the CalEnviroScreen Version 3.0 screening tool.
- In the Solar Choice and RRC solicitations, EJ projects will be evaluated in their own category, separate from projects in the Unreserved category.
- PG&E filed and posted on its website a list of eligible census tracts for EJ projects that qualify for participation in the EJ category. It can be found as Appendix I to the Solar Choice and RRC Solicitation Protocols.
- EJ projects must be sized 0.5-1.0 MW and located within an eligible census tract.



- As described in D.15-01-051, PG&E has determined a maximum bid award price (i.e. bid cap) for the Solar Choice program based on similar RPS projects.
- In RRC the bid cap methodology is more prescriptive. D.16-05-006 describes the methodology for creating a bid cap in the RRC program using the maximum executed contract price in either the Renewable Auction Mechanism's as-available peaking category or the Green Tariff program, whichever is most recent.
- Offers will first be compared to their respective bid caps before going through further evaluation.

Solar Choice Eligibility Requirements



Solar Choice RFO Eligibility Requirements*

	Solar Choice Unreserved	Environmental Justice
Technology	Solar PV **	Same as Unreserved
Size	0.5 – 20 MW PG&E will accept offers for separate projects that are co-located behind a single point of interconnection. The projects must have separate CAISO resource IDs and comply with CAISO's and the PPAs metering requirements to do so.	0.5 – 1 MW
Location	Located in PG&E's Electric Service Territory	Same and must be located within designated census tract (Attachment I)
Vintage	New projects only	Same as Unreserved
Interconnection	 Connected to PG&E's Distribution or Transmission System Must submit with offer a completed Interconnection agreement OR a Phase II interconnection study or equivalent OR documentation showing that the project passed the distribution provider or CAISO fast track screens, either the initial or supplemental study 	Same as Unreserved

* Please see the Spring 2023 Solar Choice RFO Protocol for more detail on program eligibility requirements.

** Projects paired with energy storage are not eligible.



Solar Choice RFO Eligibility Requirements (cont)*

	Unreserved	Environmental Justice
DeliverabilityStatus, or Energy Only• Projects submitting offers as Fully or Partially Deliverable must provide documentation with their offer that the Project has received FCDS/PCDS OR provide documentation that the project is in the process of obtaining that deliverability		Same as Unreserved
Commercial Operation Date (COD)	June 30, 2024	Same as Unreserved
Delivery Term	10, 15, or 20 years	Same as Unreserved
Transaction	Full Buy/Sell Only	Same as Unreserved
Site Control	Applicant must have Site Control for the Project, and submit signed attestation and map showing the boundary of the Site for which the Applicant has control. See the Site Control Questionnaire and Attestation form (Appendix D).	Same as Unreserved



Solar Choice RFO Eligibility Requirements (cont)*

	Unreserved	Environmental Justice
Developer Experience	 At least one member of the participant's project development team must have completed at a minimum one other in front-of-the-meter Solar PV and capacity: A project less than one (1) MW will be deemed to be similar capacity to a Project with a Contract Capacity of up to one (1) MW. A project between one (1) MW to three (3) MW will be deemed to be a similar capacity to a Project with a Contract Capacity of up to three (3) MW. For projects larger than three (3) MWs, a project with a capacity of 50% of the Project will be deemed to be similar capacity. Specifics must be outlined in the Demonstration of Developer Experience form (Appendix G) and submitted with the Offer.	Same as Unreserved

*Please see the Spring 2023 Solar Choice RFO Protocol for more detail on program eligibility requirements

Solar Choice Power Purchase Agreement (PPA) Overview





- Power Purchase Agreement (PPA) terms and conditions are non-negotiable.
- Please review the PPA for full terms and conditions. The PPA is available on PG&E's website as Appendix C.



Contract Commencement

Commercial Operation must be on or before June 30, 2024; a 6-month Permitted Extension may be made

Product

Seller must deliver all Product to PG&E. "Product" means:

- All electric energy produced by or associated with the Generating Facility net of Station Use (and Site Host Load as applicable); and
- All renewable attributes, Renewable Energy Credits, Capacity Attributes and Green Attributes produced by or associated with the generating facility.
- Note: Energy Only projects <u>do not</u> have to pursue any deliverability studies.



Conditions Precedent

The Effective Date of an agreement is the date on which all of the Conditions Precedent have been satisfied. See Section 2.5(a) of the PPA for a full list of the Conditions Precedent. This includes providing the following documentation prior to execution (outlined in Appendix VIII of the PPA):

- Articles of Incorporation
- Certificate signed by an officer of the Seller
- Certificate showing Seller is duly organized and in good standing
- Evidence of site control
- Evidence of California Energy Commission ("CEC") certification
- Certificate from Chief Financial Officer with financial statements
- An executed Letter of Concurrence (see Appendix XI of the PPA)



Security Requirements for Performance Assurance

For projects 3 MW or less, Term Security

- Covers both the Project Development Security and the Delivery Term Security
- \$20/kW x Contract Capacity

For projects greater than 3 MW:

- Project Development Security
 - o \$60/kW x Contract Capacity
- Delivery Term Security
 - $\circ~$ 5% of expected total project revenues

Green-e® Energy Certification

 Facilities must be in compliance with the <u>Green-e[®] Energy National Standard</u>.
 Projects that are awarded a PPA must provide a Green-e Energy Tracking Attestation prior to achieving commercial operation and updates as required.



Guaranteed Energy Production (GEP) and Shortfalls

- Sellers must agree to deliver a minimum quantity of Energy (Guaranteed Energy Production or GEP):
 - **As-available products**: 160% of the average Contract Quantities over 2 years
 - Contract Quantity is the estimated amount of MWhs of Energy that the Project will generate on an annual basis. If Seller fails to meet GEP, then Seller may be required to pay PG&E liquidated damages. If Seller repeatedly fails to meet GEP, then PG&E may default the Seller and terminate the PPA.

Curtailment

- Seller must curtail energy deliveries in response to curtailment requests from the CAISO, PTO or Buyer. Review the PPA carefully to better understand under what circumstances Seller will or will not be reimbursed for curtailed energy deliveries.
- PG&E has the right to require the seller to curtail energy deliveries during the Buyer Curtailment Period for unlimited hours per year and PG&E will pay for such curtailed energy.
- Seller is required to respond to electronic signals from PG&E or the CAISO to curtail.

RRC Eligibility Requirements



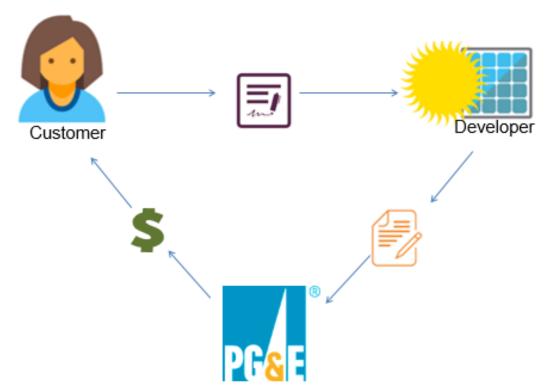
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What is Regional Renewable Choice?

Allows developers to work directly with customers to develop new community-based renewable projects located in PG&E's service area.

Customer Developer Agreement (CDA)

- Customers contract directly with developers to subscribe to a specific project.
- Customer enrolls for a portion or all of their energy needs.
- Developer and customers are free to design their own CDA transaction structure.



Power Purchase Agreement

- Meets securities opinion requirements.
- Signs a RAM 6 PPA + RRC Rider.
- Marketing Materials approved.
- Meets community interest requirements.
- PG&E only pays developer for unsubscribed energy (energy output not subscribed by customers pursuant to subscription requirements).

Customer Energy Statement Credit

• Customer receives a credit on their PG&E energy statement based on the calendar month output of their subscription to the project.

RRC RFO Eligibility Requirements*

	RRC Main	Environmental Justice
Technology	RPS Eligible technologies**	Same as RRC Main
Size	0.5 – 20 MW	0.5 – 1 MW
Location	Located in PG&E's Electric Service Territory	Located in PG&E's Electric Service Territory Must be located within designated census tract (Attachment H)
Vintage	New projects only	Same as RRC Main
Interconnection	 Connected to PG&E's Distribution or Transmission System Must submit with offer a completed Interconnection agreement OR a Phase II interconnection study or equivalent OR documentation showing that the project passed the distribution provider or CAISO fast track screens 	Same as RRC Main

* Please see the Spring 2023 RRC RFO Protocol for more detail on program eligibility requirements.

** Projects paired with energy storage are not eligible.

RRC RFO Eligibility Requirements (continued)*

	RRC Main	Environmental Justice
Deliverability	OR provide documentation that the project has received FCDS/PCDS OR provide documentation that the project is in the process of obtaining that deliverability	
Commercial Operation Date (COD)	36 months after Effective Date	Same as RRC Main
Delivery Term	10, 15, or 20 years	Same as RRC Main
Developer Experience	At least one member of the participant's project development team must have completed at a minimum one other project of similar technology and capacity. Specifics must be outlined in the Demonstration of Developer Experience form (Appendix F) and submitted with the Offer.	Same as RRC Main
Site Control	Experience form (Appendix F) and submitted with the Offer.Applicant must have Site Control for the Project, and submit signedattestation and map showing the boundary of the Site for which the	

*Please see the Spring 2023 RRC RFO Protocol for more detail on program eligibility requirements



Program Specific Requirements

Requirement	Description
Green-e Energy Compliance	Under the California RRC program, renewable energy project developers take on the responsibility of marketing their projects directly to customers and, as such, agree to comply with Green-e Energy environmental and consumer protection standards. For more information on Green-e Energy developer requirements, please visit Green-e Energy's <u>California Enhanced Community Renewables Information for Developers and Generators</u> .
Marketing Materials Review	The CPUC's final GTSR Decision 15-01-051 states that PG&E must review all developer marketing materials before they are used to market to customers. For more detail on marketing requirements and the process for submission, please visit our website at https://www.pge.com/rrcrfo .
Demonstration of Community Interest	The CPUC's Resolution E-5028 states that the Demonstration Community Interest requirement is due prior to the Construction Start Date. The Project must provide documentation that community members have: 1) Committed to enroll in 30 percent of the project's capacity or 2) Provided expressions of interest in the project sufficient to reach 51 percent of the project's capacity. See Appendix XV of the Rider for additional detail.
Securities Opinion	The securities opinion requirement must be met prior to PPA execution. See Section 3.1(c)(iii)(C) of the RRC Rider for additional detail.

Overview: RRC Power Purchase Agreement (PPA)





- Power Purchase Agreement (PPA) = RAM 6 PPA + RRC Rider (or DERP Rider, if applicable)
- Terms and conditions are non-negotiable.
- Please review the PPA for full terms and conditions. The PPA is available on PG&E's website as Appendix C.

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• The RRC developer only receives payment from PG&E for unsubscribed energy.

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• The payment amount for unsubscribed energy varies depending on whether the project meets the minimum customer subscription requirements.

Year of Operation	Minimum Subscription Requirement
1 st Contract Year	45%
2 nd Contract Year	70%
3 rd Contract Year	90%
Remaining Delivery Term	95%

- RRC projects with customer subscriptions above the minimum subscription requirements are paid the RRC Contract Price.
- RRC projects with subscriptions below the minimum subscription requirements (taking into account the five percent margin) are paid for unsubscribed energy at the lesser of:

(1) the RRC Contract Price, or

(2) the PG&E Default Load Aggregation Point ("DLAP") price plus a \$10 Renewable Energy Credit ("REC") value.

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RRC PPA Overview

Conditions Precedent

- The Effective Date is the date on which all of the Conditions Precedent have been satisfied. See Section 2.5(a) of the PPA for a full list of the Conditions Precedent. This includes providing the following documentation prior to execution (outlined in Appendix VIII of the PPA):
 - Articles of Incorporation
 - Certificate signed by an officer of the Seller
 - Certificate showing Seller is duly organized and in good standing
 - Evidence of site control
 - Evidence of California Energy Commission ("CEC") certification
 - Certificate from Chief Financial Officer with financial statements
 - An executed Letter of Concurrence (see Appendix XI of the PPA)



RRC PPA Overview

Security Requirements and Damage Payment Calculation

- These provisions were based on expected revenues. Due to the RRC structure where revenues come from customers, these were modified in the Rider.
- Delivery Term Security
 - 3 MW or less = \$20/kW x Contract Capacity
 - Greater than 3 MW, As-Available = \$120/kW x Contract Capacity
 - Greater than 3 MW, Baseload = \$180/kW x Contract Capacity
- Damage Payment for failure to achieve Guaranteed Commercial Operation Dates
 - 3 MW or less = \$20/kW x Contract Capacity
 - Greater than 3 MW, As-Available = \$60/kW x Contract Capacity
 - Greater than 3 MW, Baseload = \$90 per kW x Contract Capacity

Provisions Required in the Customer-Developer Agreement ("CDA")

- Also referred to as a Customer Seller Agreement ("CSA") in the Rider.
- As provided in the D.15-01-051, the RRC Rider includes the following customer protections: program intent provisions, buyer beware provisions, customer complaint provisions, notification of status provisions, and provisions providing customer payments to the developer are refundable until the RRC project is operational.

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RRC PPA Overview

Guaranteed Energy Production (GEP) and Shortfalls

- Sellers must agree to deliver a minimum quantity of Energy (Guaranteed Energy Production or GEP):
 - As-available products: 160% of the average Contract Quantities over 2 years
 - Baseload: 90% of the Contract Quantity over one year
 - Contract Quantity is the estimated amount of MWhs of Energy that the Project will generate on an annual basis. If Seller fails to meet GEP, then Seller may be required to pay PG&E liquidated damages. If Seller repeatedly fails to meet GEP, then PG&E may default the Seller and terminate the PPA.

Curtailment

- Seller must curtail energy deliveries in response to curtailment requests from the CAISO, PTO or Buyer. Review the PPA carefully to better understand under what circumstances Seller will or will not be reimbursed for curtailed energy deliveries.
- PG&E has the right to require the seller to curtail energy deliveries during the Buyer Curtailment Period for unlimited hours per year and PG&E will pay for such curtailed energy.
- Seller is required to respond to electronic signals from PG&E or the CAISO to curtail.

Solar Choice and RRC Offer Submittal Process and Offer Form





Offer Submittal

- Offers must be submitted via the online platform at Power Advocate. Only accepted registrants are permitted to submit offers.
 - Register through Power Advocate, link for registration available on each RFO's webpage
 - PG&E strongly encourages you to register well in advance of the June 16, at 1:00 (PPT) offer due date. PG&E will only consider offers that, as of the submittal deadline, are complete and conforming offers.
 - Only correction of clear administrative errors will be allowable to this Offer Form after it is submitted.
 - PG&E reserves the right to reject an offer if the Offer Form has a substantial number of errors.
- By submitting an offer into this RFO, each Participant is required to abide by the confidentiality obligations specified in Section IX of the applicable Protocol.



Required Offer Submission Forms

Offer package must be in the format as specified in the applicable protocols.

Fully Completed Offer includes:

Appendix A - Offer Form	MS Excel
Appendix B – Supplemental Project Information	MS Word or PDF
Appendix C – Power Purchase Agreement (for Solar Choice)* Appendices C, C.1 and C.2 – Power Purchase Agreement and Rider (for RRC)*	MS Word
Appendix D – Site Control Questionnaire and Attestation	PDF and applicable GIS data file format
Appendix E – Acknowledgement and Commitment of Site Owner Letter	PDF
Appendix F – Demonstration of Developer Experience	PDF
Appendix G – FERC 717 Waiver	PDF
Appendix H – Safety Review Questionnaire	MS Excel
Interconnection Studies	PDF

*Appendices C for SC and C.1 or C.2 for RRC must be submitted within 7 calendar days after projects receive shortlist notification of selection.

Note: PG&E will review and ensure the PPA Cover Sheet and required Appendix XII are complete and meet the terms of the PPA during the bid evaluation process. Incomplete documentation will require additional communication to resolve any issues.

Key to Successful Proposal

- Sellers may choose the option to bid a single project with up to four (4) total variations.
- Variations include:
 - Size
 - Delivery Term
 - Fixed Price vs. Escalating Price
 - Full (or Partial) Capacity Deliverability Status vs. Energy Only
- Submit a competitively priced Offer price refreshes are not allowed.



Offer Form Structure

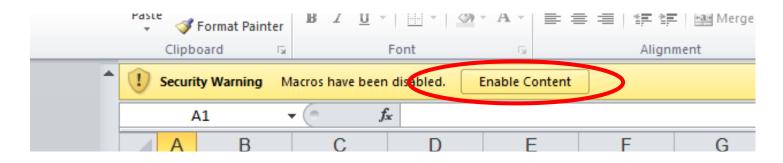
Offer Form Tabs

- Instructions
- Offer Information
- File Name
- Estimated Energy Production Profile



Offer Form – Instructions

• Be sure to **ENABLE MACROS** when opening the Offer Form.



- The instruction tab provides clear directions on completing the Offer Form.
- Please make sure you save and submit the form in Microsoft Excel ".xlsb" format. No other formats will be accepted.

Offer Form – Instructions

- On the Offer Info tab, each cell with an orange background must be filled out. Once completed the background color will change to green.
- Grayed out cells will change to "orange" depending on prior cell selections (ex. If a Delivery Term of 10 years is selected, the Contract Price and Quantity Years of 1 – 10 will appear orange and the Years from 11 – 20 will remain gray.

Example: Contract Price

Seller shall select one of the following Delivery Terms	10	
Fixed or Variable Pricing?	Fixed	
CONTRACT PRICE		
Contract Price Year 1		
Contract Price Year 2		
Contract Price Year 3		
Contract Price Year 4		
Contract Price Year 5		
Contract Price Year 6		
Contract Price Year 7		
Contract Price Year 8		
Contract Price Year 9		
Contract Price Year 10		
Contract Price Year 11		
Contract Price Year 12		
Contract Price Year 13		
Contract Price Year 14		
Contract Price Year 15		
Contract Price Year 16		
Contract Price Year 17		
Contract Price Year 18		
Contract Price Year 19		
Contract Price Year 19 Contract Price Year 20		



Offer Form – Multiple Variants

- If you would like to submit an Offer Variant, click the "Add Variant" button on the OfferInfo tab.
- A new column will appear to the right of "Var_A" for the new Variant.
- Fields that cannot be changed will be gray and auto populate with values from "Var_A"
- Orange cells will indicate fields that can be modified as a part of the Offer Variant.
- On the GenProfile tab, a new Gen Profile Tab will also appear below the Variant A's Generation Profile.
- If you would like to delete the variant, toggle the "Yes" cell to "No" and PG&E will not review. Do not delete this column.
- A maximum of four (4 total) variants can be submitted.

Add Variant	
Vill auto-populate when file name created	
Var_A	Var_B 💌
	Yes
Spring 2023 Solar Choice RFO	Spring 2023 Solar Choice RFO
	-



Offer Form – File Name

This offer form will not be accepted if the steps outlined below have not been followed!

A new File Name must be generated via the steps below for your offer.

These steps will create a unique, correctly formatted name that must be given to this offer form file before it is submitted.

When you are ready to submit this form ...

1) Click this button I

Generate File Name

2) This text ▼ is the required name for this file. Click the Save File button to complete.



3) Once you have named this offer form via the steps above and submitted this form to PG&E keep it unchanged in a secure location where you can refer to it should PG&E have questions. If a PG&E representative contacts you regarding this offer form they will reference the file name.

These instructions must be exercised just prior to actual submission of the form. The file name composed above must be created after you have finalized the rest of the form.

Participants are required to generate a new file name if requested by PG&E to resubmit the offer form for any reason.

Intermission

Email Questions to: GTSRProcurement@pge.com



Together, Building a Better California





Thank You

