

2026 PG&E CPE Local RA RFO Participants' Webinar - Meeting Transcript

February 26, 2026 at 10:00 am PST

Goodwin, Emily 0:20

Good morning. On behalf of the PG&E Central Procurement Entity, I'd like to thank you for attending the 2026 Central Procurement Entity Local RA RFO Participants' webinar. We will be recording this meeting for replay by those who are not able to attend and for later reference by attendees. A banner will be displayed at the top of the Teams window once the recording begins. If you do not consent to participating in a recorded session, you may disconnect now and view the recording later.

All right, we will begin with a brief overview of the PG&E acting as the Central Procurement Entity. PG&E is issuing the 2026 Local Resource Adequacy Request for Offers and Commitments, or RFO, and its function as the Central Procurement Entity PG&E CPE. PG&E CPE is required to procure local capacity or obtain compensated self-shown commitments for local capacity to meet the three-year forward multiyear Local Resource Adequacy or RA requirements on behalf of all CPUC jurisdictional load serving entities, also known as CPUC LSEs within its electric distribution service area. All procurement conducted by PG&E CPE is distinct from procurement conducted by PG&E for PG&E's bundled electric service customers. You may notice that the chat feature has been turned off for this webinar. At any point during this presentation, if participants have questions, they should e-mail their questions to the CPE RFO mailbox, which is CPEsolicitations@pge.com. As well as CC the independent evaluator PGE_CPE_IE@paconsulting.com.

We will be taking an intermission towards the middle of this presentation. After that break, we will reserve some time to answer questions, but we may not be able to get through all the questions. It will just depend on the volume that we receive. After the webinar, PG&E CPE will compile and post a Q&A document on the RFO website, which is linked on the slide here. PG&E CPE will endeavor to post a recording of the webinar on the RFO website as noted above.

In terms of document conflicts, this presentation is intended to be a summary level discussion of the information and requirements established in the RFO materials, and it does not include all of the detailed information in those RFO documents.

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 CPE encourages participants to carefully review the 2026 CPE Local RA RFO Solicitation Protocol, which is located on the CPE RFO website.

If participants have questions regarding the CPE RFO documents, PG&E CPE asks participants to seek clarity by submitting their questions to the CPE RFO mailbox. Again, that's CPEsolicitations@pge.com prior to submitting a commitment or offer and please CC the IE and their e-mail is listed on the slide as well.

Now I'll review the objective and agenda for this webinar. The objective of this webinar is to provide information to participants who may submit compensated self-shown commitments or offers into the 2026 PG&E CPE Local RA RFO.

All information in this presentation applies only to the 2026 PG&E CPE Local RA RFO.

So here's the agenda as well. First, I'll provide an overview of the 2026 PG&E CPE Local RA RFO. Then I'll review the agreements, the EEI Master agreement and credit and collateral requirements. Next, we'll take a brief intermission and do the Q&A portion once we return. Again, I will reiterate that if you want to ask a question during this webinar, please e-mail it to CPEsolicitations@pge.com and copy the independent evaluator.

Both of those emails are at the bottom of this slide and will be copied every few slides in the rest of the presentation for your reference.

Next, I'll review the compensated self-shown attestation, the commitment form overview and instructions, and the commitment or competitive offers submittal process.

After that, if you'd like to continue to listen in, we will review the offer forms in greater detail in that appendix section.

Next, I'll discuss what is new in the 2026 RFO. So first, effective in 2026, local CPE procurement conducted by October 31st of 2026 for compliance year 2028 will be considered locked. As of October 31st 2025, Local CPE procurement for 2027 is considered locked. I want to point your attention to the note at the bottom of the slide.

PG&E CPE will accept offers for delivery of 2027 RA capacity for this RFO. However, PG&E CPE may procure for 2027 capacity only if there is an incremental change in the CAISO's Local Capacity Technical Study.

If you're thinking about submitting an offer for 2027 RA capacity, please follow the directions outlined in the offer form user guides, which are available for download on the PowerAdvocate events. Additionally, we really encourage you to stick around to the end of the webinar because we will be providing more information about each of the offer forms and there are some specifics related to offering 2027 RA capacity.

This year, PG&E CPE will have one procurement timeline for all competitive offers instead of two separate tracks for execution as in previous PG&E CPE RFOs.

Additionally, Appendix A3, the offer form for Bundled RA for CPUC LSES only, will no longer

be available as an offer form option. Participants should instead use Appendix A2 Offer Form for Bundled RA and Bundled RA with Energy Settlement. Next, I'm going to review the expected 2026 PG&E CPE Local RA RFO schedule.

Taking a look at our schedule, we do encourage participants to look at the 2026 CPE RFO website and the 2026 CPE RFO protocol as well, which contains the schedule and more information. As most of you are I'm sure aware, we launched the RFO on February 12th, which brings us to the participants webinar, which is today, February 26th, which is also indicated by the orange arrow on the left of the slide. Next, we have the competitive offer deadline for PG&E participant, which is March 24th, 2026. The competitive offer deadline for all other market participants is the next day, which is March 25th, 2026. Next, in mid to late April, PG&E CPE plans to notify participants of the status of their competitive offers for continued participation in the RFO.

Negotiation of offers will take place mid-April to late July and estimated agreement execution is in early August and this is all leading up to PG&E as CPE's local RA showing with the CPUC in mid-August of 2026. I do just want to note that these dates are tentative and subject to change.

I will now review the independent evaluator. As with previous PG&E CPE solicitations, there is an independent evaluator assigned to the solicitation and independent evaluator, also referred to as the IE. The primary role of the IE is to monitor RFO processes to ensure fair and equal treatment of all potential participants. Their role is also to monitor evaluation processes to ensure PG&E CPE has implemented methodology as described and that Compensated Self-Shown Commitments and Offers are treated consistently.

They also report on the RFO process and proposed transactions to the CPUC when filed for CPUC approval. The IE may review all Compensated Self-Shown Commitment and Offer data and communications with participants. For this RFO, the IE is PA Consulting. Their e-mail address, as previously mentioned, is PGE_CPE_IE@paconsulting.com. And again, as mentioned before, please make sure to copy the IE on all communications related to this RFO when you're emailing the CPE's RFO mailbox at CPESolicitations@pge.com and you can follow the same process if you have a question during this webinar.

I'll now transition into an overview of the 2026 PG&E CPE Local RA RFO.

PG&E as the CPE is seeking new and existing local resource capacity that can provide RA in PG&E local areas to meet the central procurement obligations required by the decisions. The seven local areas are listed and displayed in the map to the right of this slide. In 2026, PG&E CPE has compliance requirements for 100% of the CPUC's 2027 local RA requirements in PG&E's distribution service area and 100% of the CPUC's 2028 local RA requirements and 50% of the CPUC's 2029 local RA requirements in PG&E's distribution service area. To reach

these goals, PG&E CPE is seeking to obtain compensated commitments from CPUC LSEs that will self-show their resources for compensation to reduce the total local RA need in PG&E's distribution service area, and procure RA capacity from new and existing resources located in PG&E's local capacity areas to meet the local RA requirements allocated to PG&E CPE by the CPUC.

I will now review the minimum eligibility requirements for resources. To be eligible to participate in the CPE 2026 Local RA RFO, all resources must meet the following minimal minimum eligibility requirements. Resources 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-lab as such term is defined in the CAISO tariff. They must be able to provide RA capacity. Resources must meet the applicable CPUC and CAISO RA requirements that will enable PG&E CPE to receive all of the applicable RA benefits associated with the resource. Existing resources must be electrically connected in a PG&E local capacity area and remain listed as such per the CAISO's local capacity technical study. New resources must have a completed CAISO Phase I Interconnection Study report, along with a construction schedule that can support the proposed initial delivery date. I do just want to note that new resources do not need to be electrically connected or have a CAISO resource ID at the time of offer submittal, and more information about eligibility requirements is available in the 2026 CPE RFO Protocol, which is located on our website.

I'm now going to review the commitment and procurement processes.

Starting on the right hand side of this slide in the light blue, all market participants are eligible to participate in the 2026 CPE RFO through the competitive offer process by submitting an offer for Bundled RA or Bundled RA with Energy Settlement.

And then on the left in the dark blue, this shows that CPUC LSEs are eligible to submit a Compensated Self-Shown Commitment, as well as an offer for Bundled RA or Bundled RA with Energy Settlement.

I'm now going to review the competitive offer process, specifically the Compensated Self-Shown commitment process. The product is Compensated Self-Shown local RA. Eligible participants are CPUC jurisdictional LSEs. Eligible resources are any preferred resource or energy storage resource with an original contract executed on or after June 17th, 2020 that meets the minimum eligibility requirements of the RFO. For utility owned generation, eligible resources are any resource approved by the Commission or by advice letter on or after June 17th, 2020 that meets the minimum eligibility requirements of the RFO.

For the shown term, per the LCR RCM decision, the shown term must be equivalent to the

period the resource is under control or contracted for that corresponds to the three-year forward local RA compliance period. For the 2026 RFO, that is 2027-2029.

Per the decisions, compensation for selected competitive offers for Compensated Self-Shown Commitments will be capped at a pre-determined local RA premium in each local area based on administrative benchmarks determined by the CPUC.

CPUC LSEs that competitively offer Compensated Self-Shown local RA will retain the system and flexible RA attributes of the resource. Both an attestation and a contract are required for Compensated Self-Shown local RA.

Moving on to the competitive offer process: Bundled RA and Bundled RA with Energy Settlement. The products are Bundled RA and Bundled RA with Energy Settlement. Eligible participants are all market participants. Eligible resources are any new or existing resource that meets the minimum eligibility requirements of the RFO. For the delivery term, it's greater than or equal to one month, and there's no cap on the maximum term. For existing resources, PG&E CPE does tend to prefer delivery terms ranging from one month to 60 months. And for new resources where seller is the owner of the resource, PG&E CPE may be willing to consider a delivery term of 10 years or more to help incentivize the development of new local resources.

In terms of the initial delivery date or IDD for existing resources, the IDD must start within the compliance window, which is January 2027-December 2029.

For new resources, the IDD may start anytime between January 2027 and December of 2031. All right, continuing on with this competitive process. The details per the decisions are that CPUC LSEs will receive credits for the system and flexible capacity procured by the CPE based on coincident peak load share. A contract is required for Competitive Offers for Bundled RA and Bundled RA with Energy Settlement.

Next, I'll transition into an overview of the agreements. I do just want to call out again at the bottom of this slide is the CPE RFO solicitations inbox e-mail address as well as the independent evaluator's e-mail address. If you have questions during this webinar, please e-mail CPESolicitations@pge.com with a CC to the independent evaluator.

Starting off with a document conflicts reminder, this agreement overview is intended to be a summary level discussion of the information and requirements established in the agreement forms, and it does not include all of the detailed information in the agreement forms. To the extent that there are any inconsistencies between the information provided in this presentation and the requirements in the agreement forms, the agreement forms shall govern. PG&E CPE encourages participants to carefully review the applicable agreement forms.

So at a high level, we'll be using the same 5 contracts that we've used in previous solicitations. And the agreements are Appendix E1: Compensated Self-Shown Commitment Agreement, Appendix E2: Resource Adequacy Agreement for Owner of Existing Resource, Appendix E3: Resource Adequacy Agreement for Owner of New Resource, Appendix E4: Resource Adequacy Agreement for Non-owner of Existing Resource and Appendix E5: Resource Adequacy Agreement for Non-owner of New Resource. For CPUC LSEs, they have the option to transact through a PG&E CPE local RA confirmation letter, which will be governed by a separate EEI master agreement with PG&E CPE. Participants should carefully review the applicable agreement form prior to submitting an offer, and as a note here at the bottom, PG&E CPE has a strong preference for standardized agreements.

Next, I'll transition into the RA agreements. In terms of the RA agreement overview, these are applicable to new resources, existing resources, and all market participants. For sellers offering to build and own a new dispatchable project, the product is a percentage of the capacity attributes that can be derived from the operational characteristics of the project. So that's local RA attributes, system RA attributes, flexible RA attributes, plus any future capacity characteristics or attributes that can be applied to compliance obligations. The contracted quantity is based on a percentage of capacity attributes that can be derived from the operational characteristics of the project that are listed in Appendix III of the applicable agreement. Contracted percentage is specified in the agreement at execution and fixed for the delivery term.

For all other sellers, the product is capacity attributes from the project, including local RA attributes, system RA attributes and flexible RA attributes, and the contracted quantity is a schedule of monthly capacity attribute values specified in the agreement at execution and fixed for the delivery term. Though there's no cap on delivery term length, PG&E CPE has a preference for delivery terms of 60 months or fewer for existing resources and may be willing to consider a delivery term of 10 years or more to help incentivize the development of new local resources. But the seller must offer a delivery term of at least one month, and that delivery term is static at the time of execution and will not change due to project delays. In terms of compensation, the seller shall receive a monthly payment equal to the contract price multiplied by the confirmed quantity.

And there is an energy settlement option available. If the seller offers energy settlement, seller owes PG&E CPE the financial equivalent of the resource operating in the wholesale energy market. So if a seller offers an energy settlement, the seller shall receive a monthly

payment equal to the contract price multiplied by the confirmed quantity minus the energy settlement. And Appendix 15 of each RA agreement lists the energy settlement calculation options, which are based on the technology type of the offered resource.

There are performance requirements in the RA agreements. Sellers are expected to deliver at least 80% of all capacity attributes from the project over a rolling 12-month period and 85% of all capacity attributes from the project over a rolling 24-month period.

PG&E CPE will not be the scheduling coordinator under these agreements. Seller or a third party will be the scheduling coordinator and retains CAISO revenues and is responsible for CAISO charges. In terms of compliance showing obligations, the seller is obligated to take all actions to enable PG&E CPE to utilize the product.

I will now transition to talking specifically about the Compensated Self-Shown Commitment Agreement. This is applicable to CPUC LSC's with preferred resources or energy storage resources that meet the requirements of the LCR RCM decision.

There is a showing commitment: a commitment from a CPUCLSE to self-show local RA that is eligible for compensation consistent with the process outlined in the decisions. The self-showing CPUC LSE will retain the system and if applicable, flexible RA attributes of the self-shown resource.

The shown term is static at the time of execution and will not change due to product project delays. The shown term may begin no earlier than January 1st, 2027 and end no later than December 31st, 2029.

In terms of the showing quantity, this is a schedule of monthly values fixed at the time of execution.

And it's provided by the participant in the applicable Appendix F - Compensated Self-Shown Commitment form.

In terms of compensation, provider shall receive a monthly payment equal to the contract price multiplied by the capacity attributes from the project submitted in the Provider's RA plan to the CAISO.

The contract price is fixed at execution and offers cannot exceed the CPUC's pre-determined price for the applicable local area.

One note here is that the 2026 LCR RCM prices have not been published by the CPUC as of the date of the CPE's launch of the solicitation, but PG&E CPE will endeavor to let Participants know as soon as possible once the LCR RCM prices are published, and we will endeavor to publish them on the CPE's 2026 RFO website as well.

Similar to the RA agreement, PG&E CPE will not be the scheduling coordinator for these resources. The provider or third party is the scheduling coordinator and retains CAISO

revenues and is responsible for CAISO charges. And going back up here as well to capacity attributes, the amount of capacity attributes from the projects submitted in the provider's RA plans are demonstrated by provider's proof of commitment.

Moving on to CPE EEI Master Agreement and Local RA confirmation letter.

This is applicable to CPUC LSEs with an existing resource under contract.

For the PG&E CPE Master EEI Cover sheet, CPUC LSEs will be required to execute a new master EEI cover sheet with PG&E CPE, which is separate and distinct from any existing master EEI cover sheet that may be in place with PG&E Electric Procurement and Electric Fuels functions.

CPUC LSEs will be required to execute a new collateral annex with PG&E CPE, separate and distinct from any existing collateral annex that may be in place with PG&E Electric Procurement and Electric Fuels functions. Both the PG&E CPE Master EEI Cover Sheet and the PG&E CPE Collateral Annex must be in place before PG&E CPE can execute a PG&E CPE Confirmation Letter. CPUC LSEs who are interested in transacting through a PG&E Confirmation Letter are encouraged to contact CPESolicitations@pge.com in advance of the competitive offer deadlines to prevent any delay in executing a PG&E Confirmation Letter. And executing these agreements doesn't commit either party to a transaction. So again, CPUC LSEs who might be interested in this process are encouraged to reach out to get this process started.

OK, moving on to the PG&E CPE local RA confirmation letter.

CPUC LSEs seller may offer a delivery period of at least one month. The delivery period may begin no earlier than January 1st, 2027 and end no later than December 31st, 2029.

The product is local RA attributes, system RA attributes and flexible RA attributes.

And the contracted quantity is a schedule of monthly capacity values specified in the agreement at execution and fixed for the delivery term.

In terms of compensation, provider shall receive a monthly payment equal to contract quantity multiplied by contract price multiplied by 1000 kilowatts over megawatts.

Moving on to credit and collateral requirements.

And this is the credit and collateral requirements within RA agreements for all entities.

To orient you to this table, on the left we have the resource type, then the delivery term, and then the credit requirement. So starting with existing resources, we've split this up by delivery term. For delivery terms less than or equal to 36 months, the credit requirement is 20% of the sum of the highest estimated monthly payments excluding energy settlement for any 12 consecutive month period during the Delivery Term.

For existing resources with a Delivery Term greater than 36 months and less than or equal

to 60 months, the credit requirement is 10% of the sum of the highest estimated monthly payments, excluding energy settlement for any 24 consecutive month period during the delivery term.

For existing resources with the delivery term greater than 60 months the credit requirement is the greater of \$40 per kilowatt, or 10% of the sum of the highest estimated monthly payments, excluding energy settlement for any 36 consecutive month period during the Delivery Term.

For new resources with a delivery term greater than or equal to one month, the project development security is equal to \$80/kilowatt and the delivery term security is the greater of \$40/kilowatt or 10% of the sum of the highest estimated monthly payments, excluding energy settlement for any 36 consecutive month period during the Delivery Term.

And more information on these credit and collateral requirements is outlined as I mentioned in the RA agreements as well as in the 2026 CPE RFO protocol.

That concludes the general RFO overview portion of the 2026 CPE RFO Participants' webinar. We'll begin a 10-minute intermission in just a moment. When we come back, we'll review some of the questions we've gotten and then we'll review some more material, including the offer submittal process. As a reminder, please submit any questions you might have about the 2026 PG&E CPE RFO to CPEsolicitations@pge.com, with a copy to the IE. We will be back in 10 minutes.

All right, we are back from our intermission. We will now transition to the Q&A portion.

I have a question here, so I'll read the question and then I'll read our answer. We will have some more time for Q&A at the end of the webinar. So we've just split the Q&A section into two sections to make sure we can capture as many questions as possible. But this first question that I'll address here is: Does PG&E have an estimate of the number of megawatts in NQC they expect to procure in each local RA zone and the number of megawatts in NQC altogether? In the solicitation protocol, we see that PG&E wants to procure 100% of 2027 and 2028 and 50% of 2029 needs, but we are curious to know how much that actually translates to.

So the answer is, while PG&E CPE cannot disclose information on specific procurement targets, we encourage participants interested in local capacity requirements to review the CAISO's latest local capacity technical study. Draft study results are expected next week per the CAISO's timeline listed on their website.

And as I mentioned, as more questions start to roll in, we will do another Q&A section at the end of this webinar. So stay tuned for more questions to be answered then.

OK, the next part of the webinar will be focused on the Compensated Self-Shown

Attestation Overview.

First, so per ordering paragraph 2 of RA OIR phase one decision D.22-03-034, CPUC LSCs that elect to self-show a local resource to the CPE must execute an attestation that provides that: the LSE has the capacity rights to the RA resource for the period it is self-showing. 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 the resource that the LSE intends to sell show for compensation under the Local Capacity Requirement Reduction Compensation Mechanism, or LCR RCM, meets the eligibility requirements pursuant to Decision 20-12-006.

An executed self-shown attestation is required for all compensated self-shown commitments submitted as part of the 2026 CPE Local RA RFO. Self-shown attestations associated with Compensated Self-Shown Commitments will be null and void if a corresponding compensated self-shown agreement is not executed between the participant and PG&E CPE.

Next, I'll review the commitment form overview and instructions.

So by commitment form, I'm referring to Appendix F, which is the Compensated Self-Shown Commitment Form.

When you open up Appendix F, you'll find three tabs, the Instructions and Acknowledgments tab, the Attestation, and then the Self-Shown Resource tab.

So step one for filling out this spreadsheet is fill out the requested fields in the instructions and attestation tabs.

Starting with the instruction tab, this is the offer information.

And please ensure to fill out the offer ID in this section with the corresponding file name that was generated in the File Name tab of the offer form, and there'll be more on that later.

For the attestation tab, this is LSE information, so please read and review the language carefully and enter the requested LSE information where appropriate. And this is just a screenshot of what that looks like.

Step two is to fill out the self-shown resource tab.

On the self-shown resource tab, please enter the project specific information as well as the capacity amount measured in megawatts that the LSE is self-showing to the CPE.

So at the top here are the project specific information. There's a screenshot outlining what some of those fields are.

And then further down below the capacity amounts. That's a screenshot of what those fields look like in terms of filling out the RA capacity amounts in megawatts.

I do want to note that CPUC LSEs must submit a single Compensated Self-Shown

Commitment Form for each Compensated Self-Shown Commitment competitively offered to the CPE.

Step three is the submittal process.

Please submit the completed electronic version of the Compensated Self-Shown Commitment Form in its entirety via PowerAdvocate.

In addition, please submit a PDF version of each of the worksheets in a single PDF document, collectively known as the Compensated Self-Shown Attestation. The LSE must physically or electronically sign the PDF.

Participants will need to ensure that the Compensated Self-Shown Attestation is completely and accurately filled out, includes the signature by its respective authorized representative, and complies with all the instructions for submission as detailed in the applicable Commitment Form.

And on the bottom of this slide, there's a screenshot showing the process to create a PDF from this workbook.

Now I'm going to transition into a competitive offer submittal. Once again, I'll just say a reminder that we will accept questions through the CPESolicitations@pge.com inbox. Please CC the independent evaluator. We will have another Q&A section at the end of this webinar.

All right, on the slide here, this is a list of the documents that are due at competitive offer submittal.

The actual documents required will vary depending on your specific offer that you're submitting, so we do encourage you to review the 2026 CPE RFO protocol for more guidance before the offer submittal deadline.

I'll run through these here really quickly. Documents due at competitive offer submittal are Appendix A1 or A2, which is the offer form, Appendix B1, Supplemental Local Resource Information, Appendix B2, Supplemental Participant Financial Information. Appendix C, FERC Order 717 Waiver, Appendix D, Confidentiality Agreement, and Appendix E1, E2, E3, E4 or E5.

Continuing with the Competitive Offers submittal documents.

I do want to note that appendices B2, C and D only need to be submitted once.

If a participant is submitting multiple competitive offers specifically.

But more of the documents are Appendix F, Compensated Self-Shown Commitment form, the self-shown attestation, and then a map of local resource facilities. This is for new resources only. And I do want to note appendices A through F are available in the Download Documents tab of the applicable PowerAdvocate event. More on PowerAdvocate in the next slide.

So PowerAdvocate is a third-party online platform utilized by PG&E CPE to host the RFO materials which are appendices A through F and receive Compensated Self-Shown Commitment and Offer submittals. There are two PowerAdvocate events.

So please ensure you register for and upload documents to the correct event based on the participant type that you fall under. So there's a event for competitive offers from PG&E participant. And then there's a link on this slide to the event for competitive offers from all Non PG&E participants. So again, two distinct PowerAdvocate events. These are linked on the PG&E CPE's 2026 RFO website.

We also have PowerAdvocate instructions available on our website as well, and additional instructions on downloading and submitting RFO documents can be found in the Solicitation Protocol.

A few commitment and offer submittal reminders.

The data input in the applicable Appendix A Offer Form or Appendix F Commitment Form may result in terms with contractual implications.

Competitive offers shall not be made contingent upon the execution of any agreement related to any other competitive offer.

Commitment package or offer package must be complete at time of submission.

No variations are allowed for participants submitting competitive offers for Compensated Self-Shown Commitments.

Participants submitting competitive offers for Bundled RA or Bundled RA with Energy Settlement may submit up to five mutually exclusive competitive offer variations.

One note here, PG&E CPE will not accept offers that are contingent upon more than one variant per competitive offer being selected. There's more information on that in the 2026 CPE RFO Protocol.

Lastly, participants are only allowed to submit one version of proposed markups for each applicable agreement.

In terms of communications and the website, as I've mentioned previously in the webinar, the materials posted on PG&E CPE's 2026 Local RA RFO website provide participants with guidance on submitting a Self-Shown Commitment or Offer.

The materials posted are the RFO Solicitation Protocol, the RFO Protocol at a Glance, the RFO Schedule, PowerAdvocate User Guide, and PowerAdvocate Event Links. All other RFO materials are available only on PowerAdvocate. So make sure you request access to the applicable event.

Again, all solicitation communications should be directed to CPEsolicitations@pge.com with a copy to the independent evaluator at PGE_CPE_IE@paconsulting.com.

And that goes for any questions that you might have during this webinar. We will be having another Q&A portion towards the end of the presentation.

So this will conclude the main portion of the 2026 PG&E CPE Local RA RFO Participants' webinar. For those who want to stick around, my colleague will walk through the offer forms in greater detail. Again, we really encourage participants who are considering offering 2027 RA capacity to stay and listen to some guidance that we have on how to fill out the offer forms accordingly, given the nuances with prompter procurement that I described previously.

But with that, thank you all. We hope to see you in this year's RFO and I will turn it over to my colleague Kyle Niiyama.

Niiyama, Kyle 1:00:00

Thank you, Emily. Hi folks, this is Kyle Niiyama from the PG&E CPE team. As Emily just mentioned, I will go ahead and go over some of the ins and outs of our offer forms and competitive commitment offer forms as well.

So we'll start off by taking a look at Appendix A1, that is the offer form for Compensated Self-Shown Commitments. And again, just to reiterate, please feel free to send any questions to our inbox at CPEsolicitations@pge.com with the independent evaluator copied and we'll be sure to answer as many as we can at the conclusion of this call.

So this Appendix A1 offer form, it's going to apply to the Compensated Self-Show Commitment process, which is limited to CPUC LSEs only.

You want to start by downloading the offer form from Power Advocate. The links to these events are going to be available on these slides when they're published to our website, and they are also, as Emily mentioned, available on our RFO website.

In the download documents tab of these events, you will find links where you can then download the form Appendix A1.

So after downloading, once you open up the form, you will have this banner popping up encouraging you to enable macros or enable content. It's imperative that you enable macros for these workbooks as a lot of the features in the file are macro driven, so not enabling these will cause the form to function incorrectly.

All right, so after enabling macros, you will get this set up initial offer screen. Starting off, the participant will be prompted to select a resource and technology type. These are things, such as, you know whether or not the resource is a storage resource, or hydro, amongst other things.

And then you'll also indicate whether the resource is new or existing. And the definitions again for a new or existing resource can be found in our solicitation protocol, which is

available on our website. After populating all the fields and selecting all the available options here, you're going to click that create offer button. That's that step three down there on the screen.

So after clicking the Create Offer button, you'll be brought to the Offer Forms Instructions tab. You know it's important to take a look through these instructions prior to beginning to fill out the offer form. There's a lot of helpful information here just to make sure that you will be completing the form in its entirety.

After reviewing the instructions tab, you can see towards the bottom of the screen there you'll want to click on the offer info tab, which we'll go over now. Once you have the offered info tab open, you'll want to go through and begin populating. One thing I do want to point out is towards the top of the screen you can see the cells with the gray background. That's information that's automatically populated using the details that you had selected in the set up initial offer screen. These cells are locked as your responses to those fields modify the overall structure of the form.

You'll want to go through and take a look at all of the orange cells in this offer form on the offer info tab. Once you have properly populated these fields, they will switch to green, which is a quick visual indicator for you that your form is complete.

Scrolling on down through the offer info tab, there'll be some information that will be requested around participant information. These are things like counterparty name, developer (if applicable), as well as ownership contact information. We do have some additional guidance in column S where you see these additional comments. With the white background cells to the right of the orange column, they give a little bit of added context as to what information PG&E CPE is asking for in these fields.

Continuing on, you've reached the transaction section. This is where you can identify your initial Shown Date as well as the Shown Term of the offer. I do want to note that both of these data fields use a pick list or drop down menu.

And then after populating the initial Shown Date and Shown Term, you'll have the option to enter in your contract price. This will be in dollars per kilowatt month (\$/kw-mo) for each year of the Shown Term.

And then just to call here, at the bottom of the screen per CPUC Decision 20-12-006, Competitive Offers for Compensated Self-Shown local RA will have their compensation capped at a predetermined local price. We do have some more information in our Protocol, as well as on the RFO website.

And as Emily mentioned, we will be endeavoring to post these premiums as soon as they're available and sending out an associate market notice as well.

All that to say, participants may submit a competitive offer with a contract price at or below

the predetermined local price for the local area of the project that's being offered. So after the offer info tab has been populated in its entirety and you see all of those orange cells switch to green, you'll want to go over to the file name tab to the far right. After that you click on the generate file name button. This will then automatically put together a unique bid ID and file name based on the information that was provided in the offer form previously. After that's done, you'll hit save file. It'll prompt you to save the excel sheet to your computer, along with the updated file name. It's really important here. I do want to call out that you do not change the file name. The name on the file must be the same as the name in the field on the file name tab when the form is submitted. After that hit save. That should complete the population of the Appendix A1 offer form.

Moving on now to Appendix A2. This is our offer form for Bundled RA and Bundled RA with Energy Settlement. As the name implies, this applies to the Bundled RA and Bundled RA with Energy Settlement processes and is available to all market participants. Similar to Appendix A1, you'll want to access Appendix A2 through the applicable Power Advocate event after you've registered, and it will be available in the download documents tab. The download links to the forms can be found as pictured here in the screenshot. You'll just want to click on it and it should automatically begin to download. Similar to the Appendix A1 offer form, you'll want to make sure that you're enabling macros so the workbook functions properly. The setup initial offer screen is going to look pretty similar to Appendix A1, this time with a couple of additional fields. Participants will be prompted to provide information on resource and technology type and then also some additional fields about whether or not you're the owner of the project being offered, what type of entity the participant is, as well as whether the project is new or existing, and if it's dispatchable or not. After all of these have been selected, you're going to hit create offer at the bottom of the screen. Clicking create offer will bring you to the instructions sheet. It's really important again to take a look, make sure that you are understanding of all the steps here, so that way you're able to cleanly fill out the offer form.

After you've reviewed, go over to the offer info tab.

The fields that you have populated on that initial setup offer screen are locked as indicated by the gray background for the cells towards the top of the screen. We also have this additional field at the very top of the screen saying, use this variant.

You have the option whether or not to click yes or no. Any variant with a no response will be ignored when the offer form is submitted to PG&E CPE for our review.

Again, orange fields indicate where information is required. Once they've been populated, that cell will then turn to green.

The form is macro driven, populating certain cells might cause subsequent cells to hide or

display. Things like populating the whether the resource is front of the meter or behind the meter, FTM or BTM, the Cal Enviro score, seller supply chain information, etc. They may cause a cell resizing issue for some users. If you run into this issue, where it looks like there's a weird overlap happening with some of the selection of the cells, this can be quickly remedied by simply pressing, if your computer has one, page down, followed by a page up key, or just zooming in and zooming back out. That should remedy the issue.

We're going to be splitting up the remainder of steps. Depending on the contract structure of the offer form, you'll want to review row 20 of the offer info worksheet of the participants offer form to determine the contract structure that's been laid out in the offer form.

The contract structure is going to be determined by the inputs that the participant had provided on the setup initial offer screen. Those two kind of options for structure are fixed and percent.

Starting off with a fixed contract structure, you'll have the option whether or not to choose an energy settlement variant. If you do not plan on offering an energy settlement option, you will just choose the NA. This is a drop-down menu. Depending on the energy settlement option selected, you'll get a pop-up message that will notify participants which worksheet needs to be populated with energy settlement details. Get some more information on energy settlement in Step five of this presentation.

You'll then want to populate the offer's initial delivery date (IDD) and delivery term. One call out specific to this RFO is existing resources IDD must fall between January 2027 through December 2029 and for new build resources, that IDD window is going to be expanded just a little bit with IDD's that must fall between January 2027 through December 2031. We have additional information on definitions of new versus existing resources in our solicitation Protocol.

For the purposes of the presentation, we're going to assume that the participant has selected no on the additional tab entry required for the message box shown below. After populating your IDD and delivery term, you'll be prompted to fill out variant specific information, but for the sake of demonstration purposes, we're going to assume no. You do have the option to submit multiple variants. This is where I really want to call out there's some additional guidance around prompt year offers here, so be sure to tune in here. Participants submitting a Bundled RA and Bundled RA with Energy Settlement offer form may submit up to five mutually exclusive offer variations. Variations allowed for the following terms are things like the energy settlement option, IDD, delivery term, contract price and contracted quantity.

To add a variant, at the very top of the offer info tab, we have this add variant button. You'll click on that and then a new variant will display in a column to the right of the most recent variant that you've been working on. You can see here that that is noted by that orange kind of column that has popped up. That would be for instance, your variant B.

While additional variants or adding additional variants are optional for most participants, it is going to be required for participants submitting Competitive Offers with RA delivery in both prompt year and non-prompt year, so 2027 and beyond.

Participants submitting a Competitive Offer with RA delivery in both prompt year and non-prompt year are required to use the additional variant feature to split their competitive offers based on the below guidance. For variant A we are asking that that variant contains prompt year RA delivery only. For variant B, we ask that that excludes prompt year RA delivery. And for variant C we see that as an all-inclusive variant, which will contain kind of the full strip of offer containing prompt year RA delivery and beyond.

We have a visual example down below. In this case, we're going to contemplate a Competitive Offer with an IDD of January 2027 and a 48-month delivery term. You can see for variant A (assume no energy settlement across all variants in this case), that variant A has an IDD of January 2027 and a 12-month delivery term. That variant A includes just prompt year RA delivery. For variant B, that's going to exclude the prompt year RA delivery. We have an IDD of January 2028 and a 36-month delivery term.

Variant C is that all-inclusive variant. You can see the IDD is in January 2027 and it's the full 48 months that are offered.

Each variant will have its own individual worksheet variant: A, B, C, etc., where the participant can review and enter the price and quantity of attributes that are being offered. Depending on the participant's answer to delivery term, one of two variant options will appear here.

For offers with delivery terms of 60 months or fewer, participants will have the option to provide monthly pricing. It'll be noted by variant_A, B, and then in parentheses monthly. For offers with delivery terms greater than 60 months, participants will then offer yearly pricing. This will just look like variant_A, for instance, in the selection of tabs at the bottom of the worksheet.

For this case, we are going to take a look at the specifics around the variant worksheets.

We're going to ask that participants enter their offers contract price for each calendar year and month of the delivery term. Participants should review the payment quantity and contracted quantity of RA attributes and contracted quantity of flex RA attributes. This applies to the percentage structure as these values are auto calculated using the contracted quantity percentage that you would have entered on the offer info worksheet.

As I mentioned, for monthly pricing variance, I'll direct your attention to the bottom left of the screen. For variant A there's the option to provide specific contract prices for various months and then to the right for annual pricing variants there is the contract price that's on an annual basis.

Back to kind of the fixed contract structure. You're going to be offering or entering your offers contract price for each calendar year or month of the delivery term and then you will be populating your payment quantity, contracted quantity of RA attributes, and contracted quantity of flex RA attributes.

For the fixed contract structure, these values are going to require manual entry.

At the bottom of the screen, variant A is a monthly pricing option where you can vary your price on a month-to-month basis and then we have the example of the annual pricing variant to the right.

Onto a deeper dive into the percentage contract structure of the offer form. You will start off by selecting the data source of NQC values. This is a pick list field or pick list option. You'll then go through and enter the anticipated or the actual NQC value for each month across the 12-month period. You'll then do the same for flexible RA attributes entering the EFC value for each month.

If there is none, a simple zero will suffice.

You'll then indicate the contracted quantity as a percentage, which will then influence the sort of variant-by-variant specific tabs. For instance, if you wanted to offer 100% of the RA attributes, you would put down 100%.

Similar to the fixed MW structure, there's the option to offer energy settlement. If you do not intend on doing so, there is the option to choose NA from the pick list.

Once an option has been chosen, you will receive this pop-up message notifying you to fill out the appropriate worksheet.

You'll then go through whether or not you want to offer energy settlement by populating the IDD and delivery term. Then we have the windows for existing resource and new build resource IDDs on the screen in red.

This is going to be specific to the percentage contract structure form. You'll then be prompted to fill out the operational characteristics of the project. In this case, for example purposes, we will be assuming an energy storage resource.

The operational characteristics fields that appear within the offer form are going to be based on the technology type of the project that was entered by the participant on that initial input or set up offer screen that I went over earlier.

Column S is going to have some additional comments just giving further indication about what sort of data we're looking for or that should be input in this screen.

Percentage contract structure offer forms will also have the option to add variants. Variants allow participants to vary things such as energy settlement option or offers, IDD, delivery

term, contract price, and contracted quantity.

A deeper dive now into energy settlements. Resources being offered in Appendix A2 can select an energy settlement option using the built-in pick list on the offer info worksheet. Energy settlement options that are available in that pick list will be displayed based on the technology type provided in that setup initial offer screen.

Depending on the energy settlement option selected, users will be prompted with a message indicating which worksheet to enter the energy settlement details on. Energy settlement options 1, 2, and 3 are on a separate energy settlement worksheet in the offer form.

For example, it'll look like energy settlement variant, underscore whatever letter ABC etc. Energy settlement option 4 details can be entered in the energy settlement details columns I through K section of the variant worksheet.

For instance, Variant_A. These options are going to tie directly to the offered resource that's been selected in the beginning of the offer form. After selecting the energy settlement option on the offer info worksheet, you'll then proceed to enter in the IDD and delivery terms prior to entering details about the energy settlement option.

Now we'll go into what each of those individual energy settlement options look like, starting with option 1, which is energy storage. If the participant selects energy storage energy settlement option, you will be prompted to input the energy settlement variant_X worksheet which captures the offered variable O&M duration and roundtrip efficiency. Participants will also enter the offered energy settlement payment quantity for each month of the delivery term.

Here is a visual example of what that's going to look like in the screenshot.

Moving on to option two, if the participant selects the gas-fired energy settlement option, you'll be prompted to the standalone individual energy settlement variant underscore X worksheet, as well as providing the contract heat rate and variable O&M.

Then you'll be prompted to enter the energy settlement payment quantity for each contract month of the delivery term, including things like the gas index, alternate gas index, and gas pipeline or tariff rate. The answers to these fields will be available in a drop-down menu.

Option three. If the participant selects the fixed generation profile energy settlement option, the standalone energy settlement tab for the specific variant will appear and it'll look like the screenshot here on screen. We ask that participants use MW hours as the units to populate and round values to two decimal places.

We ask that values are entered using standard time. Please don't make any adjustments for daylight savings time.

That guidance will be, as you can see, under that important in bold red in the offer form itself as well.

Another kind of another energy settlement option. If the participant selects the monthly

price schedule energy settlement option, there's the fields to input the Var_X worksheet, the energy settlement energy price, energy settlement energy hours, and energy settlement payment quantity in the energy settlement details section for each of the contract months of the offer delivery term. That is the spot on the screenshot that is boxed in red there. Once you've gone through and fully completed and populated the offer form, you'll want to navigate to the file name tab. Similar to the process with Appendix A1, you'll click the generate file name button.

In doing so, it will generate a unique file name. You'll want to click the save this file button. You'll then be prompted to save the file to your computer. I really want to emphasize, please do not modify the file name that's automatically generated by the offer form.

With that, I figure we'll take another look at the Q&A or any potential questions that might have come in since our intermission earlier during this meeting. So please sit tight for just a couple of minutes while we review and then we'll go over some of those final questions. It looks like we got just a couple of questions since the intermission.

Starting off the first question: if we end up selling the local resource RA awarded in the CPERFO, what, if any obligation, do we have to the CPE?

PG&E's response: PG&E CPE's response to that is that an executed agreement to sell local RA to the CPE constitutes a binding commitment. We encourage participants to take the time to review the applicable agreement to understand the obligations that are associated in those agreements.

Next and final question: My understanding is that any 2027 local shortfall identified during the 2025 RFO process would have already been addressed through CPM backstop as the requirement was locked in at that time. If that is the case, could you confirm whether the 2026 RFO procurement for 2027 is limited only to incremental needs resulting from the updated LCR or LCTS local capacity requirement or local capacity technical study? Rather than reprocurring volumes that had already rolled to CPM.

PG&E CPE's response to that: Yes, for the 2026 PG&E CPE local RA RFO, PG&E CPE may only procure for 2027 capacity if there is an incremental change in the CAISO's local capacity technical study results.

With that, that concludes our 2026 PG&E CPE Local RA RFO participants webinar. I'd like to thank you all for attending. Have a great rest of your day and stay safe. Thank you all.

End of Webinar