

**PACIFIC GAS AND ELECTRIC COMPANY**

**Moderator: Chris DiGiovanni**  
**December 21, 2016**  
**4:00 p.m. ET**

Operator: This is Conference # 32597298

Operator: Good day, ladies and gentlemen, and thank you for standing by and welcome to today's webcast. My name is (Huey) and I will be the Web event specialist assisting today.

Later in today's webcast, we will open the floor to questions that you have. You can submit your questions by clicking – submitting it via email to [pvprogram@pge.com](mailto:pvprogram@pge.com). Again, that email is [pvprogram@pge.com](mailto:pvprogram@pge.com). If you would like to view today's presentation in a full screen view, click the Full Screen button in the lower right-hand corner of your screen. Press the Escape key on your keyboard to return to your original view.

And, finally, for optimal viewing and participation, please disable your popup blockers. Should you need technical assistance, as a best practice, we suggest first refreshing your browser. To do so, you may press F5 on your keyboard. If that does not resolve the issue, please click the support option in the upper right-hand corner of your screen for online troubleshooting.

It's now my pleasure to turn the webcast over to Chris DiGiovanni. Chris, the floor is yours.

Chris DiGiovanni: Awesome. So, welcome, everyone, to this Wednesday before Christmas. We appreciate taking the time to review the PV RFO solicitation parameters with us.

So, really, the objective of this solicitation is to give you an overview of the PV solicitation. We will not be covering any of our other procurement programs; we will be only focusing on the PV solicitation during this webinar - nor will we be entertaining questions about other programs at the Q&A at the end. The Q&A will be specifically steered towards this program.

Also – so, if you have questions -- as (Huey) mentioned at the top -- please email your questions during the presentation to [pvprogram@pge.com](mailto:pvprogram@pge.com). We do have some time set aside at the end of the webinar to answer questions. However, depending upon the number of questions that we get or the complexity of the questions, we may not address all of the questions during the Q&A at the end of the webinar.

Regardless, though, we will be compiling a document that has a full list of all of the questions that are asked -- not only during this webinar but that even come in to the box post webinar. And we'll be compiling that Q&A and posting it on our website once that is compiled. And then, going forward, we will keep that refreshed if any additional questions happen to come in to the mailbox that would be program-specific and not project-specific.

Also, we are going to be posting a list of attendees on our website. If you do not want your name or your company posted on that list, please let us know by 5 o'clock tomorrow. Otherwise, the remaining names will be posted on the website. And then, finally, we are recording this webinar and an audio file will be posted on the website once that is compiled and ready to post.

So, the presentation is really meant to be a summary; we are not going to get into all of the nitty-gritty details of the program. And so, with that, if there are any inconsistencies between what is spoken during this webinar and RFO materials -- those being the protocol, the PPA or any other documents governing the solicitation -- if there are any inconsistencies, the RFO materials will govern.

There are several documents that we highly encourage every bidder or potential bidder to review carefully -- the first being the advice letter, the

4950-E that we filed with the updated PPE and protocol for the solicitation. Definitely, again, review the protocol and also the PPA.

As is consistent with all previous solicitations that we have done for this program, the PPA is non-negotiable. So, we really urge everyone to review the PPA in its entirety and ask any clarifying questions you may have prior to submitting an offer. We want to make sure that you have full understanding of the PPA and all of its requirements so that you don't have any surprises when we get into the PPA execution phase or once your project is ready to come online. So, again, very important that you review the PPA in its entirety.

Also, this solicitation requires some public disclosure of information just by nature of the program that was approved by the CPUC. And, so, by participating in this RFO, you acknowledge and expressly authorize PG&E to publicly disclose the information that you see in those – in those bullet points there. Also, when we – when we go to file the advice letter and then periodically thereafter, we will be providing updates to the CPUC on the – any executed projects development status leading up to execution.

Female: All right. Now, we will move into an overview of the solicitation.

The PV program became a solicitation through Decision 1004052, which authorized PG&E to repair 250 megawatts of PV over a five-year period. In February of 2014, PG&E filed a petition for modification to transfer the remaining capacity from the PV program to the renewable auction mechanism program.

That petition for modification was granted with restrictions. PG&E was directed to roll half of the remaining capacity into RAM 6 with the remaining half procured equally in two solicitations to be held in 2016 and 2017. This solicitation will fulfill PG&E's obligation to hold a solicitation in 2016. The procurement target for the 2016 PV RFO is set at 68.75 megawatts.

The guaranteed commercial operation date is 36 months from the effective date of the PPA. That 36-month clock starts after the final and non-appealable CPUC approval date, which is typically 10 days after approval. The

commercial operation date cannot occur more than 180 days prior to the GCOD. The permanent (delay) extension is six months under limited circumstances outlined in the PPA.

Offers will be due by noon Pacific Standard Time on January 18. PG&E will notify selected and waitlisted participants of their status on April 18. Primary and waitlisted participants must return signed acceptance letters on April 21. Waitlisted participants will be updated regarding their status on April 26.

On April 28, primary participants that wish to continue must return signed PPAs and required documentation through PowerAdvocate. On May 5, waitlisted participants that wish to continue must return signed PPAs and required documentation through PowerAdvocate. May (25) is PG&E's target date for PPA execution. And PG&E's target date for filing an advice letter for CPUC approval is June 26.

So, I want to highlight for you that we have an independent evaluator that will be monitoring all of the activity in this RFO. They are tasked with monitoring the evaluation process to ensure fair and equal treatment of all potential counterparties as well as ensure that we use the methodology that is described in the solicitation protocol.

They will be reporting on the process and proposed transactions to the CPC when we file for CPC approval. The independent evaluator may review all offer data in addition to communication with participants. The independent evaluator is Merrimack Energy, and the contact information for Wayne Oliver is listed on this slide.

Some major updates from the 2014 PV PP RFO are listed on this slide. Specifically, Least Cost Best Fit evaluation methodology will be used. Time of deliver factors have been updated to be consistent with the approved TOD factors approved provided in the 2015 RPS decision. We will go into a bit more detail on the TOD factors later in the presentation.

The project must interconnect within the electric distribution or transmission system of PG&E, SCE or SDG&E. A phase two interconnection study or

equivalent is required. And projects may be offered as full capacity, partial capacity or an energy-only resource.

We will move into some eligibility criteria. Studies, where applicable, must show that commercial operations can be achieved by July 2020. The solicitation is limited to PV projects with a capacity of greater than 3 megawatts up to 20 megawatts only. The project must not have received funds in the California Solar Initiative or Net Energy Metering programs and must interconnect within the electric distribution or transmission system of PG&E, SCE or SDG&E. Projects that have previously been bid into other solicitations may bid into this RFO as long as eligibility requirements are met.

New and existing projects are eligible. Existing facilities may participate provided that if a project that if the project is currently under contract, the existing contract is scheduled to expire within 36 months of commission approval of the PPA. For this RFO, the existing contracts must expire by July 2020.

Continuing on eligibility requirements with deliverability -- PG&E does not require nor does it have a stated preference for deliverability. Projects may bid in as energy only, partial deliverability or full capacity deliverability status. If a project does bid in as partial or fully deliverable, it must meet the deliverability date that is submitted with your offer or face penalties and/or default under the PPA.

Please review these – please review these provisions in the PPA if you are considering a bid as a deliverability project. Participants are encouraged to submit an energy-only bid instead of or in addition to their deliverability bid if there is any chance the deliverability bid may be declared ineligible.

Continuing on with deliverability -- projects bidding as energy only do not have to pursue any deliverability studies. Projects bidding as fully or partially deliverable must identify the date by which the project will have FCDS or PCDS status; provide documentation that the project has received FCDS or PCDS or is in the phase two process of the deliverability study via an interconnection agreement or interconnection study process agreement

reflecting the requested deliverability; evidence that the project has posted all required interconnection financial security as required and maintain identified deliverability requests as shown by the CAISO or PG&E interconnection (queue list) or IA.

Note that an application for CAISO's annual deliverability assessment does not qualify unless the project has a deliverability finding at the time of offer submittal on January 18.

Chris DiGiovanni: All right. So, getting into just a review of some of the key components of the PPA -- the first slide you see here is the time of delivery factors that will be paid based upon when the energy is delivered. One of the main differences from the last PV RFO to this one is that we have collapsed the TOD factors into one set. So, there is no longer a set of TOD factors for energy only and a separate set for full deliverability; it is one set of TOD factors regardless of the deliverability of the -- of the project.

The other slight significant note is that the -- what is now the midday -- I'm sorry -- what is now the night -- the hour ending has shifted from hour ending six -- 0600 to 0900. But, other than that, most of the other conference you see there are fairly consistent. So, again, the big takeaway here is there is only one set of TOD factors regardless of the deliverability of the project.

So, as I mentioned in the overview at the beginning of this webinar, the terms and conditions of the PPA are non-negotiable. Also, the seller must sell and deliver all product to PG&E. You can read there a sample of what all product means. But, I also encourage you to review the definition of product in the PPA to understand what the seller is responsible for delivering to PG&E.

Another change since the last PV RFO is the commercial operation date. Instead of being online within 24 months, the COD has to occur within 36 months of the effective date of the PPA. The effective date of the PPA is 10 days after the CPUC approves the PPAs that we file once the -- once the solicitation is concluded.

Current timeline states that we are anticipating filing the advice letter with the executed PPAs towards the end of June. Again, that is a target date, but that is

what we are aiming for, which would mean that the effective date of the PPA should be right about the end of July of 2017.

So, if you park 36 months after that, these projects much come online by the end of July 2020. Failure to meet commercial operation date will result in an event of default. And with an event of default, PG&E does have rights to terminate to PPA and to retain the project development security as damages based on that default.

The final bullet point on this slide is a very important one. All output from the project must be delivered through a single CAISO revenue meter which is located on the high side of the transformer. Again, I want to emphasize the high side of the transformer; not the low side. So, again each project must have a dedicated step-up transformer and a dedicated CAISO revenue meter on the high side of that step-up transformer.

So, we are having a little bit of difficulty with the refreshes here, so bear with the delay in the change of slides here.

So, PG&E will pay for energy deliveries up to 100 percent of the contract quantity in any given year. And based on the delivery profile and the quantities that you -- the seller -- are putting in the cover sheet of the PPA, that will establish a baseline for the guaranteed energy production. So, over a two-year rolling time period, you must deliver 160 percent of those -- of those promised deliveries to stay within the parameters of the PPA. And if you fall short of that guaranteed energy production, there are -- there are some potential liquidated damages associated with that.

Also, on these projects, PG&E is going to be acting as the scheduling coordinator. You as the seller will provide availability data and any other kind of necessary or required information to PG&E. And based on that information, PG&E will schedule energy from the product or from the project.

And if the seller fails to meet the forecasting and data requirements under the PPA and/or exceeds the performance tolerance spend, we may assess a forecasting penalty to the seller. And, again, I would encourage everyone to review the appropriate section in the PPA that walks through that. Also,

before a project can come online, the project must be PERP and DER certified.

There's also curtailment provisions within the – within the PPA. There's a couple of different curtailments. There is a buyer economic curtailment and then there is CAISO curtailment. If the CAISO curtails or orders curtailment on the project based on grid instability, there is no compensation to the seller for those curtailed hours.

If we -- PG&E -- as the buyer, curtail based on an economic curtailment, the seller will be paid deemed delivered energy based on the contract price. So, you will not be out if PG&E curtails the energy. And then, finally, the last bullet point you see there is the seller is required to respond to electronic signals from the PG&E or the CAISO during a curtailment event.

And then the final slide. This section is the performance (assurety). There is a project development security that is due to PG&E within five business days following CPUC approval of the PPA. So, for those projects that do get a PPA, you would anticipate having to come out of pocket for a project development security towards the end of July. And that PDS is \$60 per kilowatt.

If the project fails to come online for any reason and the PPA needs to be terminated, the damage payment is – will be paid out of or the entirety of that project development security. And then, finally, once the project or right before the project is deemed ready for their initial energy delivery date, there is a delivery term security of 5 percent of the total expected project revenues that will be due.

So, when the slide refreshes, I am going to turn it over to (Sandy) to talk about the evaluation methodology.

(Sandy): OK. So, I am just going to do a quick overview for you of how we evaluate (inaudible) (through the Least Cost Best Fit criteria). And for those of you that have participated in previous RFOs, this material is all going to look familiar to you (because) we are using the same process that we have used in previous RFOs.



So, the bulk of our evaluation is quantitative. But, we do apply some qualitative assessment as well. And our primary quantitative criteria are net market value and portfolio adjusted value, which I will get into more detail on future slides. And, so, the – our primary ranking criterion is the quantitative.

But, we do have two qualitative criteria as well. We do have a preference for shorter delivery terms of under 20 years, although we do recognize that new resources may be able to offer lower prices with the 20-year term. And the other is seller concentration. And we may consider this so that we don't award all the 68 megawatts to the same counterparty.

OK. So, in terms of market value, what you see here is a CPUC-approved equation, and it is basically a cost-benefit analysis. So, the first three components are the benefits and the four in parentheses are cost. So, you are basically looking at the total benefit minus the total cost of your project on a per megawatt hour basis.

So, the E is the energy benefit. And this is the value from the energy that the PV project provides. And we measure it by looking at what would be the anticipated cost of market energy that the PV project displaces. And we look at it as the location of the project – so, we look into and LMP specific price. And that also considers congestion and losses in the area.

And then the C is the capacity benefit. And we are looking there at the (avoided) cost an RA purchase that we'd make in the market but we are not making due to the RA contribution of the PV resource. And I have – it is another slide that talks about the capacity benefit a little bit more. And then the last component (to add) is ancillary services. And those are – seem to be zero for non-(dispatchable) resources such as PV.

And then on the cost side, we have the PPA price plus the transmission network upgrade cost that are borne by rate payers And then the integration costs. And the integration costs are basically the cost of integrating an intermittent resource onto the system. And they are calculated using a methodology that was adopted by the (PUC). But, the idea here is that

intermittent renewables actually create a need for flexible capacity resources to manage the intermittency. And that is the cost (that is added).

And then turning to the next slide on the capacity and transmission, so, we look at the transmission network upgrade cost as the cost that are attributable to your project. I mean, they are taken from the applicable transmission study. So – and these are the costs that are – that are basically reimbursable and that are borne by our customers. So, if you are energy only, we are looking just at the reliability network upgrade. And if you offer deliverability either as partial or fully deliverable, then we are going to consider the reimbursable part of the delivery network upgrade.

And in terms of capacity value – so, there is a – so, there is a cost of deliverability and there is also a benefit if you are offering deliverability. And, so, you tell us by what date you expect to be deliverable. And, essentially, you are committing to providing resource adequacy by being deliverable on that date. And then our evaluation will include RA value from the date that you indicate that you will be deliverable. And, so, the RA value that is calculated is based on our forecast of capacity prices And then our measure of how much capacity value your resource can provide. And that basically is the net qualifying capacity of your resource.

And then, finally, for portfolio adjusted value – so – which is the final piece of the calculation – so, net market value is basically comparing the – your offer total – basically a price for comparable energy and capacity that like anybody might expect to see in the market. PV adjusts that value to reflect PG&E's preferences and to reflect what we already have in our portfolio. And the major adjustment here as to do with location. We have a preference for projects that are located in our service territory.

On the energy side, we make that adjustment by just assuming that the market price for energy in -- outside PG&E's service territory in SV15 is no higher than NP. So, the – so, the value of the energy in SP won't exceed the value of a project in a PG&E service territory.

And then on the capacity side, we are looking at something similar. There is actually a constraint on how much capacity we can count from SV15 toward meeting our RA requirements. So, that puts a potential cap on the value of capacity from outside PG&E's service territory.

So, we basically adjust the capacity value so that the SV15 capacity price or value is no higher than the short run (avoided) cost of capacity. And that (can be due to the fact) that we operate an NP15. And that means that we are not likely to have a long-term capacity purchase in SV15. So, the likely avoided cost of capacity is the short run cost.

And, so, that's it. That's our – that is our evaluation criteria. And I am going to turn it over back to Izzy to talk about how you submit an offer.

Izzy Carson All right. We are moving to the offer submittal process and the offer form. We will first start with some offer price assumptions.

The price that the participant submits to the offer must assume the following – direct (installment) cost and network upgrades; credits, benefits, including tax credits and all other benefits, credits or grants that the seller reasonably expects to apply. And the offer price will be adjusted by the time of delivery factor for each period.

Continuing with offer price assumptions, the price that the participant submits in the offer must also assume the generation profile of the project and collateral requirements. Factor in cost, if any, to provide project development security and delivery term security. Offers must be submitted via the online platform at PowerAdvocate. Registration is required in order to submit an offer. Register through PowerAdvocate at the link displayed on the screen and also posted on PG&E's PV RFO website.

The offer submittal deadline is 1 p.m. on Wednesday, January 18. PowerAdvocate will not accept offers beyond the 1 p.m. offer submittal deadline. PG&E strongly encourages you to register well in advance of the offer due date, and we will only consider offers that as of the submittal deadline are complete and conforming offers. If submitted offer documents

are found to have errors, PG&E will notify participants via email and allow two business days to correct.

Following are some keys to a successful proposal. So, you may choose to bid a single project with up to four variations. Variations include size, delivery term, fixed price versus escalating price and four partial capacity deliverability status versus energy only. Be sure to submit a competitively-price offer as no price refreshes are allowed. And be sure to submit a complete offer including you most recent interconnection study or agreement, as applicable.

The PV protocol outlines the documents required as part of the offer package and specifies the format for each. Required documents for offer submission are listed here and include the offer form, PPA cover sheet and appendix, site control questionnaire and attestation, acknowledgement and commitment of site owner, if applicable, interconnection studies and (single eye) diagram.

Please confirm that your documents are in the specified Excel, PDF or Word format prior to submitting your offer package. RFO website for the PV solicitation provides all necessary documents and instructions to submit an offer into the solicitation. All communications should be directed to [pvprogram@pge.com](mailto:pvprogram@pge.com). And be sure to copy the independent evaluator at [waynejoliver@aol.com](mailto:waynejoliver@aol.com) on any correspondence.

And then on to the offer form. The offer form is structured with the following tabs. We will go through the majority of these in the subsequent slides. For reference, the tabs displayed at the bottom of the screen are shown as they appear in the offer form.

Starting with the Instructions tab, we want to emphasize the importance of enabling macros before you start. Many of the cells within the offer form are linked and will display an error message or will lock the cell entirely if macros has not been enabled. Be sure to enable macros when opening the form before any entries are made. Please make sure you save and submit the form in Microsoft Excel .xlsb format.

Each cell with a yellow background must be filled out. Once completed the yellow background will disappear. The word “Complete” will show at the top of each page once all the yellow fields have been complete. Ensure that the word “Complete” appears at the top of each page prior to submitting your offer form. There is also a Validation tab following the Instructions tab that will show the status of each page and whether or not the offer form in its entirety is complete.

Please include at least one authorized contact in the Development Information section. The contact listed will be copied on all communication with PG&E. Note that in the Counterparty section of the Developer Experience tab, the legal entity is the legal name that would be signed with PPA if the project were to be selected.

The Developer Experience tab also requires evidence that one member of the development team has completed at least one similar project at similar technology and capacity or has begun construction of at least one similar project. The Developer Experience tab also includes several attestations and affirmations that are specific to this RFO. Please be sure to read through each of these attestations.

The Product Description tab will allow you to detail the specifics of your project. Please note that the number of inputs required is listed on the top of each page. As the required yellow cells are completed, the number of missing inputs at the top of the screen will go down. Once every cell has been completed, this section will show as Complete as circled here at the top of the page.

Incorrect offer sequencing is one of the main causes for delays in offer processing. Here is an example of both incorrect and correct sequencing. We will focus on the correctly sequenced offer on the right and in green with two offers and three variants. Please note that the total number of offers should be reflected on the Total Offers line. This number will be the same regardless of the number – of the offer number of variant, which will change depending on how many (and of each) are being submitted.

Here on the left, we have Offer One Variant A, Offer One Variant B and Offer One Variant C representing one offer with three variants. Similarly, on the right, we see Offer Two Variant A, Offer Two Variant B and Offer Two Variant C representing the second offer with three variants. Note that each offer can have a maximum of four variants.

There are a couple of fields that we want to note on the Product Description tab which is shown here. If partial or full capacity deliverability are selected, be sure to fill in the deliverability date based on your interconnection documentation. Additionally, the average pre-TOD price shown here that is grayed out will be automatically populated after the calculator is run. Be sure to fill in interconnection details in the required Electrical Interconnection section.

On the Energy Pricing tab, select either fixed or escalating for the pricing type. Fixed pricing requires inputting only the first-year price while escalated pricing requires first-year and annual escalation rate.

The Generation Profile tab asks the participant to provide a generation profile forecast of the project's average day net output energy production stated in megawatts by hour, by month and by year. If you are planning to cut and paste your gen profile from another Excel sheet, please do not paste your gen profile directly into this tab. Instead, use the Import Gen Profile button shown on the page in red to paste in your gen profile and import from that screen.

And with that, I will pass it on to (Max) for interconnection information.

(Max): Thanks, Izzy.

Interconnection projects are governed by PG&E's Rule 21 wholesale distribution tariff or CAISO's GIDAP. Projects eligible for fast track that do not impact the system greatly can pass the basic screens of the initial review. However, supplemental review may be required if the basic screens do not provide enough detail.

A pass of either of these reviews is equivalent to a phase two study. Projects that are not eligible for fast track or do not pass supplemental review can be

studied under the independent study process. A system impact study is equivalent to a phase two study. If additional detail and cost certainty are desired, a facility study can be performed. In the CAISO independent study process, the system impact study and facility study are performed at the same time.

CAISO cluster studies are performed in two phases. The study process can take between one month for a past initial review to a year and a half for a CAISO cluster two phase study. Interconnection agreement negotiation and execution typically take four months.

Chris DiGiovanni: So, with that, we are done with the main part of the presentation. We are going to take about a three- to five-minute to allow anyone else who wants to submit questions to do so. We have received a couple of questions and we are preparing responses for those. So, we will – we will be back in five minutes to answer those and any other questions that come in in the next few minutes.

Operator: Thank you, presenters.

And, again, ladies and gentlemen, at this time, we will take a brief intermission to compile our Q&A roster. As a reminder, you can continue to submit your question to [pvprogram@pge.com](mailto:pvprogram@pge.com). Again, that email address is [pvprogram@pge.com](mailto:pvprogram@pge.com).

Chris DiGiovanni: Hey, (Huey), this is Chris. I think we are ready if you want to pass us back into – (and patch it going back in).

Operator: Sure thing. You may resume.

Chris DiGiovanni: All right. Everybody, we are – we are – we are back. We did receive a few questions. We got two questions that were virtually the same. Both surrounded the concept of a larger project and chunking it into smaller projects. So if, for example, you had a 60-megawatt interconnection could you chunk that into three separate projects? And in this solicitation, yes, you can chunk that into three separate projects.

However, each of those projects must have its own dedicated step up transformer and own dedicated CAISO revenue meter on the high side of that step up transformer. And, so, as long as the facility meets that metering – or that project meets the metering requirement, you know – I’m sorry. As long as each subproject within that larger project meets that metering requirement then, yes, you can chunk up the larger project into smaller projects.

Female:

OK. And there’s a couple of questions on valuation. The first question was why are energy only and fully deliverable TOD factors the same now? Does this mean PG&E assesses no value to the RA received from a fully deliverable project?

So, the energy only – we have one single set of TOD factors. And that is primarily for simplicity. And it also reflects the fact that in any given hour, there is not quite as large a value for (RAs) there might have been in previous years. But, that said, the same set of TOD factors just means we are paying the same relative hourly price for the project. It does not mean that we are ignoring the value of RA. And when we actually do when we look at the cost-benefit analysis give you RA value based on your NQC.

And then the other questions is regarding the energy benefit calculation -- are LMPs projected into the future or do you just take historical LMPs as a project (node) into the analysis?

And the answer is if you look at our Least Cost Best Fit protocol from 2014, you can see a lot of detail on how we do it. We basically have a multiplier on the NP15 or SV15 price that might range from like 95 percent to 105 percent of the -- of the -- kind of the regional price for the -- to get to an LMP price. So, but it -- and it is based on historical data. So, like the ratio of one region to another is calculated based on the last three years of historical data. And we are applying that ratio going forward to look at the future LMP prices.

Chris DiGiovanni: So, we did receive three more questions within the last couple of minutes that (Sandy) and I will address here. The first one is, for the 2016 PV RFO, will a 50-megawatt project that meets all other criteria for maturity and online dates be considered or dismissed as non-conforming due to size cap?



So, if it were bid in as a 50-megawatt project, it would be deemed non-conforming and would be rejected. However, if that 50 megawatt was chunked into a 20, a 20 and a 10 and each of those three subprojects had their own step up transformer and own dedicated customer revenue meter, the 20, the 20 and the 10 would all three be deemed conforming and therefore eligible for the solicitation.

Another one is we are at the end of a fast track study for a potential fit site that we would like to submit an application for this fit. Does this study have to be completed in whole by January 18 or if we show progress, is that OK?

In this case, when you submit your offers on January 18, it must be accompanied by a completed phase two study. Any project that is submitted with a phase two study project in progress will be deemed non-conforming and will be – will be rejected and not eligible for this solicitation.

(Sandy):

OK. And we had a couple more. So, the question is, “I have a project with full deliverability status basically in ZP26. And how does PG&E value the deliverability of those projects in ZP26 versus NP15 and SP considering it is located within PG&E service territory?”

So, we treat ZP26 the same as NP15. It is in PG&E service territory. And so, sometimes, we use NP as shorthand for PG&E territory and SP for shorthand for not PG&E service territory. But – so, the (PAB) adjustments are truly for SP15 only outside PG&E service territory and there is no reduction for projects in ZP26. So, you have – so, you have full deliverability with no deliverability upgrades; that means we would give you capacity value and we would (assess you) no deliverability costs in our valuation.

And then the other question was more general -- what does value does PG&E assign to full deliverability RA value?

So, it depends on your location. For – the basic equation is in NQC dollars per – in NQC megawatts associated with your technology times a dollar per megawatt hour RA value. The NQC is calculated using the equivalent load carrying capability methodology.

And you can see more about kind of how that works in our Least Cost Best Fit protocol. And then the capacity value curve is confidential. It starts out at -- for projects in NP15 -- it starts at the short run cost of capacity of -- and then it trends off to the cost of a new resource and the year when new resources for generic RA are needed. And then if you are in SP15, it is just the short run cost of capacity throughout the delivery term.

Chris DiGiovanni: OK. So, that was all the questions that were submitted during this webinar. So, what we will be doing is putting all of these questions and answers in a Q&A document and posting that on the website. If you have any other questions, please email those to the email address that was in this webinar. And we will continue to add to the Q&A as those questions come in. So, we would encourage you to continue to check the website to see if there is an updated Q&A should you be interested in that.

So, with that, I thank you for attending this webinar. I pray that everyone has a happy holidays. And we look forward to receiving your offers on January 18.

Operator: Thank you, presenters, and thank you to all of our attendees for joining us. We hope (you found) today's webcast presentation informative. This will conclude our webcast. You may now log off at this time and have a wonderful day.

END