

RAM RFO Q&A
June 11, 2014

Webinar Questions:

- 1. If awarded and executed a PPA when would deliveries of energy and environment attributes be expected?**

Deliveries would be expected at COD which can be no later than 12/2016

- 2. If a project is already interconnected and flowing power to the grid, with RA status, how do we populate the IA information in the proposal documents, or are there provisions for this kind of facility in the submission documents?**

If you already have an interconnection agreement just enter \$0 on the offer form for those network upgrade costs. In addition, please submit your interconnection agreement with your offer submittal.

- 3. You stated that Full Capacity projects in SP15 would be valued differently (less than) Full Capacity projects in NP15. Does the same hold for Energy Only projects, or do you value energy based on market prices in the respective zones?**

The difference between SP15 and NP15 is only for those projects that are bidding in as a fully deliverable project. Energy only projects will be valued the same from an SP15 / NP 15 perspective.

- 4. Assuming full deliverability is selected, how is capacity benefit valued for different renewable technologies (for example wind, solar, etc.)? If you are applying monthly Net Qualifying Capacity to the forecast of avoided capacity costs, are you using the 70% exceedance methodology to calculate that or ELCC?**

The capacity value is calculated based on the capacity price and quantity associated with each resource. The capacity forward price is determined by our internal Avoided Capacity Cost (ACC) model. The quantity or "Net Qualifying Capacity" (NQC) for solar and wind renewable resources is based on the Effective Load Carrying Capacity (ELCC) method, which indicates the capacity contributions toward meeting ramping needs. For baseload resources, the NQC is based on current NQC counting rules.

- 5. During the RAM5 webinar today regarding the subject of when contracted RAM5 projects must achieve COD, both during initial comments and in the Q&A section, PG&E indicated by December 2016 or the end of December 2016. In the Protocol document, it states "Given the requirements that the RAM projects must achieve commercial operation within 24 months of CPUC approval, it would be expected that a project selected from RAM 5 would achieve commercial operation by approximately December 26, 2016".**

Will PG&E accept a RAM bid from a project with an early January 2017 COD?

PG&E anticipates Commission approval by the end of December, 2016. Under the rules outlined by the decision, PG&E would consider the project ineligible for participation in RAM 5.

- 6. I am an existing generator and I have a non-terminable contract which will expire in the first week of January 2017 and thus would appear to miss the December 2016 deadline by less than a week. Can I still bid into the RFO?**

In Resolution E-4546 issued on November 8, 2012, the Energy Division proposed modification of the eligibility rules for existing project participation. These rules were raised by Energy Division and require that the contract for existing facilities must expire within 24 months of the expected date of Commission approval of the PPAs to be considered eligible to participate in the RAM program. Under the rules outlined by the decision, PG&E would consider the project ineligible for participation in RAM 5.