2013 RPS General Q&A
Updated January 09, 2014

1. **We understand that there is a pending transaction between SoCalEd and APS, and that if completed, the Four Corners scheduling point in New Mexico, and the Moenkopi scheduling point in Arizona, will be deactivated, and a new scheduling point to be named WillowBeach along the 500 kV line between Moenkopi and Eldorado will be activated. Is WillowBeach an acceptable Point of Delivery for an out of state resource that is dynamically scheduled to WillowBeach? Would such a delivery qualify for Category 1 under the RPS?**

   When Willow Beach becomes a scheduling point between the CAISO and APS, and your resource can be dynamically scheduled to Willow Beach, such delivery would be eligible to be qualified as Category 1.

2. **With reference to the question above, when is a Dynamic Scheduling Agreement established and who are the parties to it? Would PG&E be involved in establishing the agreement?**

   A dynamic scheduling agreement is an agreement between the two balancing authorities (e.g. CAISO and APS) and the Seller. PG&E is a not a party to that agreement.

3. **In the above scenario, are there delivery risks downstream from Willow Beach that a Seller should consider?**

   We cannot advise on the risks associated with any project, whether or not it includes a dynamically scheduling agreement. We encourage you to carefully review the form PPA and consider the Buyer and Seller responsibilities set forth in that document.

4. **Is there any capacity benefit from a wind project delivered on firm transmission and dynamically scheduled from out of state?**

   Pursuant to the CAISO tariff, resources that are dynamically scheduled may count toward Resource Adequacy, and would be attributed a capacity benefit.

5. **Is the Integration cost 0 for a wind project delivered on firm transmission and dynamically scheduled from out of state?**

   Integration costs for all intermittent resources are $0 per CPUC D.13-11-024.

6. **Your Solicitation Protocol includes criteria that a project must be "greater than 1.5 megawatts ("MW") capacity." Is the MW measured in terms of direct current (DC) or alternating current (AC)?**

   Capacity is defined in terms of alternating current "AC" MW.

7. **What is the easiest way to determine which Trading Hub (NP15, SP15, or ZP26) a project is located?**

   With respect to determining the trading hub, please see the attached CAISO map that shows the location of Path 15 and Path 26. NP15 is north of Path 15, SP15 is south of Path 26. ZP26 is the electrical area between Paths 15 and 26. Please make your best estimate. During the evaluation process, PG&E will verify and adjust, as necessary, based on the Point of Interconnection.

   If your project is located in PG&E's service territory, your project will be evaluated as either NP15 and ZP 26, and if you are located in SCE or SDG&E's territories, your project will be evaluated using SP15 market prices.

8. Would two 20MW projects on adjacent parcels with individual GIAs (i.e. each has its own Phase II: study) but the same Point of Delivery (POD) be eligible as a 40MW offer? (posted 12/23/2013)

In order for the two 20 MW projects on adjacent parcels to be eligible as a 40 MW offer, your project must be able to be scheduled as a single project. The project must have a single revenue meter and single resource ID for scheduling.

9. Could you elaborate more on the location needs? Specifically wondering if PG&E will be accepting energy from the Imperial Valley (Southeast edge of California). This site does fulfill your requirements (CAISO Phase II). (posted 12/23/2013)

PG&E will accept RPS energy from projects located in Imperial Valley. Your offer should be clear whether the project is interconnecting to the CAISO or IID control area. If you are interconnecting to IID, your offer should explain how the RPS energy will be delivered to the CAISO/IID interface.

As discussed in Attachment K: Detailed Least Cost Best Fit, PG&E has a preference for projects in its service territory. This preference is influenced by constraints in the market that may limit the amount of capacity in SP15 that PG&E can count toward its RA requirement. Capacity located closer to PG&E's load is likely to have more value for PG&E's bundled electric portfolio, even when market forward prices indicate that energy delivered farther away has greater market value.

10. Regarding storage dispatch, are we correct in the assumption that PG&E prefers control of the dispatch? Is there a target MW of storage for this specific RFO? (posted 12/23/2013)

PG&E will evaluate the cost and value associated with each offer including those with storage.. A project that is has dispatchable storage will have higher value than an offer without storage. PG&E's preference will depend on the costs and value of each offer.
Please see Attachment K: Detailed Least Cost Best Fit Evaluation Criteria for a discussion of PG&E's evaluation process
(http://www.pge.com/includes/docs/pdfs/b2b/wholesaleelectricsuppliersolicitation/RPS/2013/Attachment_K_LCBF_12162013.pdf).

The 2013 RPS RFO does not have a procurement MW target for storage.

11. Are the slides presented in the Webinar available on your website? (posted 12/23/2013)

The slides have been posted on PG&E's website at:
http://www.pge.com/b2b/energysupply/wholesaleelectricsuppliersolicitation/renewables2013/

12. Would an assignment of capacity by CAISO in its RADDG process substitute for a CAISO Phase II Study? (posted 12/23/2013)

If your project is an existing resource that has applied for deliverability through the RADDG process, no interconnection study is required.

If your project is a new resource connecting at distribution level rather than transmission level, we still need a copy of the interconnection study to confirm that there are no ratepayer funded upgrades required, and to confirm that the online date is reasonable given upgrades required for interconnection. If you have applied though the Fast Track process, confirmation that the project has passed the Fast Track screens is considered an equivalent to a Phase II study. Under the WDAT, the equivalent technical study to the Phase II for the

Independent Study process is the Facilities Study. Similarly, if you applied for the Cluster study under the WDAT, a Phase II study exists in this process and is equivalent to a Phase II study.

If you have received an allocation of deliverability through the RADDG process, that Seller can be considered FCDS for valuation purposes. If the Seller is still awaiting an allocation, then it will be considered energy-only for valuation purposes.

13. **Currently we have applied for a fast track interconnection under Rule 21 and are in the SR process. If we pass SR can we submit an offer in response to your 2013 RPS RFO? In other words can we submit without applying to CAISO for an interconnect study? (posted 12/23/2013)**

    You do not need to apply for a CAISO interconnection if your project connects at distribution level. You may apply for interconnection via the Wholesale Distribution Tariff (WDT) process and submit to PG&E the results of the appropriate study. If you have applied for interconnection and requested Fast Track, then documentation that you have passed the fast track screen would be considered equivalent to a CAISO Phase II study and you would be eligible to submit an offer in this RFO.

14. **Can you please clarify the following: In the webinar on slide 11 you stated that an eligible offer includes "short-term extensions of existing projects" to the extent the deliveries are eligible for banking. Does this mean that PG&E will consider contracts that expire in 2015-16 and have a new contract beginning in 2019 or later? (posted 12/23/2013)**

    If your contract expires 11/1/15 and is eligible, as proposed to be amended, for grandfathering pursuant to the Renewables Portfolio Standard statute as interpreted by the applicable decisions of the California Public Utilities Commission (see, in particular, Decision 12-06-038), PG&E will consider a bid to extend your contract from this expiration date to a future date. The future date may be less than 10 years from the existing contract expiration. PG&E will consider the delivery term and RPS need in its offer valuation.

    If you propose a new contract beginning in 2019 for output from a facility currently under contract with PG&E where the existing contract will expire on 11/1/15, the bid will be considered one for a new contract rather than a contract amendment. Because the new contract would be executed after June 1, 2010, it would not be eligible for grandfathering and would therefore need to be of at least 10 years in duration in order to be eligible for banking, assuming it meets other requirements for banking eligibility.

15. **On the Product Descriptions tab, I encounter the following two issues: (posted 01/07/2014)**

    a. **For Direct Assignment Costs, the cell does not accept any numbers. What should I do?**
       Please leave blank and enter the direct assignment cost into the Other Characteristics field in the Transmission and Generator Information section.

    b. **For the Reliability Network Upgrades costs, the cell does not accept $0. My costs are $0 so what should I do?**
       Please enter the value of $1.

16. **In the Protocol, I noticed that the shoulder period is defined as "hours ending 15 PPT all days in the applicable Monthly Period" which is different than the definition in the PPA and Bidders' Webinar presentation. Which is the correct definition? (posted 01/07/2014)**

    The definition in the PPA and Bidders' Webinar presentation for the shoulder period is correct. Shoulder hours are defined as ending 7-15 PPT for all days in the applicable Monthly Period.

17. For the Offer Form Appendix D1, it appears that offers with dispatchable storage have TOD factors applied, thus affecting expected revenues and the DTS calculation. Is that correct? (posted 01/09/2014).

The offer form is calculating TOD-adjusted price in error. The calculation in the offer form is used only for DTS calculation and will not affect the evaluation of your offer. Offers will be evaluated and paid without TOD factors applied.