

PG&E's Participants' Webinar

PG&E's 2018 Bundled RPS Energy Sale Solicitation

February 21, 2018

Objective and Agenda

- The purpose of this webinar is to provide information to participants who may submit bids into PG&E's 2018 Bundled RPS Energy Sale Solicitation.
- **Topics**
 - Introduction
 - Solicitation Overview
 - EEI Confirm Overview
 - Evaluation Methodology
 - Bid Submittal Process
 - Intermission
 - Q & A

Q&A / Audio Replay

- At any time during this presentation participants should e-mail their questions to the Solicitation mailbox: RECSolicitations@pge.com
- There will be time to answer questions at the end of the webinar
 - PG&E may not address all of the questions during the Q&A portion of the webinar
 - After the webinar, PG&E will compile and post a Q&A document on PG&E’s website at: <http://www.pge.com/rfo> under “2018 Bundled RPS Energy Sale Solicitation”
- The audio portion of the webinar will be posted on PG&E’s website at: <http://www.pge.com/rfo> under “2018 Bundled RPS Energy Sale Solicitation”

Document Conflicts

- This presentation is intended to be a summary level discussion of the information and requirements established in the Solicitation materials (it does not include all of the detailed information in the Solicitation materials).
- To the extent that there are any inconsistencies between the information provided in this presentation and the requirements in the Solicitation materials, the **Solicitation materials shall govern.**
- PG&E encourages participants to carefully review:
 - 2018 Bundled RPS Energy Sale Solicitation Protocol
 - Form of Short-Term Agreement that is posted on PG&E's website as Appendix B
- PG&E urges bidders to **ask clarifying questions** regarding the Agreement **prior to submittal of a bid** under this Solicitation.

Solicitation Overview

Overview

- PG&E is conducting a solicitation to sell bundled Renewable Portfolio Standard (RPS) – eligible energy and corresponding Renewable Energy Credits (RECs) pursuant to a confirmation.

Product Attributes

- Product: Bundled RPS - eligible energy and associated RECs generated in individual calendar years (2018, 2019, 2020, 2021, 2022)
- Location: NP 15 Default Load Aggregation Point (DLAP) or SP 15 DLAP
- Price: NP 15 or SP 15 Day-Ahead Index plus REC Price to be specified by Buyer
- Form of Agreement: Confirm under an EEI Master Agreement or Long Form

Solicitation Schedule

Date/Time	Event
February 21	Participants' Webinar
February 27 by 1:00 P.M. PPT	Deadline for Participants to submit Bids through Power Advocate
March 6	PG&E notifies qualified Bidders
March 23	PG&E and qualified Bidders execute Agreements, which shall be subject to "CPUC Approval," as provided in the Agreement
No later than 60 days after execution	PG&E submits Agreements for CPUC Approval

Independent Evaluator (IE)

- Primary role of the IE is to:
 - Monitor solicitation processes to ensure fair and equal treatment of all potential counterparties
 - Monitor evaluation processes to ensure PG&E has implemented methodology as described and that bids are treated consistently
 - Report on solicitation process and proposed transactions to CPUC when filed for CPUC approval
- The IE may review all proposal data and communications with Participants
- 2018 Bundled RPS Energy Sale Solicitation IE is Arroyo Seco Consulting.
 - Lewis Hashimoto (arroyosecoconsulting@gmail.com)

EEI Confirm Overview

General Guidelines

- Bidders are not required to have an EEI Master Agreement in place with PG&E to submit a bid in the Solicitation
- PG&E has a strong preference for standardized Agreements. PG&E requests Bidders limit edits to the Agreement to the following sections:
 - Quantity
 - Green Attributes Price
 - Energy Delivery Period
 - Delivery Point
 - Credit Terms

Product Delivery

- Energy Deliveries begin upon CPUC Approval
- PG&E, or a qualified third party designated by PG&E, is Scheduling Coordinator.
- Energy will be delivered at the location specified by Buyer (NP15 DLAP or SP15 DLAP).
- Conveyance of Green Attributes: PG&E will transfer to Buyer, the WREGIS Certificates associated with Delivered Energy, within 25 business days following the occurrence of both:
 - The deposit of WREGIS certificates into to PG&E's WREGIS account for the applicable energy delivery month
 - Buyer's payment of the Monthly Cash Settlement Amount

Monthly Cash Settlement Amount

- The “Monthly Cash Settlement Amount” shall be equal to the sum of (a) plus (b) minus (c), where:
 - **(a)** equals the sum, over all hours of the Calculation Period, of the applicable Energy Price for each hour of Delivered Energy, multiplied by the quantity of Delivered Energy during that hour
 - **(b)** equals the Green Attributes Price multiplied by the quantity of Green Attributes (in MWhs) associated with the Delivered Energy for the applicable Calculation Period
 - **(c)** equals the sum, over all hours of the Calculation Period, of the applicable Energy Price for each hour of Delivered Energy, multiplied by the quantity of Delivered Energy during that hour

Credit Terms

Collateral

- Investment grade counterparties: no collateral posting requirement provided that the counterparty maintains investment grade status throughout the term of the Agreement.
- Non-investment grade counterparties: post collateral equal to 15% of the volume of undelivered Green Attributes multiplied by the Green Attributes price.

Evaluation Methodology

Evaluation Methodology

- PG&E will evaluate each delivery year independently, which may result in the selection of non-consecutive delivery years from one Bidder.
- **Quantitative criteria**
 - Price
- **Qualitative criteria**
 - Counterparty creditworthiness
 - Extent of agreement modifications
 - Buyer concentration
 - Existence of an acceptable EEI Master Agreement between PG&E and the Participant
 - Previous commercial experience with the counterparty

Bid Submittal Process and Bid Form

Bid Submittal

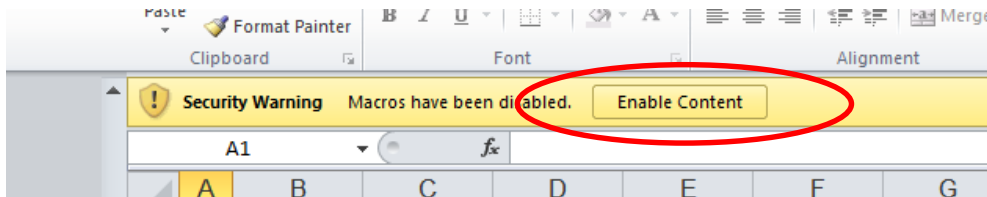
- Bids must be submitted via the online platform at Power Advocate. Only accepted registrants are permitted to submit bids.
 - Register through Power Advocate at:
<https://www.poweradvocate.com/pR.do?okey=76065&pubEvent=true>
 - PG&E strongly encourages you to register well in advance of bid due date of **February 27th at 1:00 PM (PPT)**.
- PG&E will only consider bids that, as of the submittal deadline, are complete and conforming bids.
 - PG&E will only accept one bid per counterparty per delivery year. Brokers submitting on behalf of multiple counterparties may do so, but must designate the name of counterparty in the Bid Form.
 - PG&E will not accept bids that are contingent on the selection of a specified delivery year(s).
- By submitting an bid into this Solicitation, each participant is required to abide by the confidentiality obligations specified in Section V of the Solicitation Protocol.

Required Bid Submission Forms

- Bid package must be in the format as specified in the 2018 Bundled RPS Energy Sale Solicitation Protocol.
- Fully Completed Bid Form (Attachment A); Format: MS Excel.
- Redline of Agreement (Attachment B); Format: MS Word


Bid Form – Instructions

- Be sure to ENABLE MACROS when opening the Bid Form.



- Please make sure you save and submit the form in Microsoft Excel “.xlsb” format. **No other formats will be accepted.**
- Each cell with an orange background must be filled out.

Bid Form – Instructions

 Pacific Gas and Electric Company		
January 2018 Bundled RPS Energy Sale Solicitation Bid Form		
Buyer/Counterparty:		
Buyer/Counterparty Type:		
Email:		
Phone:		
Street:		
City:		
State:		
Zip:		
Product & Bid Information		
Product:		
Delivery Location:		
Payment Index:		
Schedule or delivery requirements:		
Acknowledgement of Protocol		
By selecting "Yes" Participant hereby agrees to the terms of the Solicitation Protocol. Participant acknowledges that any costs incurred to become eligible or remain eligible for the solicitation, and any costs incurred to prepare a bid for this solicitation are solely the responsibility of Participant.		
Title:		
Electronic Signature:		
Select "Yes" to certify that the typed name acts as your electronic signature.		
Bid Schedule		
	Bid Quantity	Premium (+)/Discount (-) to Payment Index (\$/MWh)
2018		
2019		
2020		
2021		
2022		

Communications and Website

- PG&E's website at <http://www.pge.com/rfo> under “2018 Bundled RPS Energy Sale Solicitation” provides everything you need to submit a bid, including (but not limited to) the following:
 - Solicitation Documents for the Solicitation
 - Solicitation schedule
- All solicitation communications should be directed to: RECSolicitations@pge.com with a copy to the Independent Evaluator at arroyosecoconsulting@gmail.com.

Intermission

Q & A