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PG&E 2018 Local-Sub Area Energy Storage Request for Offers – FAQs

General

1. Can PG&E provide a map of the Bogue and Pease sub-areas?

No, however a list of substations is available on the [RFO website](#) in the ‘Additional Documents and FAQs’ section, as well as the Offer Form in the ‘Select_Interconnection_Location’ tab.

2. How much capacity is PG&E seeking to procure in the Pease and Bogue sub-areas?

Pease: Based upon the [2018 Local Capacity Technical Analysis Report](#) the CAISO has identified an initial need of 101 MW for the Pease sub-area, located within the Sierra LCR area. The specific amount for the year 2019 and beyond will be determined by the CAISO in future Local Capacity Requirements (LCR) and Transmission Planning Process (TPP) studies.

Bogue: Based upon the [Board of Governors Memo dated March 8, 2017](#) the CAISO identified a need for generation dispatch to reduce high voltages on the 115kV system in the Bogue sub-area, located within the Sierra LCR area under light load conditions. The specific LCR amount that will be eliminated or reduced with the planned scope of existing transmission solutions will be determined by the CAISO in future Transmission Planning Process (TPP) studies.

3. What will be the residual MW LCR need in the South Bay-Moss Landing area if the transmission projects proposed in that area are approved?

Based upon the [2018 Local Capacity Technical Analysis Report](#) the CAISO has identified an initial need of 2,221 MW for the South Bay sub-area. In its [Draft 2017-2018 Transmission Plan](#) the CAISO has identified that the planned transmission upgrades reduce the South Bay-Moss Landing sub-area LCR requirement by 400-600 MW. The capacity benefit from the transmission fixes will result in a projected need of roughly 1,621-1,821 MW. The specific amount for the year 2019 and beyond will be determined by the CAISO in future Local Capacity Requirements (LCR) and Transmission Planning Process (TPP) studies.

4. Is there a reason for the short month-long timeline to submit bids in response to the RFO given that the energy storage projects needed in that area do not need to come online until 2021 per Resolution E-4909?

Resolution E-4909 states that “in order to help address the short-term problem, it is important that projects be on-line in sufficient time to obviate the need for, or extension of, RMR contracts for the Feather River, Yuba City or Metcalf Energy Centers in any year from 2019 through 2022.” PG&E is looking to have initial online dates as early as this calendar year for this RFO. As a result, the timeline for this RFO needs to be very aggressive, hence the 4 week timeline to submit offers.

Site Control

5. Is a Letter of Intent to Lease/Purchase sufficient for site control purposes? How much is the deposit in lieu of site control?

A letter of intent is not sufficient for site control purposes. Appendix B2 – Site Control lists out all the required information we need regarding site control, which would include an agreement/title. We are not accepting a deposit in lieu of site control for this RFO.

Interconnection

6. Is firming transmission to one of the substations on the list acceptable or is PG&E only looking for projects directly tied into one of those substations and physically located within one of the designated areas?

No, firming transmission to one of the substations on the list is not acceptable. The project

must be connected via one of the following arrangements:

- connected direct to a substation on the list
- connected to a transmission line that is directly connected to two substations on the list
- connected to a feeder that is directly connected to a substation on the list
- connected to a secondary line that is connected to a feeder that is connected to a substation on the list

7. Can you confirm if an interconnection request is required to be submitted prior to the bid due date on 3/28? Or can the project be submitted into the April queue cluster when it opens on April 1? When does the 'deemed complete' notice need to be provided to PG&E?

The protocol language states "At the time of Offer submittal, Participants must have Full Capacity Deliverability Status (FCDS) or have documentation showing that the Project is on track to receive FCDS by the committed online date." The necessary documentation is what we are request in Appendix B5 - Electric Interconnection. Furthermore, page 22 of protocol indicates May 9, 2018 deadline for deemed complete interconnection application for projects entering April 2018 queue.

8. We understand you are not providing a map for the 3 sub areas. However, are you able to provide a list of zip codes serviced by each of the substations within the 3 sub areas?

The California Energy Commission (CEC) lists out all of the Statewide Operational Substations on their [website](#) via Excel Spreadsheet (see 'Energy Infrastructure' section). You can open the Operational_Substations.xlsx document, filter by PG&E, and view the substations that are applicable to the RFO. This spreadsheet lists out the Zip Codes for the substations.

9. For sites where we plan to deploy systems, but have not begun interconnection process, we do not have certainty on substation. Is it acceptable to make an assumption based on CEC substation maps?

Use the link to the PG&E circuit maps provided in Appendix B5 at https://www.pge.com/en_US/for-our-business-partners/energy-supply/solar-photovoltaic-and-renewable-auction-mechanism-program-map/solar-photovoltaic-and-renewable-auction-mechanism-program-map.page. Enter the address for your project site. Click on the circuit serving your address. The pop up table shows the substation name under the feeder name.

10. Would an interconnection at Moss Landing 500 kV count for the Moss Landing-South Bay sub-area? If so, how would that be indicated in the offer form?

Yes, an interconnection at Moss Landing 500 kV would count for ML/SB sub area. You can select 230 kV from the menu in the offer form and leave a note indicating 500 kV.

Evaluation

11. Will earlier online dates be given preference over later online dates or will all projects be considered equally as long as their schedule shows they can reasonably meet an online date prior to the end of 2020?

As described in the Portfolio Adjusted Value (PAV) Evaluation section of the Solicitation Protocol, PG&E will evaluate the costs and benefits of all Offers over a common standardized delivery period based on each Offer's characteristics, PG&E's projected portfolio needs and expected market conditions. Please refer to the Evaluation section of the Protocol (pages 24 – 28) for more detail.

12. Per our review of the RFO document, we understand that 3rd party storage systems must have a minimum of a 4 hour discharge duration. If we are proposing an aggregated fleet of BTM solar + storage assets, will the solar production on top of the 4 hour energy capacity battery count towards the obligations of the system for providing capacity?

No, solar production would not count toward the obligation requirement. We are only looking to procure energy storage for this RFO.

Utility-Owned Project

13. Will PG&E consider postponing the UOG offer due date based on the delay of getting Participants access to the additional docs in the data room?

No, PG&E will not be postponing the offer due date. All offers for this RFO are due Wednesday, March 28, 2018 by 1 PM (PPT).

14. Can you please confirm that PG&E's desired structure under an EPC or BOT offer with the accompanying LTPMA is one where PG&E operates and dispatches the storage facility, and the scope of the contract is to provide maintenance services, warranties, and to provide and achieve the long-term performance guarantees?

Confirmed - PG&E will own, operate/dispatch as needed and serve as scheduling coordinator for the Battery Energy Storage System (BESS).

Offer Form

15. We interpret the Variable O&M component of the BTM Capacity pricing to reflect PG&E's desire to avoid energy arbitrage by storage charging from the grid and subsequently discharging to provide RA. We anticipate that for batteries charged via BTM generation, there would be no such concern as no such arbitrage opportunity exists. A Variable O&M price at any level will artificially distort how the resource is dispatched. Can PG&E suggest the appropriate way to submit an offer for such a resource omitting the Variable O&M price? If PG&E believes the Variable O&M price is appropriate for this resource type, can you suggest why this is would be the case?

The purpose of the Variable O&M is to provide Sellers the opportunity to ensure that they do not owe PG&E the Energy Settlement if market prices are not sufficient to cover Seller's variable costs of dispatching the resource. If Seller does not wish to utilize the Variable O&M component, then it can set it to \$0/MWh. This would suggest that Seller would owe PG&E the highest z day-ahead market prices (where z = duration of the resource) every day of the agreement.

16. For BTM resources, it is requested that additional ancillary services such as reactive power capabilities be noted by the offer however there does not seem to be a compensation methodology or dispatch protocol noted and the BTM Capacity pro forma notes that PG&E does not seek ancillary services dispatch rights. Could PG&E provide further information as to how they may see BTM ancillary services factoring in to the benefit of offers, dispatch of resources, and subsequent compensation?

The BTM CSA is a RA contract. All the operational characteristics in Appendix III, including voltage services, are used to determine whether there are Capacity Attributes associated with those characteristics. Seller is obligated to provide any such Capacity Attributes and is compensated under its Contract Price.

17. To the extent we have not identified all customer locations for an aggregated BTM offer, please indicate what the preferred response is for the "Select_Interconnection_Location" fields in the offer form.

Select all possible interconnection locations to which your projects may be connecting.