Hello and welcome to today's webcast. My name is Natalie and I'll be your event specialist today. All lines have been placed on mute to prevent any background noise. Please note that today's webcast is being recorded.

During the presentation, we will have a question and answer session and instructions on how to do so will be given at the appropriate time. If you'd like to view the 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. For optimal viewing and participation, please disable your pop-up blockers.

And finally should you need technical assistance, as best practice, we suggest you first refresh your browser. If that does not resolve the issue, please click on the support options in the upper right hand corner of your screen for online troubleshooting. It is now my pleasure to turn today's program over to Heather Haj, the floor is yours.

Thank you. My name is Heather Haj and I along with my colleague, Tim, are leading PG&E's 2019 Bundled RPS Energy Sale Solicitation. I want to welcome everybody for taking the time to listen in today on our participants' webinar. The purpose of this webinar is to give you all an overview of the solicitation, which launched on Friday, March 29th. We won't be providing details on any other solicitation during this time. I will
just be focusing on this solicitation and this applies also to the Q&A at the end which will be steered towards this Bundled RPS solicitation.

I want to let you all know that you will have an opportunity to ask questions and have them answered at the end of this webinar. Once we finish the presentation, we will have a break and during that time, we'll collect all questions that are submitted to our solicitation mailbox, which is on the slide as above. Once we gather the questions, we'll have a Q&A session at the very end. If you have any questions throughout the presentation, please email them as soon as possible to our mailbox and we'll collect them and address them at the end.

You can see the email address like I mentioned up on the slide. Depending on the number and complexity of the questions, we may not address all the questions at the end and we may address your questions in an email to respond to you. Also we will be compiling all of the Q&A questions that we have answered during this webinar and we will be posting them online on our solicitation website for you to review at a later time.

Lastly, we will also be recording this webinar and this slide show presentation and the audio file to be posted on our website.

So to give you a quick overview of the topics that we are going to cover, first I will give you some further detail on the product PG&E is soliciting to sell. Next, I'll give you a brief overview of our short form confirmation which is the form of agreement that is used for these transactions under our EEI master agreement. Lastly, I will discuss at a high level of how we evaluate bid for selection. Then, I will pass over to my colleague Tim, who'll be taking us through the bid form and bid submittal process.

You may be aware that PG&E is conducting another bundled RPS Sale Solicitation that is running in parallel with this one and that is called our Tree Mortality NBC Bundled RPS Sale Solicitation. You can find further details on our PG&E RFO website. We want to make you all aware that you can participate in both solicitations. If you're awarded bids in both solicitations, you will have the opportunity to decide which bid do you like to pursue with towards execution.

So just to make a quick note here, this presentation is meant to just be a summary level discussion. We are not going to be getting into the weeds
here and get very detailed information, but we'll be focusing on the main highlights that govern solicitation. To the extent that there's any conflict in what I'm saying today and what you see on the slides and what is posted on our solicitation documents available on our website, please note that the documents will govern and please send an email to our box right away for me to address any discrepancies between the two.

We highly encourage all bidders to carefully review our solicitation protocol prior to submitting a bid. We also want to mention this note that you see at the bottom of the slide that we have a strong preference for a standardized agreement. So we urge everyone to review the short form confirmation that is posted on our solicitation website and it’s posted as attachment B, so please review that and please ask any questions before you submit a bid under this solicitation.

So now I'm going to move into a brief overview of the solicitation and the product PG&E is soliciting to sell. So PG&E is conducting a solicitation to sell Bundled RPS-Eligible Energy and corresponding RECs pursuant to a confirmation. Sales will be associated with energies that is generated during individual calendar years and for this solicitation, the calendar years are 2019 and 2020 only. Tim will give further detail later on, on the delivery term options that participants are available to them.

At this time, we're not accommodating buyer request. We have deliveries made on a monthly or any other alternative schedule. This is an annual volume that we are delivering and those deliveries maybe made at any time during that delivery year. There will also be no rollover volumes from one year to the next. Please note we are also selling Eligible RPS Energy and REC from our portfolio resources that qualifies as PCC-1. Please note that PG&E does not refer warrant to the PCC designation of the product in this solicitation.

Since we are selling from a portfolio of resources, the location of energy deliveries can be at either of the three trading hubs that you see on the slide as specified by PG&E as seller and the price of the transaction will be at the day-ahead index price at the applicable trading hubs plus a REC price to be specified by the buyer.

Okay, so here you can see our solicitation schedule. As I mentioned, we launched our solicitation on March 29th. We are now doing this webinar
on April 9th. The deadline for participants to submit bids through Power Advocate is April 18th at 1 PM. We will notify qualified bidders on April 22nd. PG&E's target for executing any agreement pursuant to the solicitation would be mid-May and no later than 60 days post execution, we will submit transaction pursuant to the solicitation for CPUC approval.

So we do have an independent evaluator or IE that is monitoring all of the activity that occurs in the solicitation. The IE for those of you that are not aware is tasked with monitoring valuation process and ensuring that we are using the methodology that is prescribed in our solicitation protocol and to ensure that there is fair and equal treatment of all potential bidders. It is the IE's responsibility to report on the process and proposed transactions when we file these transactions to the CPUC in an advice letter for approval. The IE may review all bid data in addition to communication with participants. The IE for this solicitation is Lewis Hashimoto from Arroyo Seco Consulting and his contact information is at the bottom of the slide.

So now let's take a look at an overview of the EEI confirms. So to stern off, I want to give you some general guidelines. One thing I want to make apparent is that it is not a prerequisite to have an EEI master agreement in place with PG&E in order to submit a bid in our solicitation; however, it is highly preferable that we are executing using the short form confirmation that is available on our website and was recently approved in our 2018 RPS plan that is governing and authorizing these transactions. Please reach out to us as soon as possible if you don't have an EEI in place and would like to initiate the process to establish one with us.

As we noted earlier, PG&E has a strong preference for standardized agreement with minimal or no proposed changes. To give PG&E maximum flexibility to fulfill delivery obligations for all of our bundled RPS sale transactions, we are not accepting a buyer request pertaining to delivery schedule, delivery point, or technology restrictions. As stated, the confirm provided for this solicitation was approved in our 2018 RPS plan and for that reason, we consider most of it non-modifiable.

We request that bidders limit edits to the following sections below which are quantity or volume that you would like delivered in each delivery year, the green attribute or REC price, the energy delivery term that you would like and the credit terms. Also any proposed edits or modifications to our short form confirm should be reflected in the confirm submitted as part of
your bid package. This will help to expedite the process because we can begin to review these edits well in advance as I'm having discussions later on.

In terms of product delivery, energy deliveries will begin on the date that CPUC approval is final and non-appealable. If CPUC approval occurs prior to the start of the energy delivery period, deliveries will begin at the commencement of the energy delivery period. PG&E or a qualified third party designated by PG&E will be the SC under these transactions. In terms of location, all energy deliveries at delivery points will be specified by PG&E as seller.

And for the applicable energy delivery month, green attributes or the RECs will be transferred within 25 business days following the date when the REC was deposited into PG&E's regional account and the date that buyer has completed payment, the monthly cash settlement amount. In other words, buyer payment is required before the transfer of REC to buyer. RECs are created approximately 90 days after the end of the generation period, so the transfer of RECs will occur approximately four months following all energy deliveries. For example, if RECs associated with January deliveries are May, the REC would be physically transferred in [inaudible] in late April or early May to buyer.

Okay, so now I want to give you all a general understanding of the monthly cash settlement amount and how this will be reflected on your invoice. So a quick overview, quite simple, this will be the payment from seller to buyer, so the monthly cash settlement amount is equal to the sum of all hours during the calculation period of the energy price for each hour of delivered energy multiplied by the quantity of delivered energy during that hour plus the green attributes or REC price multiplied by the quantity of green attributes minus the sum overall hours of the calculation period, the applicable energy priced for each hour of delivered energy multiplied by the quantity of delivered energy.

So in other words, the energy price will net out on your invoice and essentially you’re just paying for the green attributes and not just because the electric energy is priced at the trading hub index price. Buyer will receive sellers invoice for the monthly cash settlement amount approximately four months following the applicable calculation period.
So now I will pass it over to Tim who will be giving you an overview of how to submit a bid and how bids will be evaluated.

Tim: Great, thanks Heather. We will start up and looking at the Heather mentioned evaluation methodology. First off, I'd like to state that you know PG&E will evaluate each delivery year independently, which may result in selection of non-consecutive delivery years from one bidder and then look at the bids who wants to take in the quantitative criteria which is the price and then we will also look at the qualitative criteria, which looks like counterparty credit worthiness, the extent of the agreement modifications, the buyer concentration, the existence of an acceptable EEI master agreement between PG&E and the participant and previous commercial experience with the participant.

Next, I'm going to look at the - talk about the bid submittal process and the bid form. As with previous stations of PG&E, all bids must be submitted via the online platform of Power Advocate and you must go on the PG&E website and register for Power Advocate. We recommend doing that as soon as possible so there's no delay in submitting your bid and if any technical issues arise, we can get them to get out before the due date of the bids and then all bid documents are available on our solicitation website and must be completed and included in each Power Advocate bid submission. And then by submitting a bid into the solicitation, each participant is required to abide by the confidentiality obligations specified in section five of the solicitation protocol.

And as you fill out your bid form and we look at the delivery terms that are available for the solicitation, PG&E's only consider bids that are out of the similar deadline they are complete and confirming bids and then we will only accept one bid form per counterparty per the delivery term. The first delivery term is for the calendar year 2019, the second delivery term is for the calendar year 2020, and the third delivery term is for the calendar year 2019-2020. For this delivery term the bid volumes must be equal for both years. If a party submits a bid for all three terms, PG&E may accept either the delivery term one and/or two or delivery term three but not both. PG&E will not accept bids that are contingent on the section of a specified delivery year or years.
In the required bid submission forms as noted earlier, they're all noted in the solicitation protocol and all forms are located on the solicitation website and a full offer package is to be complete, you must have the full bid form filled out, the Microsoft excel file and agree to the non-disclosure attestation in the bid form. You also have the short form confirmation attachment-B and that's what Heather described earlier, you submit with your red lines and the documentation of entity of legal status on the California Secretary of State and the best way to do this is noted here, there's a web page screenshot verifying the participant or end-user counterparty is an active legal status via the California Secretary of State's web page and the link is there to get that screenshot.

Some quick bid form instructions, you want to make sure you enable macros when you open the form or some of the coding in the background will not work. You want to make sure you save the file and submitted as a Microsoft XLSB format and no other formats will be accepted and as you go through the offer form, cells that need to be filled out have a yellow background and the bid form is complete when all 36 of the input requirements are satisfied and you'll see there is a status bar there and will show complete when done.

As we said earlier, all communications website, you can visit our website by first visiting the main PG&E RFO page at www.pge.com/rfo/ and select the 2019 Bundled RPS Energy Sale Solicitation link and then on that page as noted before, you'll see the schedule and you'll see other documents and then you can download everything there has been noted earlier. The RFO email address for all questions during the RFO and now during this webinar, please send at RECSolicitations@pge.com and please always copy the independent evaluator at arroyosecoconsulting@gmail.com.

We'll now take a brief intermission while we address any questions that have been sent in. So please, if you have not already, please send them in and we'll address as many as we can and we'll come back to the group here shortly.

Heather Haj: Thank you everyone for being patient during our intermission. We will now be addressing questions that we received in our REC Solicitations' mailbox. The first question that we received was, how will PG&E determine the delivery hub, will this depend on the selected counterparty and will this hub be consistent for all deliveries? Will the counterparties
desired hub have any weights in PG&E's decision. So to answer that question and I apologize I didn't make this clear earlier, so PG&E is taking a portfolio approach to fulfill delivery volume under these transactions.

So PG&E will be selling from a portfolio of resources that we have and the resources are located in all three trading hubs that are indicated on the confirm - NP15, SP15, and ZP26. So it is at PG&E as seller at our discretion as to which resources we will use to fulfill deliveries and buyers will have visibility as to which facilities were used to fill their specific delivery volumes when they receive their invoice. So we are not able to accommodate buyer delivery hub request.

Tim: Thanks Heather. I'm going to, we have a couple more questions here that I will address. The next one is, what conditions or legal treatment will be added to the documentation, the EEI or confirm to reflect PG&E's current status in bankruptcy? I just like to direct everyone to section 6.4 of the confirm. We've had a language there to address this and then the second part of that question is, will buyers receive post-petition status and it's you know PG&E's expectation that the agreement will receive post-petition status at this time.

And then the next question is, what are the expectations for CPUC approval? PG&E has noted on the schedule for file our advice letter within 60 days and our plan is to file a Tier 1 Advice Letter and these typically have the quickest approval time with the CPUC.

And another question that came in is, can participants tier bids? You know, for example more than one quantity with another price? And the answer is, no you cannot do this. You can only submit one bid each for each delivery term specified in the protocol.

Heather Haj: Another question that we received is, since PG&E will be the SC and monthly delivery aren't specified, when will PG&E and from the counterparty how much energy is to be scheduled on their behalf and for which trade bids hours and location?

So to answer that I would just like to confirm PG&E or a designated third party will be SC and the volumes under the delivery terms for these transactions are annual volumes, so the buyer can be sure that the delivery volume specified for each delivery term or year will be fulfilled during
that delivery term and the buyer will have visibility when energy deliveries are made about three to four months after the energy deliveries are made because you will receive an invoice and that invoice will give you the details like which facility we’ve used to fulfill those volumes and the location.

So I believe that is all the questions that came into our box. If I missed someone's question, you can just let me know, just send an email to the REC Solicitations' mailbox or you can send a question at a later time and we will try to respond as quickly as possible. Thank you all for joining us today. Within a few days, we will post this slide show and also an audio recording and a Q&A document on our website. Thank you very much. Bye.

Operator: This concludes today's conference call. You may now disconnect. Have a great day.