

Summer 2022 Disadvantaged Communities (DAC) Participants' Webinar

September 13, 2022



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Objective

The purpose of this webinar is to provide an overview of the Summer 2022 Disadvantaged Communities Request for Offers (“DAC RFO”) issued by PG&E on September 6, 2022.



Agenda

Topics

1. DAC Solicitation Schedule
2. Program Overview
3. Eligibility Requirements
4. PPA Overview
5. Offer Submittal Process
6. Q&A



Webinar Format

- PG&E will not take questions during the presentation. Please save all questions for the Q&A session.
- At any time during this presentation Participants should email their questions to the following Mailbox: DACprocurement@pge.com
 - Questions will be answered at the end of the webinar
 - PG&E may not address all questions during the Q&A portion of the webinar.
 - After the webinar, PG&E will compile and post a Q&A document on the PG&E's DAC RFO website, accessed via <https://www.pge.com/dacrfo>
- The slides and audio portion of the webinar will be posted on PG&E's website at the website above.



Webinar Overview

- This presentation is intended to be a summary level discussion of the information and requirements established in the RFO materials (it does not include all detailed information in the RFO materials).
- To the extent that there are any inconsistencies between the information provided in this presentation and the requirements in the RFO materials, the **RFO materials shall govern.**
- PG&E encourages participants to carefully review:
 - Summer 2022 DAC Protocol
 - DAC Power Purchase Agreement (PPA)
 - Applicable CPUC Decisions (linked on websites)
 - Monitor the Q&A link on PG&E’s Disadvantaged Communities RFO website
- Given that the Power Purchase Agreement is **non-negotiable**, PG&E urges participants to **submit clarifying questions** regarding the PPA **prior to submittal of an offer** under this RFO.



Independent Evaluator (IE)

- Primary role of the IE is to:
 - Monitor RFO processes to ensure fair and equal treatment of all potential counterparties.
 - Monitor evaluation processes to ensure PG&E has implemented the methodology as described and that Offers are treated consistently.
 - Report on RFO process and proposed transactions to CPUC when PG&E files executed contracts for CPUC approval.
- The IE may review all Offer data and communications with Participants.
- The Independent Evaluator for the DAC RFO is Arroyo Seco Consulting.
 - Lewis Hashimoto (arroyosecoconsulting@gmail.com)



Public Disclosure of Information

- By participating in this DAC RFO, each Participant acknowledges and expressly authorizes PG&E to publicly disclose the following information as required by the CPUC – further outlined in the PPA:
 - Names of the companies that submitted Offers into PG&E’s RFO
 - Number of Offers received from each company
 - Number of Offers received and selected by PG&E
 - Project Size
 - Participating technologies
 - Location of bids by county; and
 - Progression of each executed contract’s project development milestones
- PG&E will provide periodic updates to the CPUC on each project’s progress toward the achievement of project development milestones.



Communications and Website

- The DAC RFO website (www.pge.com/dacrfo) provides everything you need to submit an offer, including (but not limited to) the following:
 - RFO Documents for the Solicitation
 - Detailed instructions for submitting offer(s) using Power Advocate
 - Announcements, updates and Q&A
- All DAC Solicitation communications should be directed to:
DACprocurement@pge.com with a copy to the Independent Evaluator at arroyosecoconsulting@gmail.com



DAC Solicitation Schedule

| Date/Time | Event |
|---|---|
| September 6, 2022 | Solicitation launched |
| September 13, 2022 | Participants Webinar |
| October 3, 2022 by 1:00 P.M. PPT | Deadline for Participants to submit Offers through Power Advocate |
| November 1, 2022 | PG&E notifies selected Participants and any waitlisted Participants |
| November 8, 2022 | Submittal of Signed PPA. Participants that wish to continue participation in PG&E's RFO must return a signed PPA and required documentation |
| Mid-December 2022 | Target timeframe of Execution of final Agreements |
| Mid-January 2023 | Target Advice Letter filing date for CPUC approval |

PG&E reserves the right to change the dates above for any reason.

Disadvantaged Communities (DAC) Program Overview



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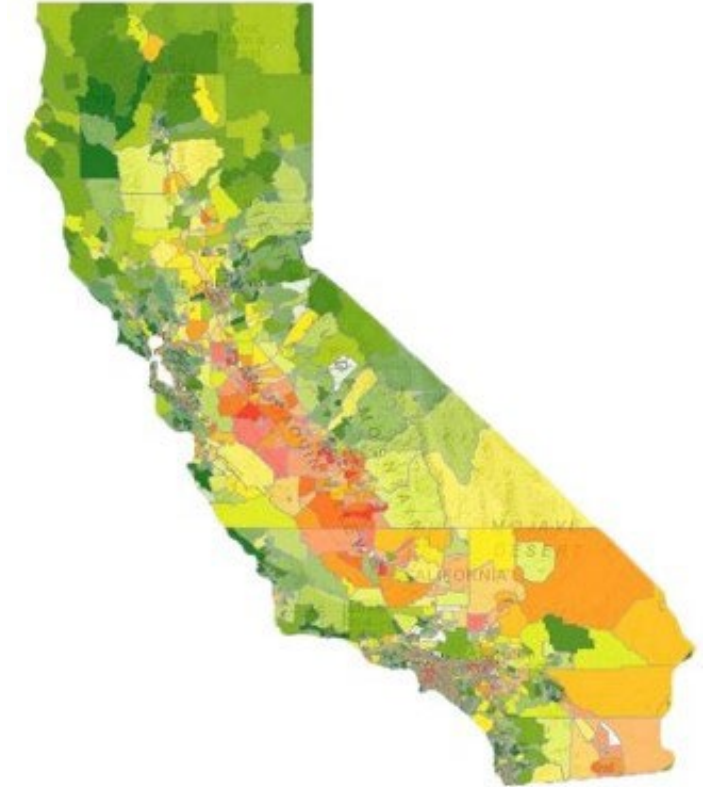
Disadvantaged Communities Programs

In June 2018, CPUC issued [D. 18-06-027](#) to implement Assembly Bill 327, which directed the IOUs to procure under two new programs designed to promote the installation of renewable generation in Disadvantaged Communities (DACs) :

| | Disadvantaged Community Green Tariff (DAC-GT) | Community Solar Green Tariff (CSGT) |
|--|---|--|
| Concept | Offers a 20% bill credit to CARE/FERA-eligible residential customers to obtain 100% solar power through PG&E from a pool of solar resources anywhere in PG&E's service territory. | Offers a 20% bill credit to residential customers to participate in a single IFM (in front of the meter) local project |
| Program Cap | 52.32 MWs | 14.2 MWs |
| Summer 2022 Solicitation Target | 0 MWs | 2.2 MWs |

What is a DAC?

- Communities identified by using [CalEnviroScreen 4.0](#), as among the top 25% of communities statewide, along with the highest 5% CalEnviroScreen's Pollution Burden that do not have an overall CalEnviroScreen score because of unrealistic socioeconomic or health data.
- Additionally, eight San Joaquin Valley pilot communities in PG&E's service territory are eligible for DAC-GT and CS-GT participation.*



*Please see the Summer 2022 DAC RFO Protocol for more detail.

Eligibility Requirements



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DAC RFO Eligibility Requirements (1/3)*

| | CS-GT |
|------------|---|
| Technology | Solar Photovoltaic (PV)** |
| Size | ≤ 4.26 MW |
| Location | <ul style="list-style-type: none">• Located in PG&E's Service Territory• Top 25% DACs or eligible San Joaquin Valley pilot communities, <u>even if the SJV community is not in a top 25% DAC</u>• Located within 5 miles of the customer's community or within 40 miles of a San Joaquin Valley pilot Community***• Entire project can also be located within a census tract that scores in the highest 5% of CalEnviroScreen's Pollution Burden but do not have an overall score. |
| Vintage | New projects only |

*Please see the Summer 2022 DAC RFO Protocol for more detail on program eligibility requirements.

**Solar PV Projects paired with energy storage are not eligible.

***San Joaquin Valley communities in PG&E's service territory include Allensworth, Alpaugh, Cantua Creek, Fairmead, Lanare, Le Grand, Seville, and La Vina.



DAC RFO Eligibility Requirements (2/3)*

| | CS-GT |
|------------------------|--|
| Interconnection | <ul style="list-style-type: none">• Connected to PG&E’s Distribution or Transmission System• Must provide evidence of formal communication that the interconnection request submitted to the interconnection process has been deemed complete by CAISO and/or distribution provider |
| Deliverability | Full Capacity Deliverability Status, Partial Capacity Deliverability Status, or Energy Only |
| COD | 36 months after Effective Date |
| Delivery Term | 10, 15, or 20 years |
| Transaction | Full Buy/Sell Only. |
| Site Control | Applicant must have Site Control for the Project, and submit signed attestation and map showing the boundary of the Site for which the Applicant has control. See the Site Control Questionnaire and Attestation form (Appendix C), which also includes examples of Site Control. |

*Please see the Summer 2022 DAC RFO Protocol for more detail on program eligibility requirements



DAC RFO Eligibility Requirements (3/3)*

| | CS-GT |
|-----------------------------|---|
| Developer Experience | <p>At least one member of the participant's project development team must have completed at a minimum one other in front-of-the-meter Solar PV and with a similar capacity as the project submitted.</p> <ul style="list-style-type: none">- A project less than one (1) MW will be deemed to be similar capacity to a Project with a Contract Capacity of up to one (1) MW.- A project between one (1) MW to three (3) MW will be deemed to be a similar capacity to a Project with a Contract Capacity of up to three (3) MW.- For projects larger than three (3) MWs, a project with a capacity of 50% of the Project will be deemed to be similar capacity <p>Specifics must be outlined in the Demonstration of Developer Experience form (Appendix G) and submitted with the Offer.</p> |

*Please see the Summer 2022 DAC RFO Protocol for more detail on program eligibility requirements



CS-GT Specific Requirements*

Sponsor Letter of Commitment

- Developers must provide a letter of commitment that includes each item listed below:
 - Demonstration of substantial interest of community members in subscribing to project
 - Estimated number of subscribers, with justification to ensure project sized to likely demand
 - A preliminary plan to conduct outreach and recruit subscribers (which may be conducted in conjunction with the developer and/or the utility)
 - Siting preferences, including community-suggested host sites, and verification that the site chosen for the bid is consistent with community preference

Workforce Development Plan Attestation (Appendix I)

- Developers must submit an attestation that includes the following:
 - Description of how the participant plans to utilize local workforce development and job training
 - Preliminary plans through the development and construction phase of each project, including sponsor efforts and involvement

Workforce Development Plan Affidavit (Appendix J)

- Developers must submit an affidavit in which participant agrees to Local Green Saver Program (PG&E's name for CS-GT) rules and workforce development guidelines about workforce development job training and job requirements.

Workforce Development Trainee Log (Appendix K)

- If a Project is selected, a project must submit a trainee log that identifies the names of the eligible job training program and job trainee(s) used for each CS-GT project installation, types of jobs completed, and hours worked.

*Please see the Summer 2022 DAC RFO Protocol for more detail on program eligibility requirements

Power Purchase Agreement (PPA) Overview



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PPA Overview

- Power Purchase Agreement (PPA) is available on PG&E's website as Appendix D.
- Terms and conditions are non-negotiable
- **Please review the PPA for full terms and conditions**



PPA: DAC Overview

Contract Commencement

- Commercial Operation must be within 36-months of the Effective Date; a 6-month Permitted Extension may be made

Product

- Sellers must deliver all Product to PG&E. “Product” means:
 - All electric energy produced by or associated with the Generating Facility net of Station Use and;
 - All renewable attributes, Renewable Energy Credits, Capacity Attributes and Green Attributes produced by or associated with the generating facility.



PPA: Standard Terms Overview

Conditions Precedent

- The Effective Date is the date on which all of the Conditions Precedent have been satisfied. See Section 2.5(a) of the PPA for a full list of the Conditions Precedent. This includes providing the following documentation prior to execution (outlined in Appendix VIII of the PPA):
 - Articles of Incorporation
 - Certificate signed by an Officer of the Seller
 - Certificate showing Seller is duly organized and in good standing
 - Evidence of site control
 - Evidence of CEC certification
 - Certificate from Chief Financial Officer with financial statements
 - An executed Letter of Concurrence (see Appendix XI of the PPA)



PPA: Standard Terms Overview

Security Requirements and Performance Assurance

- Project Development Security
 - 3 MW or less = \$20/kW x Contract Capacity of the Project
 - Greater than 3 MW = \$60/kW the Contract Capacity of the Project
- Delivery Term Security
 - 3 MW or less = \$20/kW x Contract Capacity of the Project
 - CS-GT Greater than 3 MW = \$120/kW x Contract Capacity of the Project

Green-e® Energy Certification

- Facilities must be in compliance with the [Green-e® Energy National Standard](#). Projects that are awarded a PPA must provide a Green-e Energy Tracking Attestation prior to achieving commercial operation and updates as required.



PPA: Standard Terms Overview

Delivery Shortfalls

- Sellers must agree to deliver a minimum quantity of Energy (Guaranteed Energy Production or GEP):
 - 160% of the average Contract Quantities over 2 years
 - Contract Quantity is the estimated amount of MWhs of Energy that the Project will generate on an annual basis. If Seller fails to meet GEP, then Seller may be required to pay PG&E liquidated damages. If Seller repeatedly fails to meet GEP then PG&E may default the Seller and terminate the PPA.

Curtailment

- Seller must curtail energy deliveries in response to curtailment requests from CAISO, PTO or Buyer. **Review the PPA carefully** to better understand what circumstances Seller will or will not be reimbursed for curtailed energy deliveries.
- PG&E has the right to require the Seller to curtail energy deliveries during the Buyer Curtailment Period for unlimited hours per year and PG&E will pay for such curtailed energy at the Contract Price.
- Seller is required to respond to electronic signals from PG&E or the CAISO to curtail.

DAC Offer Submittal Process and Offer Form



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Offer Submittal

- Offers must be submitted via the online platform at Power Advocate. Only accepted registrants are permitted to submit offers.
 - Register through Power Advocate at:
<https://www.poweradvocate.com/pR.do?okey=135953&pubEvent=true>
 - PG&E strongly encourages you to register well in advance of the offer due date on October 3 at 1:00 PM (PPT)
- PG&E will only consider offers that, as of the submittal deadline, are complete and conforming offers.
 - Only correction of clear administrative errors will be allowable to this Offer Form after it is submitted.
 - PG&E reserves the right to reject an offer if the Offer Form has a substantial number of errors.
- By submitting an offer into this RFO, each Participant is required to abide by the confidentiality obligations specified in Section IX of the DAC Protocol.



DAC Required Offer Submission Forms

Offer package must be in the format as specified in the DAC Protocol.

Fully Completed Offer includes:

| | |
|--|---|
| Appendix A - Offer Form | MS Excel |
| Appendix B – Supplemental Project Information | MS Word |
| Appendix C – Site Control Questionnaire and Attestation | PDF and applicable GIS data file format |
| Appendix D – Power Purchase Agreement | MS Word |
| Appendix E – Acknowledgement and Commitment of Site Owner Letter | PDF |
| Appendix F – FERC 717 Waiver | PDF |
| Appendix G – Demonstration of Developer Experience | PDF |
| Appendix H – Safety Review Questionnaire | MS Excel |
| Appendix I – Workforce Development Plan Attestation | PDF |
| Appendix J – Workforce Development Affidavit | PDF |
| Sponsor Letter of Commitment | PDF |

Note: PG&E will review and ensure the PPA Cover Sheet and required Appendix XIII are complete and meet the terms of the PPA during the bid evaluation process. Incomplete documentation will require additional communication to resolve any issues.



Key to Successful Proposal

- Sellers may choose the option to bid a single project with up to six (6) variations. Variations include:
 - Size
 - Delivery Term
 - Fixed Price vs. Escalating Price
 - Full (or Partial) Capacity Deliverability Status vs. Energy Only
- Submit a competitively priced Offer – **price refreshes are not allowed.**



Offer Form Structure

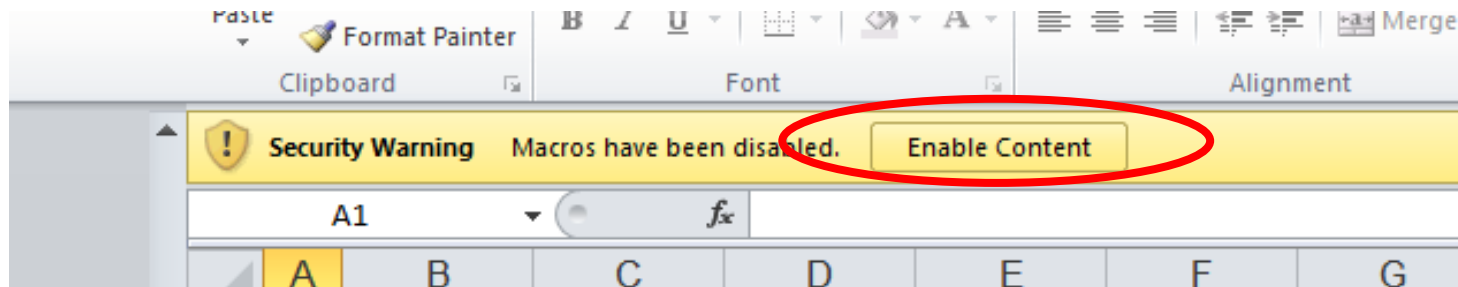
Offer Form Tabs

- Instructions
- Offer Information
- File Name
- Estimated Energy Production Profile



Offer Form – Instructions

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



- The instruction tab provides clear directions on completing the Offer Form.
- Please make sure you save and submit the form in Microsoft Excel “.xlsb” format. **No other formats will be accepted.**



Offer Form – Instructions

- On the Offer Info tab, each cell with an orange background **must** be filled out. Once completed the background color will change to green.
- Grayed out cells will change to “orange” depending on prior cell selections (ex. *If a Delivery Term of 10 years is selected, the Contract Price and Quantity Years of 1 – 10 will appear orange and the Years from 11 – 20 will remain gray.*)

Example: Contract Price

| CONTRACT PRICE AND DELIVERY TERMS | |
|---|-------|
| Seller shall select one of the following Delivery Terms | 10 |
| Fixed or Variable Pricing? | Fixed |
| CONTRACT PRICE | |
| Contract Price Year 1 | |
| Contract Price Year 2 | |
| Contract Price Year 3 | |
| Contract Price Year 4 | |
| Contract Price Year 5 | |
| Contract Price Year 6 | |
| Contract Price Year 7 | |
| Contract Price Year 8 | |
| Contract Price Year 9 | |
| Contract Price Year 10 | |
| Contract Price Year 11 | |
| Contract Price Year 12 | |
| Contract Price Year 13 | |
| Contract Price Year 14 | |
| Contract Price Year 15 | |
| Contract Price Year 16 | |
| Contract Price Year 17 | |
| Contract Price Year 18 | |
| Contract Price Year 19 | |
| Contract Price Year 20 | |

Offer Form – Multiple Variants

- If you would like to submit an Offer Variant, click the “Add Variant” button on the OfferInfo tab.
- A new column will appear to the right of “Var_A” for the new Variant.
- Fields that cannot be changed will be gray and auto populate with values from “Var_A”
- Orange cells will indicate fields that can be modified as a part of the Offer Variant.
- On the GenProfile tab, a new Gen Profile table will also appear below the Variant A’s Generation Profile.
- If you would like to delete the variant, toggle the “Yes” cell to “No” and PG&E will not review. Do not delete this column.
- A maximum of six (6) variants can be submitted.

The screenshot shows a web interface for adding offer variants. At the top, there is a button labeled "Add Variant" which is circled in red. Below this is a table with a header row that reads "Will auto-populate when file name created". The table has two columns: "Var_A" and "Var_B". The first row of data shows "Spring 2021 DAC RFO" in the Var_A column and "Spring 2021 DAC RFO" in the Var_B column. A "Yes" cell is visible in the Var_B column, indicating that the Var_B values are auto-populated from Var_A. Below the first row, there are several more rows, with the Var_A cells being orange (indicating they are modifiable) and the Var_B cells being gray (indicating they are auto-populated).



Offer Form – File Name

This offer form will not be accepted if the steps outlined below have not been followed!

A new File Name must be generated via the steps below for your offer.

These steps will create a unique, correctly formatted name that must be given to this offer form file before it is submitted.

When you are ready to submit this form...

1) Click this button ▶ 

2) This text ▼ is the required name for this file. Click the Save File button to complete.



The screenshot shows a form with a text input field on the left and a button labeled "Save This File" on the right. Both the text field and the button are circled in red.

3) Once you have named this offer form via the steps above and submitted this form to PG&E keep it unchanged in a secure location where you can refer to it should PG&E have questions. If a PG&E representative contacts you regarding this offer form they will reference the file name.

These instructions must be exercised just prior to actual submission of the form. The file name composed above must be created after you have finalized the rest of the form.

Intermission

Email Questions to:

DACProcurement@pge.com



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Q & A



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Thank You



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