

**PACIFIC GAS AND ELECTRIC COMPANY**

**Moderator: Michael Blaevoet**  
**April 16, 2020**  
**10:00 a.m. PT**

OPERATOR: This is Conference #: 2062406.

Operator: Hello, and welcome to today's webcast. My name is (Andrea), and I will be your event specialist. All lines have been placed on mute to prevent any background noise. Please note that today's webcast is being recorded.

Click the button on the lower right-hand corner of your screen to view the presentation in full screen. Press "Escape" on your keyboard to return to the original view. For optimal viewing and participation, please disable your pop-up blockers at this time.

If you should have any issues with the visual or audio during the presentation, first try refreshing your browser by pressing "F5" of your keyboard. If you need further assistance, click on the "Support" option in the upper right-hand corner of your screen for online troubleshooting. It is now my pleasure to turn today's program over to Denise Lee. Denise, the floor is yours.

Denise Lee: Thank you. Hi, everyone. I want to thank everyone for joining today's webinar. I hope everyone is staying safe and healthy at home. My name is Denise Lee. I am a senior analyst on PG&E's Energy Transactions team, and I'll be leading today's webinar. The purpose of today's webinar is to provide an overview of the Spring 2020 Bundled RPS Energy Sale Solicitation, also known as the REC Sale Solicitation, which was launched last week on April 10.

So, at any time during this presentation, if you have questions, please send them to our solicitation mailbox, [shorttermrecreales@pge.com](mailto:shorttermrecreales@pge.com). At the end of

this webinar presentation, we will save some time for Q&A where we will go ahead and address the questions that came in to our mailbox.

And, then, after the presentation, we will also compile a list of all of the questions that came in as well as our response. And you will be able to find that document on our solicitation website at [www.pge.com/rfo](http://www.pge.com/rfo) under Spring 2020 Bundled RPS Energy REC Sale Solicitation. In addition to the Q&A, we will also post the audio portion of the webinar so you can go ahead and reference that at any time as well.

So, as a quick overview of today's agenda, I'll go ahead and give details on the products that PG&E is soliciting to sell. I'll also give a brief overview of our short-term sale confirmation, which is the form of agreement we use for the transactions under an EEI master agreement. I will go ahead and discuss our evaluation process for the bids that come in as well as participant attestation and the bid form and bid submittal process.

A couple of things to note that are different than our last REC Sale Solicitation which was launched in December is that our bid form – rather than in Excel format, this time around, we are – we are using an editable PDF, which is actually our (confirm). And I'll go more in detail with that in a later slide. And, then, in addition to that, our participant attestations will be in a separate document, which I'll go in greater detail later as well. And like I said, we will have a Q&A at the end of this presentation.

So, this webinar is intended to be a summary-level discussion of the information for the solicitation. For a more detailed information, I highly recommend going to the website and taking a look carefully at our protocol. If information provided during this presentation conflicts with what's in the protocol, the solicitation materials will govern. So, again, I highly recommend asking questions throughout the solicitation process and submitting them prior to submitting a bid into our solicitation.

So, solicitation overview. I will go over the products, again, that we are selling for this RFO. The products that we are selling is the bundled renewable energy standard or RPS-eligible energy and associated renewable

energy credits from resources that are in PG&E's portfolio. A list of the resources can be found in our agreement.

The pricing for this solicitation or for this product will be the energy which settled at the day ahead Trading Hub index price as well as the REC price, which will be determined by the buyer and agreed upon by the seller. And, then, since we are selling from a portfolio of resources, the location of energy deliveries would be at the NP15, (FP15) and/or (CP26) Trading Hub as specified by PG&E, the seller.

The delivery term for this solicitation is for 2020 and 2021 volume. So, you can submit a bid for either year or both. And then, lastly, the agreements will be under the EEI master agreement (confirm).

So, here is a high-level overview of the solicitation schedule. Again, we launched last week on April 10. Webinar is today. The deadline to submit bids through Power Advocate is May 5 at 1:00 p.m. And we will notify counterparties shortly after on May 7 whether or not they have a qualified bid. And our intention is to execute transactions late May of 2020. And we will be any transactions that will result from this solicitation via tier-one advice letter for CPUC approval no later than 60 days after execution.

One thing that I want to highlight from this schedule is that you will notice a very quick turnaround from the time bids are due to when we plan on executing. So, very expeditious timeline there.

PG&E will be utilizing an independent evaluator for this solicitation. The purpose of the IE is to ensure a fair and equitable process for all counterparties. The IE will be providing a report that will be filed with the advice letter for CPUC approval and, therefore, will be engaged in all communications that we have with counterparties. So, again, please be sure to include the IE in all correspondences like email. (Luis Hashimoto) is the IE for this solicitation. And his email is listed there [arroyosecoconsulting@gmail.com](mailto:arroyosecoconsulting@gmail.com).

All right. So, now, I will go over the agreements. So, under this solicitation, an EEI master agreement is not a prerequisite in order to submit a bid.

However, it is required prior to execution. Therefore, if you do not have one in place with us, please be sure to reach out immediately and we can go ahead and get that process started. There are EEI master agreement documents that you can reference on the website as well. But, please, again, just reach out directly to us to initiate that process.

And, then, PG&E does have a strong preference for standardized agreements. So, for – as far as edits that we are considering under this solicitation, it's going to be the quantity and the price.

So, product delivery. Energy deliveries will begin upon CPUC approval, being final and non-appealable. So, again, we will file the advice letter within 60 days of execution of the agreement. But, the deliveries will begin after we receive that final non-appealable approval of the tier-one advice letter.

Historically, we have seen the advice letters approved within about 30 days. So, kind of expect that timeline there. And, then, PG&E will be – PG&E or a qualified third party designated by PG&E will be the scheduling coordinator.

As far as timing for the conveyance of green attributes, we will provide the green attributes for the RECs within 25 business days of us receiving the RECs in our (regist) account as well as us receiving payment from the buyer of the monthly cash settlement amount. And I'll go through how that works in our next slide.

So, the monthly cash settlement amount is a – is a simple equation here that I will walk you through. Essentially, it's the sum of A plus B minus C. And you will notice here A and C are equal, so that is 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 the hour.

B is equal to the green attributes price multiplied by the quantity of green attributes that are conveyed during the calculation. And the reason why A and C net out is because PG&E is the scheduling coordinator and we will be bidding into the (Kaiso) market on behalf of the buyer. So, we will be receiving payment from (Kaiso) for the energy. So, therefore, in the end,

what ends up – when you end up left with is just B, which is the green attributes price.

Evaluation methodology. I will give you a high-level overview of how we are looking to evaluate the bids that come in. Essentially, the sole quantitative criteria for this solicitation is price. We may also evaluate off of qualitative criteria. And those items include counterparty credit worthiness, the extent of agreement modifications.

Like I had mentioned earlier, we have a strong preference for using our standard agreement. A big part of that is because we are filing under tier-one advice letter and our agreement has been pre-approved by the commission through our RPS plan. So, the least modification there are and the closer it is to our standard agreement, the more likely they will go ahead and get approved, again, at that expeditious timeframe.

Other examples of qualitative criteria that we may consider are buyer concentration, existence of an acceptable EI master agreement between PG&E and the participant, and previous experience – commercial experience with the counterparty.

Bid form instructions. So, this is one piece that I do want to highlight. Again, it's different than our prior solicitation. In this solicitation, we are using an editable PDF for counterparties to submit their bids. The editable PDF can be found on our solicitation website. It's listed as Attachment A Bid Form. And I'll kind of walk you through what it looks like.

Again, it's different from last year last – or previous solicitation which used an Excel document. Again, we are trying to move towards an editable PDF, which is essentially the (confirm). And our reason for doing this is we really want or we hope that this will allow counterparties to understand the agreement and where their inputs are going within the final agreement that they are signing with us.

So, at a high level, the bid form instructions – so, these are some examples of kind of what you will see at a high level – what the inputs are. So, every input

that has a blue background is a required field. And there are instructions in red italics for what to insert as far as the information in the field.

Many of the fields will autopopulate, and it will say that. So, depending on how you insert or input a field, it will autopopulate in other sections to match that accordingly. One of the instructions for the form that's important because it does autopopulate certain sections is to start with populating the form from top to bottom. And, again, I want to highlight that all fields with a blue background must be populated.

So, as I mentioned before, quantity is one of the pieces that you will have to insert into the bid form. And, so, this is kind of what it will look like. The first box there is what it will look like without any selections made. You can see the dropdown has 2020, 2021 and then 2021 and – sorry – 2020 and 2021 as the option.

So, depending on the delivery term that you are seeking to buy RECs, that will be based on your selection there. If you select, 2020, you will just be kind of that first box there. 2021, you will just be 2021 there. And, then, in the last selection, you will see both delivery term years.

So, once you make your selection for the delivery term, you will go ahead and enter in the quantity of the green attributes that you are looking to purchase. So, one thing to note is that what you insert in the Green Attributes section will autopopulate in the Electric Energy column to the right. So, those two, obviously, will need to match. And, therefore, whatever you put in the first input will just go ahead and populate in the second column there.

One thing to note is that we do have a minimum volume of 10,000 megawatt hours that will be accepted for the solicitation. So, we won't accept any volumes that are less than 10,000 megawatt hours.

And then, lastly, for the bid form, we want to make sure that you are generating the file name. It's on page 17 of the bid form. So, if you scroll down, you will see a section and you will just go ahead and click that orange button. It will automatically generate a file name there for you.

Please copy that file name and save your bid form to match that before submitting an offer into Power Advocate. This is really just for us administratively to help us track the offers or the bids that come in. So, again, be sure to generate that file name when you are all done putting in all of your inputs. And, then, go ahead and save the file to match the generated file name that you get there.

Participant attestation. So, this is something that is new, in a sense. The participant attestations were previously included in the Excel offer form. However, because we are moving towards the editable PDF, which matched the short-term (confirm), we have a separate document now for participant attestation.

What this is is there is really three items that you are attesting to. The first item is just ensuring that you have read and agreed to the terms of the protocol. The second attestation is that you are confirming that you are an authorized representative of the participating company that is submitting the bid. And then, lastly, you are attesting that all information provided in the big package is true and accurate.

So, for a participant attestation, you can find this document with all of our other solicitation documents on our website there. I will be listed as Attachment B, Participant Attestation. And, again, there will be – it's in editable PDF format. And the blue inputs are required, and it's pretty self-explanatory, I think. There are prompts and box for where you would select for an e-signature. And this is required as a complete document as part of your bid package.

OK. So, the bid submittal process. The bid submittal process is going to be through Power Advocate. So, Power Advocate is an online platform that we use to receive the bids that come in. We are only accepting bids that come through this platform. So, do not email us your bid package information.

Please register through Power Advocate. The link is listed here on our slide as well as on the website for the solicitation. So, be sure to register early so

that you aren't having technical difficulties on the day of the deadline, which is May 5, again, at 1:00 p.m.

So, some things to consider. PG&E will only consider bids as of the submittal deadline or complete or submitted as of the deadline that are complete and conforming bids. And, then, once editable PDF or bid form should be submitted per counterparty. So, what that means is you do not need to submit multiple bids per counterparty. Just one form is accepted.

So, this slide summarizes everything that should be included in a bid package. I would really pay attention to this because it is a little different from our previous solicitation. And I'll go ahead and walk you through the required documents.

So, the first document which is important is the bid form. This is an editable PDF of the EI agreement confirmation. And take a look at this because it has all of the contract information in there. And this is where you will be inputting your price and quantity data for the bid.

Secondly, the participant attestation or – as Attachment B. Again, this is a new document that's required. The information was previously asked for, but the format in which we are asking for it is new. Again, it's an editable PDF, and it confirms acknowledgment of the protocol, participant authorization and attestation of information provided.

The third required document is the confidentiality agreement. I know in prior solicitations we didn't require an executed confidentiality agreement because there was a confidentiality agreement attestation without our bid form. However, because we are moving to the editable PDF, we are requiring that you submit the signed confidentiality agreement for this solicitation. So, please be sure to include that in your bid package when you submit it by May 5.

And then, lastly, we are requiring documentation of entity and legal status from the California Secretary of State. And you can just provide a screenshot. Go into California Secretary of State's website, which is listed there, and just send us a screenshot that shows that it has that active status. Alternatively, if

that doesn't apply to you, we also accept the joint power authority. So, JPAs are acceptable.

I just want to highlight again our solicitation website where you can find all of these documents and information that we talked about during the webinar. The solicitation website is [www.pge.com/rfo](http://www.pge.com/rfo). And you could just go ahead and click the link under Spring 2020 Bundled RPS Energy REC Sale Solicitation.

I highly recommend looking at the documents early and submitting any questions that you have to us at any time. Our mailbox, again, is [shorttermrecreales@pge.com](mailto:shorttermrecreales@pge.com). And copy the IE at [arroyosecoconsulting@gmail.com](mailto:arroyosecoconsulting@gmail.com). Again, we will post the presentation of this webinar shortly as well as the Q&A that comes in through our mailbox.

So, with that, we will move on to a brief intermission where we will go ahead and look at the questions that come in, compile a response and, then, we will go back into the conference to walk through the questions. If we are unable, for any reason, to go – unable to go over all of the questions, we will be sure to include them in the document posted on the solicitation website.

So, with that, you will be put on a brief intermission. And please go ahead and send your questions to the listed there and copy the IE. We will come back shortly. Thank you.

(Audio Gap)

Denise Lee: Hi, everyone. Welcome back. Thank you for holding during our intermission. So, we received a few questions into our mailbox. I'll go over them one by one. And as a reminder, if you have any questions that come up later, feel free to email us at any time at [shorttermrecreales@pge.com](mailto:shorttermrecreales@pge.com).

So, the first question that we got in was regarding credit. And the question was, "What will credit terms be for the transaction?" So, the credit terms are referenced in our agreement – the standard credit terms, which are posted on our solicitation website. So, go ahead and look at that. Again, it is going to

be posted in our bid form, which is Attachment A. And let us know if you have any questions.

The second question is regarding the confidentiality agreement. So, the question was, “We have an executed confidentiality agreement with PG&E from prior REC solicitations. Can we rely on that existing confidentiality agreement for this solicitation?”

So, our response is that we actually make some changes from solicitation to solicitation for a confidentiality agreement and they are specific to each solicitation. Although the changes are small, they may differ between solicitations. So, we do ask that all counterparties submit a new confidentiality agreement for this Spring 2020 REC Sale Solicitation.

And, then, the last question that we got is regarding Power Advocate. This person had issues not being able to see the RFO or the solicitation listed in the Opportunities tab with Power Advocate using the links from the website. So, I think this may be a one-off issue. I have that we have had counterparties already successfully register.

So, I will go ahead and reach out to Power Advocate support directly to see what the issue is. However, if you are having similar issues, reach out to us directly and we can go ahead and try to troubleshoot the issue and get you on Power Advocate successfully.

So, with that, that concludes all of the questions that we received. Again, thank you for joining today’s webinar. We really look forward to your participation. Again, bids are due May 5. And we look forward to seeing what you guys have. Thank you. Bye.

Operator: Thank you for joining us. We hope you found today’s presentation informative. This concludes our webcast. You may now disconnect. Have a great day.

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