

2019 Tree Mortality Non-Bypassable Charge (TMNBC) Bundled Renewable Portfolio Standard (RPS) Sale Solicitation

PG&E's Participants' Webinar

April 2, 2019

Agenda

Topics

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Solicitation Overview

TMNBC EEI Master Agreement Confirmation
Overview

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Intermission

Q & A

Presenter

Denise Lee

Denise Lee

Mark Muranishi

Denise Lee

Denise Lee

Q&A / Audio Replay

- At any time during this presentation participants should e-mail their questions to the Solicitation mailbox: TMNBCrecsales@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 the solicitation website at: <http://www.pge.com/rfo/tmnbc>
- The audio portion of the webinar will be posted on PG&E's TMNBC Bundled RPS Sale Solicitation Website (listed above)

Webinar Overview

- 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.**
- Participants should carefully review the following materials on PG&E's TMNBC Bundled RPS Energy Sale Solicitation website:
 - 2019 TMNBC Bundled RPS Energy Sale Solicitation Protocol
 - TMNBC EEI Master Agreement Confirmation (Appendix B)
- PG&E urges participants to ask clarifying questions regarding the Agreement prior to submittal of a bid under this Solicitation.

Solicitation Overview

Overview

- Pursuant to California Public Utilities Commission (CPUC) issued [Decision 18-12-003](#), PG&E is making available for sale the bundled Renewable Portfolio Standard (RPS) – eligible energy and corresponding Renewable Energy Credits (RECs) generated from its existing tree mortality Power Purchase Agreements (PPAs), listed in the table below.

Facility Name	Contract Capacity (MW)	Initial Energy Delivery Date	Expected Delivery End Date
Burney Forest Products	29	11/1/2017	10/31/2022
Wheelabrator Shasta	34	12/2/2017	12/1/2022

Product Attributes

Product Attributes for TMNBC Bundled RPS Sale Solicitation

Product	<ul style="list-style-type: none">Bundled RPS-eligible energy and associated RECs from PG&E's existing TM PPAs (unit-contingent)
Pricing	<ul style="list-style-type: none">Energy – settled at the day-ahead Index (Locational Marginal Price)REC – fixed price
Delivery Term	<ul style="list-style-type: none">Residual term of PG&E's TM PPAs<ul style="list-style-type: none">Burney Forest Products: Through 10/31/2022Wheelabrator Shasta: Through 12/1/2022Delivery start date occurs upon final CPUC Approval of Tier 1 AL
Quantity	<ul style="list-style-type: none">Buyer receives future full energy and REC output from the applicable TM PPA; No partial volumes will be accepted.
Agreement	<ul style="list-style-type: none">Attachment B – 2019 TM NBC Bundled RPS Energy Sale EEI Master Agreement Confirmation. PG&E intends to execute two sales agreements total; one sales agreement per TM PPA.

Solicitation Schedule

Date/Time	Event
April 2, 2019	Participants' Webinar
April 17, 2019 by 1:00 P.M. PPT	Deadline for Participants to submit Bids through Power Advocate
April 22, 2019	PG&E notifies qualified Participants
May 2019	PG&E and qualified Participants 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
- 2019 TMNBC Bundled RPS Energy Sale Solicitation IE is Arroyo Seco Consulting.
 - Lewis Hashimoto (arroyosecoconsulting@gmail.com)

TMNBC EEI Master Agreement Confirmation Overview

General Guidelines

- Participants are not required to have an EEI Master Agreement in place with PG&E to submit a bid in the Solicitation
- If an existing EEI Master Agreement is not in place at time of offer submittal, PG&E may require one prior to execution of a confirm
- PG&E has a strong preference for standardized Agreements. PG&E will consider edits to the Agreement in the following sections:
 - Green Attributes Price
 - 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 - delivered at the applicable Pricing Node for the facility (Burney Forest Products or Wheelabrator Shasta)
- Green Attributes - transferred to Buyer, the WREGIS Certificates associated with Delivered Energy, within 25 business days following the occurrence of both:
 - The deposit of WREGIS certificates into PG&E’s WREGIS account for the applicable energy delivery month
 - Buyer’s payment of the Monthly Cash Settlement Amount
- Seller’s delivery and conveyance obligations for Product under this Agreement are limited solely to Product delivered from the Project to Seller pursuant to the applicable TM PPA

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 full output of Delivered Energy for facility 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

- Credit Requirements
 - Electric Energy – governed by the EEI Agreement
 - Green Attributes – Exposure Amount is equal to the greater of:
 - (a) Green Attributes Price * [fixed amount – (15% * volume of delivered Green Attributes)]
 - (b) Green Attributes Price * 10% of the fixed amount
 - Fixed amount is facility specific:
 - Burney Forest Products = 100,000
 - Wheelabrator Shasta = 150,000
- Seller is not obligated to post collateral

Evaluation Methodology

Evaluation Methodology

- **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=89159&pubEvent=true>
 - PG&E strongly encourages you to register in advance of bid due date of **April 17th at 1:00 PM (PPT)**.
- PG&E will only consider bids that, as of the submittal deadline, are complete and conforming bids.
 - Participant may submit up to a total of two Bids – one Bid per facility. All bids should be submitted on the same Bid Form
 - 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.

Power Advocate - Data Room

- PG&E will make available the following information for its existing TM PPAs with 1) Burney Forest Products and 2) Wheelabrator Shasta via Power Advocate (Downloads tab) upon receiving an executed Attachment C - Confidentiality Agreement.
 - Executed versions of the existing TM PPAs
 - Historical generation data (monthly breakdown)

File Name
 PGE_Burney_Forest_Products_BioRAM_PPA_and_Rider-CONF_Redacted.pdf
 PGE_Wheelabrator_Shasta_BioRAM_PPA_and_Rider-CONF_Redacted.pdf
 TMNBC_Historical_Generation_Burney_Forest_and_Wheelabrator_Raw_Meter_Data_MONTHLY_BREAKDOWN.pdf

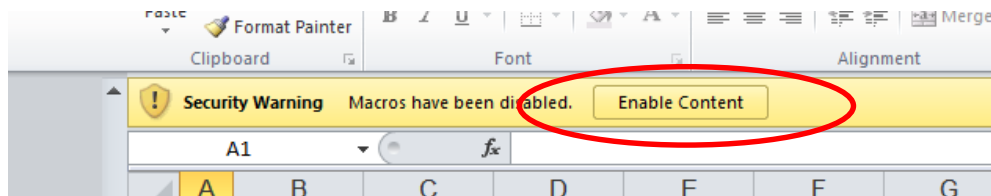
- Submit executed Attachment C - Confidentiality Agreement via Power Advocate

Required Bid Submission Forms

- Bid package must be in the format as specified in the 2019 TMNBC Bundled RPS Energy Sale Solicitation Protocol.
- ✓ Fully Completed Bid Form (Attachment A); Format: MS Excel.
- ✓ Redline of EEI Master Agreement Confirmation (Attachment B); Format: MS Word
- ✓ Documentation of Entity Legal Status from California Secretary of State; Format: MS Word or PDF

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 a yellow background must be filled out.

Bid Form – Instructions



Tree Mortality Non-Bypassable Charge (TMNBC) Bundled Renewable Portfolio Standard (RPS) Energy Sale Solicitation Bid Form

21% Complete

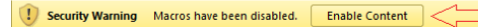
8 of 39 input requirements satisfied

ENABLE MACROS OR THIS WORKBOOK WILL NOT FUNCTION PROPERLY.

Macros can be enabled by clicking the "Enable Macros" button on the "Microsoft Excel Security Notice" that is displayed before the form opens...



...or by clicking the "Enable Content" button that is sometimes displayed at the top of the screen when the form first opens.



Contact Information	
Bidder Name:	
Bidder Type:	
Email:	
Phone:	
Street:	
City:	
State:	
Zip:	
Buyer/Counterparty same as Bidder	<Choose>
Buyer/Counterparty:	
Buyer/Counterparty Type:	
If "Other", please specify Buyer/Counterparty Type:	
Email:	
Phone:	
Street:	
City:	
State:	
Zip:	

Facility Name: Burney Forest Products	
I am submitting a bid for this facility	Yes
Product:	Bundled RPS-eligible energy and associated RECs
Energy Payment Index:	CAISO DA LMP
Quantity:	Buyer receives full energy and REC output
Delivery Term:	Residual term of the tree mortality contract
Estimated Start Date:	Upon final CPUC approval
Estimated End Date:	10/31/2022
Price (REC-Fixed Price in \$/MWh)	

Facility Name: Wheelabrator Shasta	
I am submitting a bid for this facility	<Choose>

Bid Form – Instructions

- If submitting an offer form with two bids, one bid for each facility, Participant must specify whether or not the bids are mutually exclusive.

Mutual Exclusivity of Bids	
If PG&E accepts both bids submitted, Participant can execute contracts for both awarded bids (i.e., bids are not mutually exclusive).	<Choose>
Participant	<Choose> Yes (not mutually exclusive) No (mutually exclusive)

Bid Form – File Name Generator

Key Takeaway: File Name and Offer ID *MUST* be the same

File Name Generator

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 each offer form submitted. If submitting multiple offer forms, please repeat these steps for each offer form submitted.

These steps will create a unique, correctly formatted name that must be given to this offer form file before it is submitted. If you are submitting multiple offer forms and you are employing "Save As" on a form you previously populated to create a new offer it is essential that a new/different file name be generated for each additional offer form you create.

When you are ready to submit this form...

1) Click this button ►

Generate File Name

2) Copy this text ▼ via the button at right and use it AS IS as the name of the file you submit.

Copy File Name to Clipboard

BidderNa_BidderNa_BFP_WS_NME_TM2019_0328111451

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

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.

Click this button, press F12, then paste the file name in the Excel File Name field and Save.

Communications and Website

- PG&E's website at <http://www.pge.com/rfo/tmnbc> provides everything you need to submit a bid, including but not limited to:
 - Solicitation Documents
 - Targeted Schedule
 - Detailed instructions for submitting bid(s) through Power Advocate
 - Announcements, updates, Q&A
- All solicitation communications should be directed to: TMNBCrecsales@pge.com with a copy to the Independent Evaluator at arroyosecoconsulting@gmail.com.

Intermission

Q & A