



*Pacific Gas and  
Electric Company®*

# **2021 Central Procurement Entity**

## **Local Resource Adequacy**

### **Request for Offers**

### **Solicitation Protocol**

**April 23, 2021**

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## I. Introduction and Overview

### I.A. Overview

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Pursuant to California Public Utilities Commission (“CPUC”) Decision [D.20-06-002](#), the Central Procurement Entity Decision (“CPE Decision”) and Decision [D.20-12-006](#), the Local Capacity Requirement Reduction Compensation Mechanism Decision (“LCR RCM Decision”), Pacific Gas and Electric Company (“PG&E”) acting as the Central Procurement Entity (“CPE” or “PG&E CPE”) is issuing its 2021 CPE Local Resource Adequacy (“RA”) Request for Offers (“RFO” or “Solicitation”) to procure local RA (“Local RA”) from participants (“Participants”) on behalf of all CPUC jurisdictional load serving entities (“CPUC LSEs”) in PG&E’s distribution service area. This Solicitation is being conducted as described in PG&E CPE’s Procurement Plan, filed in Advice Letter 6078-E.

PG&E CPE is procuring Local RA in areas within California that are transmission constrained (“Local Capacity Areas”). The CPE Decision requires PG&E CPE to begin Local RA procurement responsibilities in 2021 for 100 percent of the CPUC’s 2023 Local RA requirements and 50 percent of the CPUC’s 2024 Local RA requirements in PG&E’s distribution service area.

Participants are strongly encouraged to review the CPE Decision, LCR RCM Decision, and PG&E CPE’s Procurement Plan prior to participating in this Solicitation.

### I.B. Resource Categories

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The CPE Decision allows PG&E CPE to meet its procurement requirements by procuring Local RA from two categories of resources (“Resources”):

**Self-Shown Resources:** CPUC jurisdictional LSEs, including investor owned utilities (“IOUs”), that (1) already have contracts for the purchase of Local RA from resources located in Local Capacity Areas within PG&E’s distribution service area or (2) own resources located in such Local Capacity Areas can commit (“Self-Show”) the Local RA of those resources to PG&E CPE. These Self-Shown commitments will reduce the total amount of Local RA that PG&E CPE will need to procure through other methods.

Pursuant to the LCR RCM Decision, the Local RA that is Self-Shown to PG&E CPE from certain preferred, energy storage, and hybrid resources is eligible for compensation up to an administratively pre-determined price (“Compensated Self-Shown Resources”). More detail on Compensated Self-Shown Resources can be found in Attachment 2A of this Solicitation Protocol.

The Local RA from all other Self-Shown Resources will not be eligible for compensation (“Non-Compensated Self-Shown Resources”).<sup>1</sup>

**Compensated Offered Resources:** PG&E CPE may also procure Local RA from resources located in Local Capacity Areas (“Compensated Offered Resources”) through an all-source competitive solicitation process. PG&E CPE can use Local RA from Compensated Offered Resources to meet its Local RA procurement obligation.

### **I.C. CPE Procurement Processes**

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PG&E CPE intends to procure Local RA from the resource categories identified above to meet its Local RA procurement obligations using two distinct processes:

#### **1. Non-Compensated Self-Shown Commitment Process:**

PG&E seeks to execute Agreements as described herein with CPUC LSEs that elect to commit Self-Shown Local RA from Non-Compensated Self-Shown Resources. PG&E CPE requests that CPUC LSEs that meet the criteria set forth in this Solicitation Protocol submit a commitment to Self-Show Local RA to PG&E CPE (“Non-Compensated Self-Shown Offer”).<sup>2</sup>

CPUC LSEs who submit a Non-Compensated Self-Shown Offer to PG&E CPE are prohibited from using that same resource to participate in the competitive process described below.

#### **2. Competitive Offer Process:**

PG&E CPE is required to conduct a competitive all-source solicitation to procure Local RA in Local Capacity Areas in PG&E’s distribution service area. PG&E CPE requests that entities that meet the criteria set forth in this Solicitation Protocol submit offers (each, a “Competitive Offer”) to provide PG&E CPE products from the resource categories below:

**Compensated Self-Shown Resources:** PG&E CPE seeks to execute Agreements as described herein with CPUC LSEs that elect to commit Local RA from Compensated Self-Shown Resources to the CPE. CPUC LSEs that submit Competitive Offers for Local RA from Compensated Self-Shown Resources may not submit another Competitive Offer or Non-Compensated Self-Shown Offer from the same resource.

**Compensated Offered Resources:** PG&E CPE seeks to execute Agreements as described herein with Participants for Bundled RA (inclusive of System and Flexible RA attributes, if

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<sup>1</sup> The existing definition of preferred resources from the State’s Energy Action Plan (“EAP”) II, as adopted in D.14-03-004, shall apply to the LCR RCM.

<sup>2</sup> The schedule for the Non-Compensated Self-Shown Commitment Process, including execution of an Agreement, is set forth in Table III.1 below.

applicable) from local resources that are both new and existing. Consistent with Ordering Paragraph (“OP”) 8(e) of the CPE Decision, participants have the option to include energy value as part of their Competitive Offer from Compensated Offered Resources.

- **Option to Self-Show for No Compensation:** Per OP 4(b)(2) of the CPE Decision, CPUC LSEs have the option to indicate in their Competitive Offers that the Local RA from Compensated Offered Resources will be Self-Shown for no compensation if their Competitive Offer is not selected as part of the Competitive Offer Process (“Non-Compensated Self-Show Option”).

Consistent with the CPE Decision and LCR RCM Decision, PG&E CPE will collectively evaluate all conforming Competitive Offers, whether for Compensated Self-Shown Resources or Compensated Offered Resources.

An overview of the processes used in this Solicitation for PG&E CPE to meet its central procurement obligations are described Table I.1 below.

**Table I.1: Overview of 2021 CPE Local RA Solicitation Processes**

Process	Resource Categories	Participant Type
<b>Non-Compensated Self-Shown Commitment Process</b>	Non-Compensated Self-Shown Resources	CPUC LSEs
<b>Competitive Offer Process</b>	Compensated Self-Shown Resources	CPUC LSEs
	Compensated Offered Resources  <i>Option for CPUC LSEs only: May indicate in their Competitive Offers that the Local RA attributes of the Compensated Offered Resource will be Self-Shown for no compensation if the Competitive Offer is not selected as part of the Competitive Offer Process.</i>	Any Participant

This Solicitation Protocol sets forth the terms and conditions by which PG&E CPE will accept Non-Compensated Self-Shown Offers and Competitive Offers (collectively, “Offers”) to meet the objectives of the CPE Decision. An entity submitting an Offer in response to this Solicitation agrees to be bound by all the terms, conditions, and other provisions of this Solicitation and any

changes or supplements to it that may be issued by PG&E CPE. The obligations of the Participant are further described in Section XI.A “Agreement by Participant”.

Offers that meet the requirements and eligibility criteria specified in this Solicitation Protocol will be deemed qualified (“Qualified”) and PG&E CPE will notify Participants that their Offers are Qualified in accordance with the schedules in Table III.1 and Table III.2 below. PG&E CPE will seek to enter into an Agreement related to all Non-Compensated Self-Shown Offers that are deemed Qualified. PG&E CPE will evaluate Competitive Offers that are deemed Qualified and, depending on the results of this evaluation, may seek to enter into an Agreement related to those Competitive Offers.

**This Solicitation Protocol governs the administration and submission of Offers into the Solicitation.** This Solicitation Protocol supersedes any other written or oral form of communication during the Solicitation.

#### **I.D. PG&E as the CPE**

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This Solicitation is being performed by PG&E acting in its role as the CPE and is separate and distinct from PG&E’s procurement on behalf of its bundled electric service customers.

The CPE Decision allows PG&E, on behalf of its bundled electric service customers, to participate (“PG&E Participant”) in this Solicitation in the same manner as all other CPUC LSEs. The CPE Decision outlines specific requirements as to how PG&E Participant must participate in PG&E CPE’s Solicitation (e.g., offer pricing methodology, timing of offer submission).

Consistent with the CPE Decision, PG&E CPE has developed both a competitive neutrality rule, which was adopted in the LCR RCM Decision, and a strict code of conduct in consultation with the Cost Allocation Mechanism Procurement Review Group (“CAM PRG”), an Independent Evaluator (“IE”), and the CPUC’s Energy Division (“Energy Division”), to prevent the sharing of confidential, market sensitive information that PG&E CPE receives from third parties as part of this Solicitation.

## **II. Website and Communication**

PG&E CPE has established a website at <http://www.pge.com/2021cperfo> where Participants may access and download all Solicitation documents, announcements, and Q&As that are posted.

To ensure the accuracy and consistency of information provided to all Participants, PG&E CPE encourages Participants to submit any inquiries via e-mail to [CPESolicitations@pge.com](mailto:CPESolicitations@pge.com) and

copy the IE, Merrimack Energy Group, Inc., at [merrimackIE@merrimackenergy.com](mailto:merrimackIE@merrimackenergy.com). With respect to a matter of general interest raised by any Participant, PG&E CPE may, without reference to the inquiring Participant, post the question and PG&E CPE’s response on PG&E CPE’s solicitation website. PG&E CPE will attempt to respond to all inquiries but may decline to respond to any particular inquiry.

All correspondence will be monitored by the IE, Merrimack Energy Group, who was selected to oversee this Solicitation. The IE is an independent, third-party evaluator who is required by the CPUC to monitor and evaluate PG&E CPE’s competitive solicitation process as well as the Agreement execution process.

### III.Solicitation Schedule

#### III.A. Expected Schedule for Non-Compensated Self-Shown Commitment Process

The expected schedule for the Non-Compensated Self-Shown Commitment Process is listed in Table III.1 below. All deadlines occur at 5:00 P.M. Pacific Prevailing Time (“PPT”), unless otherwise noted.

**Table III.1: Schedule for Non-Compensated Self-Shown Commitment Process of PG&E’s 2021 CPE Local RA Solicitation**

Event	Date
Participants are invited to register online to receive notices regarding the Solicitation at <a href="http://www.pge.com/cpe">www.pge.com/cpe</a>	Ongoing
PG&E CPE issues Solicitation	April 23, 2021
Participants’ Webinar	May 5, 2021
Offer Form Webinar	May 10, 2021

Deadline for CPUC LSEs to submit Non-Compensated Self-Shown Offers <sup>3</sup>	June 1, 2021 at 1PM (PPT)
PG&E CPE notifies CPUC LSEs that their Non-Compensated Self-Shown Offers are Qualified. PG&E CPE notifies the CAM/PRG of all Non-Compensated Self-Shown Offers that are deemed Qualified.	Late-June – Early July 2021
Estimated Execution of Agreement(s) resulting from the Non-Compensated Self-Shown Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and Participant.	August – Early-September 2021
PG&E CPE’s estimated Local RA Showing for the 2023 and 2024 compliance years with the CPUC	Late-September 2021

### III.B. Expected Schedule for the Competitive Offer Process

The expected schedule for the Competitive Offer Process of the Solicitation is listed in Table III.2 below. All deadlines occur at 5:00 P.M. Pacific Prevailing Time (“PPT”), unless otherwise noted.

**Table III.2: Schedule for Competitive Offer Process of PG&E’s 2021 CPE Local RA Solicitation**

Event	Date
Participants are invited to register online to receive notices regarding the Solicitation at <a href="http://www.pge.com/cpe">www.pge.com/cpe</a>	Ongoing
PG&E CPE issues Solicitation	April 23, 2021

<sup>3</sup> Schedule for Non-Compensated Self-Shown Resources to Self-Show is consistent with the timeline in Section 3.10 of the CPE Decision and the letter from the CPUC Executive Director, Rachel Peterson, dated May 7, 2021 granting PG&E CPE’s May 3, 2021 letter request for an extension of time, “Request for Extension of Time for All Load Serving Entities to Comply with the April-May Commitment Deadline in Ordering Paragraph 28 of Decision 20-06-002”.

Participants' Webinar	May 5, 2021
Offer Form Webinar	May 10, 2021
Deadline for PG&E Participant to submit Competitive Offers via Power Advocate	June 7, 2021 at 1PM (PPT)
Deadline for Non-PG&E Participants to submit Competitive Offers via Power Advocate <sup>4</sup>	June 8, 2021 at 1PM (PPT)
PG&E CPE notifies Participants that their Competitive Offer(s) are Qualified. PG&E CPE notifies the CAM/PRG of all Competitive Offers that are deemed Qualified.	Late-June – Early July 2021
Participants with Qualified Competitive Offers are required to have completed safety prequalification with IS-Net as further described in Section V of Attachment 2A and 2B.	July 29, 2021
Estimated Execution of Agreement(s) resulting from the Competitive Offer Process, provided that the Agreement(s) are mutually agreed to by both PG&E CPE and Participant.	August – Early-September 2021
PG&E CPE's estimated Local RA Showing for the 2023 and 2024 compliance years with the CPUC	Late-September 2021

The schedules above and documents associated with the Solicitation are subject to change at PG&E CPE's sole discretion at any time and for any reason. PG&E CPE will endeavor to notify Participants of any changes to the Solicitation but shall not be liable for any costs or liability incurred by Participants or any other party due to a change or for failing to provide notice or acceptable notice of any change.

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<sup>4</sup> Deadline for Compensated Self-Shown Resources to Self-Show is consistent with the timeline in Section 3.10 of the CPE Decision and the letter from the CPUC Executive Director, Rachel Peterson, dated May 7, 2021 granting PG&E CPE's May 3, 2021 letter request for an extension of time, "Request for Extension of Time for All Load Serving Entities to Comply with the April-May Commitment Deadline in Ordering Paragraph 28 of Decision 20-06-002".

## IV. Background

### IV.A. Local RA Program

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In 2004, the CPUC adopted the RA framework to ensure adequate generation capacity is available for reliable electric service in California. The RA program requires all CPUC LSEs to procure sufficient generation capacity, or RA, for their customers' expected load plus a planning reserve margin.

The CPUC's RA program contains three distinct requirements: System RA requirements (effective June 1, 2006), Local RA requirements (effective January 1, 2007) and Flexible RA requirements (effective January 1, 2015).

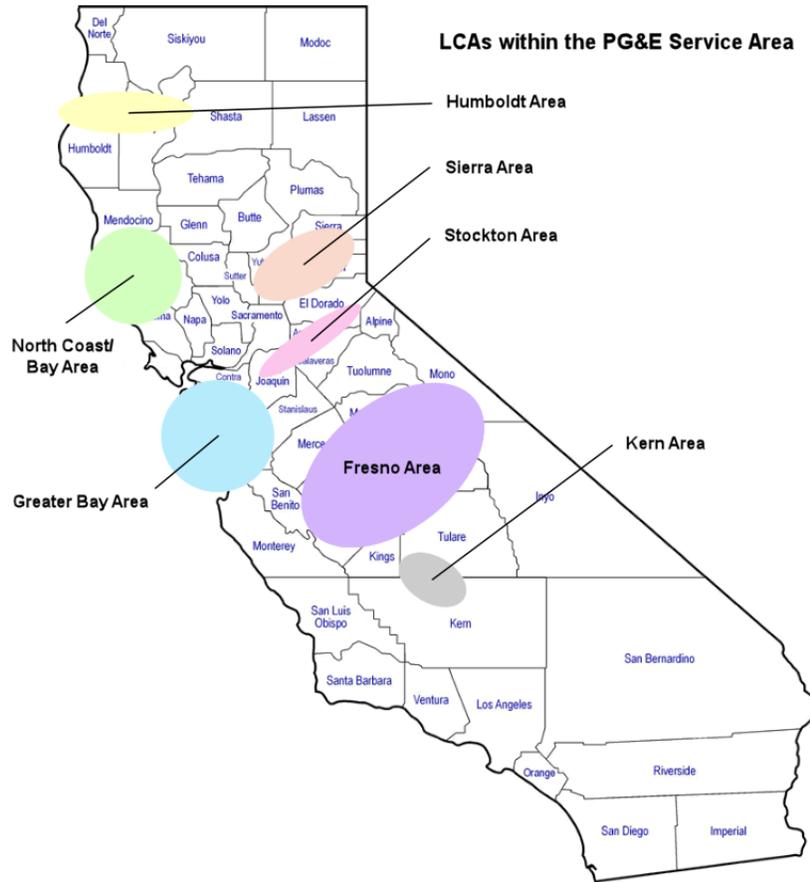
The Local RA program incorporates a three-year forward multi-year requirement for procurement of generation capacity in areas within California that are transmission constrained.

Local capacity requirements are determined through California Independent System Operator's ("CAISO") annual Local Capacity Technical Study. The capacity that meets these requirements is referred to as Net Qualifying Capacity ("NQC"), which is calculated by the CPUC and CAISO for each resource and published by the CAISO on an annual basis. The most recent NQC list is located on CAISO's website at the following link:

<http://www.caiso.com/planning/Pages/ReliabilityRequirements/Default.aspx>.

The Local Capacity Areas in PG&E's electric distribution area are Greater Bay, Greater Fresno, Humboldt, Kern, North Coast/North Bay, Sierra, and Stockton ("PG&E Local Capacity Areas"), as shown in Figure IV.1.

**Figure IV.1: PG&E Local Capacity Area (LCA) Map**



**IV.B. Central Procurement Entity**

On June 17, 2020, the CPUC issued the CPE Decision, effective as of June 11, 2020, identifying PG&E and Southern California Edison Company (SCE) as the central procurement entities for their respective electric distribution service areas. Beginning in 2021, PG&E and SCE are required to procure local capacity to meet the 3-year forward multi-year local RA requirement on behalf of all CPUC LSEs within their respective electric distribution service areas.

The CPE Decision adopted a hybrid central procurement framework whereby the CPE is tasked with procuring the entire amount of required Local RA on behalf of all CPUC LSEs in its electric distribution service area.

## V. Solicitation Goals

### V.A. PG&E CPE Resource Needs

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In order to meet its central procurement obligations ordered in the CPE Decision, PG&E CPE is seeking to procure local RA attributes from new and existing resources (“New and Existing Resources”), as further defined below in Section VI.A, that are located in PG&E’s Local Capacity Areas. All offered resources must meet the requirements and criteria specified in this Solicitation.

### V.B. Products Sought by PG&E CPE

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PG&E CPE is seeking to procure the following products:

**Self-Shown Local RA:** Local RA that is Self-Shown by a CPUC LSE to PG&E CPE consistent with the process outlined in the CPE Decision and LCR RCM Decision. Participants that Self-Show Local RA retain the System and, if applicable, Flexible RA attributes of the resource. As described in Section I.B only Non-Compensated Self-Shown Resources and Compensated Self-Shown Resources can provide Self-Shown Local RA to PG&E CPE.

**Bundled RA:** A bundled capacity product used to meet RA obligations, which includes local, System and, if applicable, Flexible RA attributes. As described in Section I.B, only Compensated Offered Resources can provide Bundled RA to PG&E CPE.

**Bundled RA with Energy Settlement:** Bundled RA with a financial energy settlement based on CAISO market energy prices. As described in Section I.B, only Compensated Offered Resources can provide Bundled RA with Energy Settlement to PG&E CPE.

### V.C. Delivery Term

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In accordance with the CPE Decision, PG&E CPE is seeking to enter into Agreements with delivery periods commencing in 2023 or 2024 with varying terms and conditions depending on the resource category.

#### Non-Compensated Self-Shown Resources

- May have a delivery term (“Delivery Term”) of 1 to 24 months.<sup>5</sup>

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<sup>5</sup> Delivery term is measured from the expected commencement of deliveries to the expected conclusion of deliveries.

- The Delivery Term may not commence prior to the 2023 RA compliance period on 1/1/2023 and may not extend beyond the end of the 2024 RA compliance period on 12/31/2024.
- Delivery Term must commence on the first day of any calendar month within the 2023 or 2024 RA compliance periods.

#### **Compensated Self-Shown Resources**

- May have a Delivery Term of 1 to 24 months.
- Per OP 3 of the LCR RCM Decision, the Delivery Term must commence on the later of (1) the start of the term of the underlying contract for the resource, or, for utility-owned generation (“UOG”), the beginning of the useful life for that resource, and (2) the beginning of the 2023 RA compliance period on 1/1/2023.
- Per OP 3 of the LCR RCM Decision, the Delivery Term must end on the earlier of (1) the end term of the underlying contract, or, for UOG, the end of the resource’s useful life, and (2) the end of the 2024 RA compliance period on 12/31/2024.
- Delivery Term must commence on the first day of any calendar month within the 2023 or 2024 RA compliance periods.

#### **Compensated Offered Resources**

- At least 50 percent of the Delivery Term must be within the applicable 2023 and 2024 RA compliance years.<sup>6</sup>
- May have a Delivery Term of 1 to 48 months.
- Delivery Term must commence on the first day of any calendar month within the 2023 or 2024 RA compliance periods.

### **V.D. Agreement Types**

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The following section describes the Agreements for each of the products PG&E CPE is seeking in this Solicitation.

PG&E CPE prefers to execute agreements that are substantially similar to the form Agreements provided. Participants must provide a fully completed copy of the relevant Agreement, including any proposed markups, as part of their Offer package which will be used by PG&E CPE

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<sup>6</sup> An example of 50 percent of the Delivery Term remaining within the applicable compliance years would be an Agreement with a Delivery Term of two years that is expected to begin deliveries on January 1, 2024 and expected to conclude deliveries on December 31, 2025.

in its review process. PG&E CPE strongly encourages all Participants to carefully review the terms and obligations of each Agreement in advance of submitting an Offer.

**Shown RA Agreement for Existing Resources (Non-PG&E Participants)**

PG&E CPE seeks to execute a Shown RA Agreement with Non-PG&E Participants for Self-Shown Local RA provided by both Existing Non-Compensated Self-Shown and Existing Compensated Self-Shown Resources. For details, see Appendix E1, Shown Resource Adequacy Agreement for Existing Resources (Non-PG&E Participants).

**Shown RA Agreement for New Resources (Non-PG&E Participants)**

PG&E CPE seeks to execute a Shown RA Agreement with Non-PG&E Participants for Self-Shown Local RA provided by both New Non-Compensated Self-Shown and New Compensated Self-Shown Resources. For details, see Appendix E2, Shown Resource Adequacy Agreement for New Resources (Non-PG&E Participants).

**RA Agreement for Existing Resources (Non-PG&E Participants)**

PG&E CPE seeks to execute an RA Agreement with Non-PG&E Participants for Bundled RA, or Bundled RA with Energy Settlement, with Non-PG&E Participants provided by Existing Compensated Offered Resources. For details, see Appendix E3, Resource Adequacy Agreement for Existing Resources (Non-PG&E Participants).

**RA Agreement for New Resources (Non-PG&E Participants)**

PG&E CPE seeks to execute an RA Agreement with Non-PG&E Participants for Bundled RA, or Bundled RA with Energy Settlement, provided by New Compensated Offered Resources. For details, see Appendix E4, Resource Adequacy Agreement for New Resources (Non-PG&E Participants).

**Shown RA Agreement for Existing Resources (PG&E Participant)**

PG&E CPE seeks to execute a Shown RA Agreement with PG&E as Participant for Self-Shown Local RA provided by both Existing Non-Compensated Self-Shown and Existing Compensated Self-Shown Resources. For details, see Appendix E5, Shown Resource Adequacy Agreement for Existing Resources (PG&E Participant).

**Shown RA Agreement for New Resources (PG&E Participant)**

PG&E CPE seeks to execute a Shown RA Agreement with PG&E as Participant for Self-Shown Local RA provided by both New Non-Compensated Self-Shown and New Compensated Self-Shown Resources. For details, see Appendix E6, Shown Resource Adequacy Agreement for New Resources (PG&E Participant).

**RA Agreement for Existing Resources (PG&E Participant)**

PG&E CPE seeks to execute an RA Agreement with PG&E as Participant for Bundled RA, or Bundled RA with Energy Settlement, provided by Existing Compensated Offered

Resources. For details, see Appendix E7, Resource Adequacy Agreement for Existing Resources (PG&E Participant).

**RA Agreement for New Resources (PG&E Participant)**

PG&E CPE seeks to execute an RA Agreement with PG&E as Participant for Bundled RA, or Bundled RA with Energy Settlement, provided by New Compensated Offered Resources. For details, see Appendix E8, Resource Adequacy Agreement for New Resources (PG&E Participant).

**V.E. Overview of Products**

Participants **must** carefully review this Solicitation Protocol, including Attachments 1, 2A and 2B, for details on the PG&E CPE procurement processes and requirements.

An overview of the products and corresponding process in this Solicitation are listed below in Table V.1.

**Table V.1: Overview of Products**

Product	Resource Category	Process	Delivery Term (Months) <sup>7</sup>	Initial Delivery Date (“IDD”) or Initial Showing Date (“ISD”)	Agreement(s)
Self-Shown Local RA	Non-Compensated Self-Shown Resources	- Non-Compensated Self-Shown Commitment Process  - See <a href="#">Attachment 1</a> for additional information.	- 1 to 24	- Any month from 2023 to 2024; provided that the term complies with Section V.C above  - ISD must be the first day of the month	Appendix E1 – Shown RA Agreement for Existing Resources (Non-PG&E Participants)
	Compensated Self-Shown Resources	- Competitive Offer Process – Compensated Self-Shown  - See: <a href="#">Attachment 2A</a> for additional information.		Appendix E2 – Shown RA Agreement for New Resources (Non-PG&E Participants)	Appendix E5 – Shown RA Agreement for

<sup>7</sup> Additional restrictions on Delivery Terms for Non-Compensated Self-Shown Resources, Compensated Self-Shown Resources and Compensated Offered Resources are detailed in Section V.C.

					Existing Resources (PG&E Participant)  Appendix E6 – Shown RA Agreement for New Resources (PG&E Participant)
<b>Bundled RA</b>	Compensated Offered Resources	- Competitive Offer Process – Compensated Offered Resources  - See: <a href="#">Attachment 2B</a> for additional information.	- 1 to 48	- Any month from 2023 to 2024  - IDD must be the first day of the month	Appendix E3 – RA Agreement for Existing Resources (Non-PG&E Participants)  Appendix E4 – RA Agreement for New Resources (Non-PG&E Participants)  Appendix E7 –RA Agreement for Existing Resources (PG&E Participant)
<b>Bundled RA with Energy Settlement</b>					Appendix E8 –RA Agreement for New Resources (PG&E Participant)

## VI. Overall Eligibility Requirements

This section covers the eligibility requirements for all Resources providing Local RA as part of any Offer submitted to PG&E CPE in this Solicitation.

### VI.A. Eligible Resources

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Per OP 8 of the CPE Decision, PG&E CPE is conducting an all-source solicitation to procure Local RA for the 2023 and 2024 RA compliance years for the applicable Delivery Terms specified in Section V.C above from any new or existing Resource that is located within the PG&E Local Capacity Areas and that meets the Solicitation requirements.

Resources offered into this Solicitation must have a single CAISO Resource Identification (“CAISO Resource ID”), as defined in the CAISO Tariff. Aggregated behind-the-meter resources, including demand response, must be in a single Sub-LAP, as such term is defined in the CAISO Tariff.

Details on the specific Resource eligibility requirements for each resource category in the Solicitation are included in Attachment 1, 2A and 2B. Participants are encouraged to thoroughly review each attachment that may apply to their Offer.

For the purposes of this Solicitation, New and Existing Resources are defined as follows:

- **Existing:** Resources that are listed on the CAISO NQC List **and** have achieved Commercial Operation Date (“COD”) in accordance with CAISO’s New Resource Implementation process and requirements (“CAISO COD”) by May 1, 2021.<sup>8</sup>
- **New:** Resources that are **not** listed on the CAISO NQC List **or** have **not** achieved CAISO COD by May 1, 2021.

## **VI.B. Performance and Operational Requirements**

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All Resources providing Local RA in any Offers must provide RA within the PG&E Local Capacity Areas. Resources included in any Offer must meet the applicable CPUC and CAISO RA requirements, CAISO requirements for deliverability, as well as any other requirements that will enable PG&E CPE to receive all of the RA benefits associated with the resource as required in the applicable Agreement.

## **VI.C. Minimum Resource Capacity**

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New Resources offered into this Solicitation must have a Maximum Generation Capacity, as defined in the CAISO’s Generator Resource Data Template, of at least 1 MW.<sup>9</sup>

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<sup>8</sup> <http://www.caiso.com/participate/Pages/NewResourceImplementation/Default.aspx>

<sup>9</sup>The CAISO Generator Resource Data Template definitions can be located at the following link: <http://www.caiso.com/market/Pages/NetworkandResourceModeling/Default.aspx>

## VII. Credit

Upon execution of an Agreement with PG&E CPE, the Participant may need to provide credit support to secure its obligations under the Agreement (“Performance Assurance”).<sup>10</sup> For reference, the tables below describe the credit requirements in each of the Agreements.<sup>11</sup>

If a Participant is rated investment grade and meets PG&E CPE’s credit evaluation criteria, it may qualify for an appropriate amount of unsecured credit.<sup>12</sup> Participants, who qualify for unsecured credit, may still be required to provide Performance Assurance if the credit requirement is beyond the assigned unsecured credit limit. If the Agreement requires the Participant to provide Performance Assurance and the Participant is providing a Letter of Credit or a Guaranty, please carefully review the Letter of Credit and Guaranty requirements set forth in the applicable Agreement.

### **Shown RA Agreements (Non-PG&E Participants)**

Table VII.1 below describes the collateral requirements within the Shown RA Agreement for Existing Resources (Non-PG&E Participants)(Appendix E1), and Shown RA Agreement for New Resources (Non-PG&E Participants)(Appendix E2).

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<sup>10</sup> PG&E as the CPE will not be required to provide Performance Assurance.

<sup>11</sup> Credit requirements described in Section VII only apply to procurement by PG&E CPE in this Solicitation. PG&E CPE reserves the right to amend the credit requirements based on market conditions in future CPE solicitations.

<sup>12</sup> A credit rating of BBB- or higher by Standard and Poor’s Inc. or Baa3 by Moody’s is considered investment grade.

**Table VII.1: Credit/Collateral Requirements for Shown RA Agreement for Existing Resources (Non-PG&E Participants) and Shown RA Agreement for New Resources (Non-PG&E Participants)**

Resource Type	Shown Term	Credit Requirement
Existing Resources	Less than or equal to 24 months	No collateral requirements
New Resources		<p><b>Project Development Security (PDS):</b><sup>13</sup></p> <p>\$40/kW (Within five days of execution)</p> <p><b>Delivery Term Security (DTS):</b><sup>14</sup></p> <p>N/A</p>

**RA Agreements (Non-PG&E Participants)**

Tables VII.2 and VII.3 below describe the collateral requirements within both the RA Agreement for Existing Resources (Non-PG&E Participants)(Appendix E3), and the RA Agreement for New Resources (Non-PG&E Participants)(Appendix E4). Table VII.2 only applies to Participants who are CPUC LSEs within PG&E’s electric distribution service area. Table VII.3 applies to all other entities.

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<sup>13</sup> PDS is Performance Assurance required of seller and maintained with PG&E CPE from Agreement execution until completion of the Project and Initial Shown Date.

<sup>14</sup> DTS is Performance Assurance required of seller and maintained with the PG&E CPE for the duration of the Delivery Term.

**Table VII.2: Credit/Collateral Requirements for the RA Agreement for Existing Resources (Non-PG&E Participants) and RA Agreement for New Resources (Non-PG&E Participants) for CPUC LSEs within PG&E’s Electric Distribution Service Area**

Resource Type	Delivery Term	Credit Requirement
Existing Resources	Less than or equal to 48 months	Unsecured credit, no collateral requirements
New Resources		<b>Project Development Security (PDS):</b> \$40/kW (Within five days of execution)  <b>Delivery Term Security (DTS):</b> N/A

**Table VII.3: Credit/Collateral Requirements for RA Agreement for Existing Resources (Non-PG&E Participants) and RA Agreement for New Resources (Non-PG&E Participants) for All Other Entities**

Resource Type	Delivery Term	Credit Requirement
Existing Resources	Less than or equal to 36 months	20% of consecutive 12 months of the highest capacity payments
	Greater than 36 months and less than or equal to 48 months	10% of total capacity payment for two consecutive calendar years with the highest capacity payments.
New Resources	Less than or equal to 48 months	<b>Project Development Security (PDS):</b> \$40/kW (Within five days of execution)  <b>Delivery Term Security (DTS):</b> Greater of \$40/kW or 10% of total capacity payment for three consecutive calendar years with the highest capacity payments.

In the event that an Offer by PG&E Participant is selected and an Agreement is executed between PG&E Participant and PG&E CPE, PG&E Participant will not be required to post collateral.

## VIII. Pricing

### **Non-Compensated Self-Shown Offers**

This section does not apply to Non-Compensated Self-Shown Offers.

### **Competitive Offers**

Participants are required to include pricing in their Offer for Competitive Offers.

## IX. Evaluation of Offers

### **Non-Compensated Self-Shown Offers**

Non-Compensated Self-Shown Offers will be reviewed for eligibility based on the requirements and criteria specified in this Solicitation Protocol, including Attachment 1.

### **Competitive Offers**

Competitive Offers will be reviewed for eligibility based on the requirements and criteria specified in this Solicitation Protocol, including Attachment 1. PG&E CPE's Evaluation of Competitive Offers from Compensated Self-Shown Resources and Compensated Offered Resources will remain consistent with the requirements in OP 14 of the CPE Decision. OP 14 of the CPE Decision requires the use of all-source selection criteria, including the loading order and least cost best fit ("LCBF") methodology adopted in D.04-07-029, using quantitative and qualitative criteria. The LCBF methodology described below includes the selection criteria listed in OP 14 of the CPE Decision.

Criteria used to evaluate Offers for products from Compensated Self-Shown Resources and Compensated Offered Resources may include but are not limited to the criteria listed below.

#### Quantitative Attributes:

The quantitative valuation compares an Offer's cost to its benefits. The cost may consist of the contract fixed cost, variable cost, and transmission network upgrade cost. The benefit may consist of capacity value and energy value, to the extent provided in the Agreement.

### Qualitative Attributes:

In addition to the quantitative criteria noted above, pursuant to OP 14 of the CPE Decision, PG&E CPE will consider the following selection criteria as qualitative factors:

- Future needs in local and sub-local areas;
- Local effectiveness factors, as published in the CAISO's LCR Technical Studies;
- Resource costs;
- Operational characteristics of the resources (efficiency, age, flexibility, facility type);
- Location of the facility (with consideration for environmental justice);<sup>15</sup>
- Costs of potential alternatives;
- GHG adders;
- Energy-use limitations;
- Procurement of preferred resources and energy storage (to be prioritized over fossil generation); and
- Type of resource with respect to the loading order contained in the EAP issued jointly on May 8, 2003, by the Commission, the California Energy Commission and the California Consumer Power and Conservation Financing Authority.

Consistent with the requirement in OP 14 to use the all-source selection criteria, including the loading order, and LCBF methodology adopted in D.04-07-029, PG&E CPE may also consider additional qualitative factors that it has considered in previous LCBF evaluation protocols adopted by the Commission, including but not limited to:

- Viability of the resource;
- Safety;
- Contract tenor;
- Proposed markups to the form agreement;
- Counterparty concentration; and
- Previous experience with a counterparty.

Per OP 3(b) of Decision 20-12-006, all of the methodology and criteria set forth in OP 14 of the CPE Decision apply to Offers for Local RA from Compensated Self-Shown Resources in the same way as the methodology and criteria are applied to Offers for products from Compensated Offered Resources.

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<sup>15</sup> Per OP 15 of the CPE Decision, the CalEnviroScreen score of the resource location must be provided with all Competitive Offers. Per the California Office of Environmental Health Hazard Assessment, "CalEnviroScreen ranks census tracts in California based on potential exposures to pollutants, adverse environmental conditions, socioeconomic factors, and prevalence of certain health conditions." For more information, please visit: <https://oehha.ca.gov/calenviroscreen>.

**Any or all qualitative factors may impact the evaluation of an Offer and the execution of any potential Agreement.**

## **X. Offer Submittal Process**

### **X.A. Offer Form Information**

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Participants are strongly advised to carefully review the relevant Agreement(s) prior to inputting data into Appendix A1-A4 – Offer Form. PG&E CPE will utilize the information from the Offer Form submitted by a Participant to populate the relevant data in the Agreement(s). **Participants should input data into Appendix A – Offer Form with the understanding that this information will result in terms with contractual implications. Participants will need to ensure that the Offer Form is completely and accurately filled out. Participants who request changes to the information in their Offer Form after the relevant submittal deadline may be removed from any further participation in the Solicitation.**

**Participants should follow all instructions for Offer submission as detailed in the Offer Form.**

### **X.B. Offer Process Overview**

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All Offers must be provided to PG&E CPE by their applicable deadlines as specified in the schedules in Table III.1 for Non-Compensated Self-Shown Offers and Table III.2 for Competitive Offers.

**Submitting Documents:** All Offers for this Solicitation must be submitted electronically through Power Advocate, a web-based platform PG&E CPE will use to collect all documents from Participants in this Solicitation.

Prior to submitting an Offer, Participants must register with Power Advocate. Detailed instructions submitting documents through Power Advocate and using the online platform are posted on the Solicitation website. Power Advocate registrants should be registered under the entity submitting the Offer. Consultants or advisers of Participants should not submit an Offer on behalf of Participants. PG&E CPE strongly encourages Participants to review the detailed instructions and register with Power Advocate well before Offers are due.

Each Offer should be uploaded as a “Commercial and Administrative” document type in Power Advocate. If submitting more than one Offer, each Offer should be in a separate zip file. Document file names should **not** contain any special characters such as “\*&#”. Please keep file

names short and include short references to Participant’s name (such as an acronym), project name, and the appendix that is being submitted (e.g., App B).

There are separate Power Advocate Links provided for each Offer process in this Solicitation. Please ensure documents are submitted to the applicable site listed below.

**Table X.1: PG&E 2021 CPE Local RA Solicitation Offer Package Submittal**

Offer Type	Power Advocate Links	Event ID
Non-Compensated Self-Shown Offer(s) from all Participants	<a href="https://www.poweradvocate.com/pR.do?okey=114636&amp;pubEvent=true">https://www.poweradvocate.com/pR.do?okey=114636&amp;pubEvent=true</a>	114636
Competitive Offer(s) from PG&E Participant <sup>16</sup>	<a href="https://www.poweradvocate.com/pR.do?okey=114637&amp;pubEvent=true">https://www.poweradvocate.com/pR.do?okey=114637&amp;pubEvent=true</a>	114637
Competitive Offer(s) from All Non-PG&E Participants	<a href="https://www.poweradvocate.com/pR.do?okey=114638&amp;pubEvent=true">https://www.poweradvocate.com/pR.do?okey=114638&amp;pubEvent=true</a>	114638

**Electronic Document Formats:** Electronic documents must be submitted as Microsoft Word, Microsoft Excel, or PDF files, as identified in Tables X.2 and X.3. However, maps or drawings may be in alternate formats (e.g., jpg, kmz) as appropriate. Each Appendix must be submitted as a separate document. PDF files should be provided in a searchable format. The Participant should not provide documents in other electronic formats, unless specifically requested.

**1. Non-Compensated Self-Shown Offer Package**

Non-Compensated Self-Shown Offers must contain all required information noted in Table X.2 below and must be organized in accordance with these instructions.

**Table X.2: PG&E 2021 CPE Local RA Solicitation Non-Compensated Self-Shown Offer Package**

Appendix	Title	Description	Format
A1	Offer Form – Non-Compensated Self-Shown Resources	Appendix A1 is to be used for Non-Compensated Self-Shown Resources only.	MS Excel
D	Confidentiality Agreement	CPUC LSEs must acknowledge acceptance of the Confidentiality Agreement within the Offer Form.	PDF

<sup>16</sup> Per OP 13 of the Decision, all PG&E Participant Offers, including utility-owned generation (UOG), must be submitted to the CAM PRG and IE in advance of the receipt of offers from any other entities.

E1, E2, E5 or E6	Shown RA Agreement for Existing Resources (Non-PG&E Participants)	CPUC LSEs must provide any proposed markups to the Agreement. CPUC LSEs may not submit more than version of proposed markups for each relevant Agreement.	MS Word
	Shown RA Agreement for New Resources (Non-PG&E Participants)		
	Shown RA Agreement for Existing Resources (PG&E Participant)		
	Shown RA Agreement for New Resources (PG&E Participant)		

## 2. Competitive Offer Package

Competitive Offers must contain all required and relevant information noted in Table X.3 below and must be organized in accordance with these instructions.

**Table X.3: PG&E 2021 CPE Local RA Solicitation Competitive Offer Package**

Appendix	Title	Description	Format
A2	Offer Form – Compensated Self-Shown resources	Appendix A2 is to be used for Compensated Self-Shown Resources.	MS Excel
A3	Offer Form – Compensated Offered Resources (CPUC LSEs including PG&E Participant)	Appendix A3 is to be used for Compensated Offered Resources submitted by CPUC LSEs (including PG&E Participant).	MS Excel
A4	Offer Form – Compensated Offered Resources (Non-CPUC LSEs)	Appendix A4 is to be used for Compensated Offered Resources for any Participant that is not a CPUC LSE.	MS Excel
B1	Supplemental Local Resource Information	Appendix B1 is to be used to describe the existing or proposed local resource.	MS Word
B2	Supplemental Counterparty Financial Information	Appendix B2 is to be used to provide counterparty financial information.	MS Word
C	FERC 717 Waiver	Authorizes the disclosure of Participant’s transmission-related information to PG&E CPE.	MS Word

Appendix	Title	Description	Format
D	Confidentiality Agreement	Participants must acknowledge acceptance of the Confidentiality Agreement within the applicable Offer Form.	PDF
E1, E2, E5 or E6	<p>Shown RA Agreement for Existing Resources (Non-PG&amp;E Participants)</p> <p>Shown RA Agreement for New Resources (Non-PG&amp;E Participants)</p> <p>Shown RA Agreement for Existing Resources (PG&amp;E Participant)</p> <p>Shown RA Agreement for New Resources (PG&amp;E Participant)</p>	CPUC LSEs must provide any proposed markups to the Agreement. CPUC LSEs may not submit more than version of proposed markups for each relevant Agreement.	MS Word
E3, E4, E7 or E8	<p>RA Agreement for Existing Resources (Non-PG&amp;E Participants)</p> <p>RA Agreement for New Resources (Non-PG&amp;E Participant)</p> <p>RA Agreement for Existing Resources (PG&amp;E Participant)</p> <p>RA Agreement for New Resources (PG&amp;E Participant)</p>	Participants must provide any proposed markups to the Agreement. Participants may not submit more than version of proposed markups for each relevant Agreement.	MS Word
N/A	Map of Local Resource Facilities	(New Resources Only) In-front-of-the-meter resources must provide files of the local resource's major facility components, which include, at a minimum, the generation facility, access roads, electric and gas connection routes to utility facilities, and the outline of the land parcel that the facilities are located on.	Google KML/KMZ or ESRI Shapefile

## **X.C. Need for Complete Offer Packages**

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Each Participant's Offer must be complete at the time of submission. Failure to provide all required information and documents may result in PG&E CPE determining the Offer as being incomplete and not Qualified. PG&E CPE will only seek to enter into an Agreement with Offers that are deemed Qualified.

## **X.D. Number of Offers and Offer Variations Allowed Per Participant**

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Subject to the requirements within this Solicitation Protocol, Participants may only submit one Offer at a specific interconnection point within the Offer Form. Resources may only be offered as one of the resource categories described in this Solicitation Protocol: Non-Compensated Self-Shown Resource, Compensated Self-Shown Resource, or Compensated Offered Resource.

Within a Competitive Offer, Participants are allowed to submit multiple Offer Variations. Participants can vary the following Offer characteristics: price, delivery term, and quantity offered.

### **Non-Compensated Self-Shown Offer Variations**

Participants may only submit one Non-Compensated Self-Shown Offer for a Non-Compensated Self-Shown Resource at a specific interconnection point. No Offer Variations are allowed.

### **Competitive Offer Variations**

Each Competitive Offer submitted by a Participant may include up to five mutually exclusive Competitive Offer Variations at a specific interconnection point. The Offer Form has been developed so that all five (5) Offer Variations will reside in one excel workbook.

## **X.E. Additional Offer Information**

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**Note on Joint Offers:** If a Participant is submitting an Offer with another Participant ("Joint Offer"), each Participant will need to be registered as a separate Participant in Power Advocate. For each Joint Offer, PG&E CPE may require additional documentation or conditions. Additional documents or conditions could include retaining separate legal counsel, restricting the sharing of certain information, or requiring all parties to the Joint Offer to execute a modified Confidentiality Agreement. PG&E CPE may require Participants in a Joint Offer to agree to and execute modified terms for Solicitation participation, similar to those set forth in Section XI.A, "Agreement by Participant".

**Note on Multiple Variations:** Participants need to only submit one Appendix B1 per Offer. Differences in Offer variations should be described within Appendix B1.

## **XI. Terms for Solicitation Participation**

### **XI.A. Agreement by Participant**

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Each Participant providing an Offer shall provide their electronic signature of a duly authorized officer of Participant in the Offer Form. By providing such signature the Participant (a) agrees to be bound by all terms, conditions and other provisions of this Solicitation and any changes or supplements to it that may be issued by PG&E CPE, and (b) makes the following representations and warranties:

1. Participant has read, understands, and agrees to be bound by all terms, conditions and other provisions of the Solicitation.
2. Participant has had the opportunity to seek independent legal and financial advice of its own choosing with respect to the Solicitation and all Appendices to the Solicitation.
3. Participant has obtained all necessary authorizations, approvals and waivers, if any, required of Participant as a condition of providing its Offer and executing the applicable Agreement with PG&E CPE in the form submitted with its Offer.
4. Participant is not PG&E, an affiliate of PG&E, PG&E Corporation, or any of their affiliates; provided that, this representation and warranty shall not be applicable to PG&E Participant.
5. Participant is submitting its Offer subject to all applicable laws including, but not limited to, the Federal Power Act and all amendments thereto, and Public Utilities Code section 454.5, and all amendments thereto.
6. Participant represents that it has carefully considered the terms and conditions of its Offer and that it is submitting its Offer in good faith, such that PG&E CPE may reasonably expect Participant to enter into a definitive Agreement as provided in its Offer..
7. Neither Participant nor any of Participant's consultants has engaged in and will not engage in communications concerning any terms contained in Participant's Offer or evaluation of Participant's Offer, unless explicitly authorized by PG&E CPE, with any of the following parties or entities: any other Participant in the Solicitation or their consultants or any non-PG&E members of PG&E's CAM or PRG group. The Participant

(including any of its respective consultants) has not engaged in and shall not engage in activities in violation of State or Federal antitrust laws or other unlawful or unfair business practices in connection with the Solicitation (“Prohibited Communication Activities”).”

Notwithstanding the foregoing, Participant may engage in communications with its advisors, counsel, experts or employees who have a need to know the content of the communications and have agreed to keep such information confidential (collectively, “advisors”). In addition, Participant may engage in communications with other Participants submitting an Offer in the Solicitation and their advisors (“Other Participants”), so long as: (1) such Other Participants are under common ownership and control with Participant; (2) Participant and Other Participants do not engage in Prohibited Communication Activities; and (3) in the event Participant and Other Participant share a common advisor, Participant has, prior to sharing communications with such Other Participant and the common advisor, provided PG&E CPE with (a) notice of such Other Participant and common advisor and (b) an attestation that Participant has not and will not engage in Prohibited Communication Activities with either the Other Participant or the common advisor.

8. If Participant’s Offer is Qualified, Participant agrees to participate in good faith, and to inform PG&E CPE if the Resource that is the subject of the Qualified Offer has been submitted into another solicitation with PG&E or any other entity.
9. If a Participant is submitting an Offer jointly with other entities, and the Offer is Qualified, PG&E CPE may require, as part of the qualifying process, additional representations and warranties, along with additional documentation, from all entities involved in the Joint Offer.
10. Participant will promptly notify PG&E CPE of any change in circumstances that may affect its ability to fulfill the terms of its Offer, at any time from Offer submission to PG&E CPE’s acceptance of the Offer, or Participant’s withdrawal of the Offer.
11. Participant will list any additional services its resource will provide outside of this solicitation, per CPUC D.18-01-003, on Multiple-Use Application Issues, as applicable.

A BREACH BY ANY PARTICIPANT OF THE REPRESENTATIONS AND WARRANTIES IN SECTION XI.A OF THIS SOLICITATION PROTOCOL, IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO PG&E UNDER APPLICABLE LAW, IS GROUNDS FOR IMMEDIATE DISQUALIFICATION OF SUCH PARTICIPANT FROM PARTICIPATION IN THE SOLICITATION AND, DEPENDING ON THE NATURE OR SEVERITY OF THE BREACH, MAY ALSO BE GROUNDS FOR TERMINATING THE SOLICITATION IN ITS ENTIRETY.

## **XII. PG&E CPE's Reservation of Rights**

This Solicitation is an invitation to submit Offers to PG&E CPE; it does not constitute an offer to buy and creates no obligation for PG&E CPE to execute any Agreement or to enter into a transaction under any Agreement as a consequence of the Solicitation. PG&E CPE reserves the right to request information from a Participant at any time during the Solicitation process. PG&E CPE reserves the right, in its sole discretion, to reject any Offer at any time for any reason, including but not limited to grounds that the Offer does not conform to the terms and conditions of this Solicitation or contains terms that are not acceptable to PG&E CPE. PG&E CPE also retains the discretion, in its sole judgment, at any time; (a) to formulate and implement new or additional criteria for the evaluation and selection of Offers only after consulting with the IE; (b) to engage with any Participant or no longer deem Offers as Qualified; or (c) to modify this Solicitation as it deems appropriate to implement the Solicitation and to comply with applicable law or other direction provided by the CPUC. In addition, PG&E CPE reserves the right to either suspend or terminate this Solicitation at any time for any reason. PG&E CPE will not be liable in any way, by reason of such withdrawal, rejection, suspension, termination or any other action described in this paragraph to any third party, including any Participant. PG&E CPE will not reimburse the Participant for its expense of participating in this Solicitation under any circumstances.

## **XIII. Confidentiality Agreement**

Except with PG&E CPE's prior written consent, no Participant shall disclose its participation in this Solicitation (other than by attendance at any meeting held by PG&E CPE with respect to the Solicitation), collaborate on, or discuss with any other Participant or potential Participant bidding strategies or the substance of any Offer(s), including without limitation the price or any other terms or conditions of any Offer(s).

Except as provided below, all information and documents clearly identified by Participant as "Confidential" on the page(s) on which confidential information appears shall be considered confidential information. PG&E CPE shall maintain such confidential information in strict confidence and, subject to the exceptions set forth below, shall only disclose such confidential information to PG&E or PG&E Corporation's officers, directors, employees, agents, counsel, accountants, advisors, or contractors for the sole purpose of performing their duties in connection with the Solicitation or the evaluation or negotiation of any Agreement; provided that, PG&E CPE may use Confidential Information, consolidated with other market information and not specifically attributed to the Provider, for PG&E CPE's own internal use or in the context of regulatory or other proceedings.

It is expressly contemplated that materials submitted by a Participant in connection with this Solicitation will be provided to the CPUC, its staff, the Independent Evaluator, PG&E Procurement Review Group (“PRG”), and Cost Allocation Mechanism group (“CAM”). To the extent available under applicable law, regulation, rule or order, PG&E CPE will seek confidential treatment with respect to any Participant-supplied non-public Solicitation information and documents (“Participant’s Confidential Information”) that are submitted by PG&E CPE to the CPUC. PG&E CPE will also seek confidentiality and/or non-disclosure agreements with the PRG and CAM applicable to the Participant’s confidential information. PG&E CPE cannot, however, ensure that the CPUC will afford confidential treatment to a Participant’s confidential information, or that those confidentiality agreements or orders will be obtained from and/or honored by the PRG, CAM, or the CPUC.

With respect to any information or documents provided by the Participant, PG&E CPE shall have the right to disclose to the CPUC, its staff, the Independent Evaluator, the PRG, CAM, CAISO, other control area operator or balancing authority and any other entity in order to comply with any applicable law, regulation, rule or order issued by a court or entity with competent jurisdiction over PG&E CPE, at any time, even in the absence of a protective order, confidentiality agreement or nondisclosure agreement, as the case may be, without notification to the Participant and without liability or any responsibility of PG&E CPE to the Participant.

Depending upon Participant’s submittal in response to Appendix B, PG&E CPE may require additional confidentiality obligations with collaborating entities.

#### **XIV. Procurement Review Group/Cost Allocation Mechanism Review**

Following the completion of PG&E CPE’s review of Non-Compensated Self-Shown Offer, PG&E CPE will submit a summary of all Qualified Non-Compensated Self-Shown Offers to the PRG and CAM. PG&E CPE has no obligation to obtain the concurrence of the PRG and CAM with respect to any Non-Compensated Self-Shown Offer.

In accordance with OP 13 of the CPE Decision, PG&E CPE will submit Competitive Offers received from PG&E Participant to the PRG, CAM, and IE in advance of the receipt of Competitive Offers from any other entities, via email with a timestamp date before the offer deadline for other Participants. PG&E CPE will also consult the IE, PRG and CAM in accordance with the CPE Decision.

Following completion of PG&E CPE’s review of Competitive Offers, PG&E CPE will submit a summary of all Qualified Competitive Offers to the PRG and CAM. Following the evaluation of Competitive Offers, PG&E CPE will submit the results of the evaluation and its recommendations to the PRG and CAM. Such information may include the ranking of Competitive Offers, the consideration of qualitative criteria, and PG&E CPE’s recommendations

based on such information. PG&E CPE has no obligation to obtain the concurrence of the PRG and CAM with respect to any Competitive Offer.

PG&E CPE assumes no responsibility for the actions of the PRG or CAM, including actions that may delay or otherwise affect the schedule for this Solicitation, including the timing of the selection of Offers.

## **XV. Notification to Participants**

The Solicitation Schedules set forth in Section III, Expected Schedules, may be modified at PG&E CPE's sole discretion. PG&E CPE expects to be able to provide an e-mail notification to Participants whose Offers have been deemed Qualified. PG&E CPE anticipates notifying those Participants whose Offers were not Qualified shortly thereafter. As previously stated, PG&E CPE may contact Participants prior to determining which Offers are Qualified during the review and evaluation process to seek or notify Participants of deficiencies in their Offers or Offer Packages, however Participants should not expect this level of guidance due to the time constraints of the Solicitation.

## **XVI. Execution of Agreement**

By submitting an Offer, Participant agrees, if its Offer is Qualified, that the Participant is prepared to execute the applicable Agreement consistent with the Participant's Offer. PG&E CPE's determination of a Participant's Offer as being Qualified will not constitute agreement by PG&E CPE to any of the Participant's changes to the Agreement submitted.

PG&E CPE reserves the right to execute Agreements resulting from this Solicitation with any individual Participant at any time. PG&E CPE has a strong preference to execute agreements that are substantially similar to the form Agreements.

## **XVII. Waiver of Claims and Limitations of Remedies**

Except as expressly set forth in this Protocol, by submitting an Offer, Participant knowingly and voluntarily waives all remedies or damages at law or equity concerning or related in any way to the Solicitation, the Solicitation Protocol and/or any attachments to the Solicitation Protocol ("Waived Claims"). The assertion of any Waived Claims by Participant may, to the extent that Participant's Offer has not already been disqualified, automatically disqualify such Offer from further consideration in the Solicitation or otherwise.

By submitting an Offer, Participant agrees that the only forums in which Participant may assert any challenge with respect to the conduct or results of the Solicitation is through the Alternative Dispute Resolution (“ADR”) services provided by the CPUC pursuant to Resolution ALJ 185, August 25, 2005. The ADR process is voluntary in nature, and does not include processes, such as binding arbitration, that impose a solution on the disputing parties. However, PG&E CPE will consider the use of ADR under the appropriate circumstances. Additional information about this program is available on the CPUC’s website at the following link:

[http://docs.cpuc.ca.gov/published//Agenda\\_resolution/47777.htm](http://docs.cpuc.ca.gov/published//Agenda_resolution/47777.htm)

Participant further agrees that other than through the ADR process, the only means of challenging the conduct or results of the Solicitation is a protest to PG&E CPE’s submittal to the CPUC of one or more Agreements entered into as a result of the Solicitation, that the sole basis for any such protest shall be that PG&E CPE allegedly failed in a material respect to conduct the Solicitation in accordance with this Protocol, and the exclusive remedy available to Participant in the case of such a protest shall be an order of the CPUC that PG&E CPE again conduct any portion of the Solicitation that the CPUC determines was not previously conducted in accordance with the Solicitation Protocol. Participant expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs, and/or attorney’s fees. Unless PG&E CPE elects to do otherwise in its sole discretion during the pendency of such a protest or ADR process, the Solicitation and any related regulatory proceedings related to the Solicitation, will continue as if the protest had not been filed, unless the CPUC has issued an order suspending the Solicitation or PG&E CPE has elected to terminate the Solicitation.

Participant agrees to indemnify and hold PG&E CPE harmless from any and all claims by any other Participant asserted in response to the assertion of a Waived Claim by Participant or as a result of a Participant’s protest to an Advice Letter filing with the CPUC resulting from the Solicitation.

Except as expressly provided in this Protocol, nothing herein including Participant’s waiver of the Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of PG&E CPE.

## **XVIII. Termination of the Solicitation-Related Matters**

PG&E CPE reserves the right at any time, in its sole discretion, to terminate the Solicitation for any reason whatsoever without prior notification to Participants and without liability of any kind to, or responsibility of, PG&E CPE or anyone acting on PG&E CPE 's behalf. Without limitation, grounds for termination of the Solicitation may include the assertion of any Waived Claims by a Participant or a determination by PG&E CPE that, following evaluation of the Offers, there are no Offers that provide adequate ratepayer benefit.

PG&E CPE reserves the right to change the Offer evaluation criteria for any reason, to terminate further participation in this process by any Participant, to accept any Offer or to enter into any definitive Agreement, to evaluate the qualifications of any Participant, and to reject any or all Offers, all without notice and without assigning any reasons and without liability to PG&E CPE or anyone acting on PG&E CPE 's behalf. PG&E CPE shall have no obligation to consider any Offer.

Unless earlier terminated, the Solicitation will terminate automatically upon the execution of one or more Agreements by selected Participants as described herein. In the event that no Agreements are executed, then the Solicitation will terminate automatically on 12 months after issuance of the Solicitation.

In the event of termination of the Solicitation for any reason, PG&E CPE will not reimburse the Participant for any expenses incurred in connection with the Solicitation regardless of whether such Participant's Offer is selected, not selected, rejected or disqualified.

## Attachment 1: Non-Compensated Self-Shown Commitment Process

### I. OVERVIEW

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In accordance with OP 4 of the CPE Decision, PG&E CPE is seeking Non-Compensated Self-Shown Offers in the Non-Compensated Self-Shown Commitment Process of this Solicitation. CPUC LSEs can Self-Show Local RA from procured or owned resources for no compensation to PG&E CPE. PG&E CPE strongly encourages Participants to review the CPE Decision for details on how Self-Shown Resources can be used by the Self-Showing LSE to meet its own System and Flexible RA needs.

Pursuant to the CPE Decision, CPUC LSEs who elect to Self-Show a resource in the Non-Compensated Self-Shown Commitment Process cannot also submit an Offer using the same resource within the Competitive Offer Process of the Solicitation.

The deadline for the Non-Compensated Self-Shown Commitment Process is detailed in Table III.1.

### II. ELIGIBILITY REQUIREMENTS

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#### a) Eligible Participants

Per the CPE Decision, only CPUC LSEs may participate in the Non-Compensated Self-Shown Commitment Process of the Solicitation.

#### b) Eligible Resources

Per OP 4 of the CPE Decision, any resource that is procured or owned by a CPUC LSE that can provide local RA within the PG&E Local Areas may be Self-Shown to PG&E CPE for no compensation.

### III. PRODUCT ATTRIBUTES

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Table III.1 of Attachment 1 below provides an overview of the products solicited in the Non-Compensated Self-Shown Commitment Process of this Solicitation.

**Table III.1 (Attachment 1): Overview of Products for Non-Compensated Self-Shown Resources**

Product	Resource Type	Delivery Term	Initial Showing Date (“ISD”)	Agreement(s)
<p><b>Self-Shown Local RA</b></p>	<p>Non-Compensated Self-Shown</p>	<p>- May not commence prior to the 2023 RA compliance period on 1/1/2023 and may not extend beyond the 2024 RA compliance period on 12/31/2024.</p> <p>- 1 to 24 months.</p>	<p>Any month from 2023 to 2024.</p> <p>ISD must begin on first day of month.</p>	<p>Appendix E1 – Shown RA Agreement for Existing Resources (Non-PG&amp;E Participants)</p> <p>Appendix E2 – Shown RA Agreement for New Resources (Non-PG&amp;E Participants)</p> <p>Appendix E5 – Shown RA Agreement for Existing Resources (PG&amp;E Participant)</p> <p>Appendix E6 – Shown RA Agreement for New Resources (PG&amp;E Participant)</p>

**IV. AGREEMENTS**

PG&E CPE prefers to execute agreements that are substantially similar to the form Agreement provided. PG&E CPE has a strong preference for standardized agreements. Participants must provide a completed version of the relevant Agreement, including any proposed markups, as part of their Non-Compensated Self-Shown Offer package which will be used by PG&E CPE as

part of the review process for that Non-Compensated Self-Shown Offer. Participants may only submit one version of proposed markups for each relevant Agreement.

The following Agreement(s) may be used for Local RA from Non-Compensated Self-Shown Resources:

- Appendix E1 –Shown RA Agreement for Existing Resources (Non-PG&E Participants)
- Appendix E2 – Shown RA Agreement for New Resources (Non-PG&E Participants)
- Appendix E5 – Shown RA Agreement for Existing Resources (PG&E Participant)
- Appendix E6 – Shown RA Agreement for New Resources (PG&E Participant)

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*\*\*\* End of Attachment 1 \*\*\**

## Attachment 2A: Competitive Offer Process – Compensated Self-Shown Resources

### I. OVERVIEW

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In accordance with the CPE Decision and LCR RCM Decision, PG&E CPE is seeking Competitive Offers for Local RA from Compensated Self-Shown Resources. Compensated Self-Shown Resources must meet the eligibility requirements for compensation under the LCR RCM Decision as detailed in Attachment 2A. PG&E CPE strongly encourages Participants to review the CPE Decision for details on how Self-Shown Resources can be used by the Self-Showing LSE to meet its own system and flexible RA needs.

CPUC LSEs that Self-Show Local RA for compensation are compensated through the LCR RCM. If selected, pursuant to the LCR RCM Decision, Competitive Offers for Local RA from Compensated Self-Shown Resources will have their compensation capped at a pre-determined local price. The pre-determined local price is determined by:

- Using the weighted average price from the last four quarters of Energy Division Power Charge Indifference Adjustment (PCIA) responses for both System and Local RA
- Subtracting System RA price from Local RA price.

The pre-determined local price will be differentiated by local area or sub-local area unless higher-level aggregation is required to mask individual resource prices.

The pre-determined local prices will be located on PG&E CPE's Solicitation website.

If a CPUC LSE elects to Self-Show Local RA for compensation through the LCR RCM, the CPUC LSE cannot also submit an Offer for that same resource as either (1) a Compensated Offered Resource in the Competitive Offer Process or (2) part of the Non-Compensated Self-Shown Commitment Process.

Consistent with the CPE Decision, PG&E CPE may accept or reject a Competitive Offer for Local RA from a Compensated Self-Shown Resource depending on the results of the PG&E CPE's evaluation.

The deadline to submit Competitive Offers for Compensated Self-Shown Resources is detailed in Table III.2.

## II. PRODUCT ATTRIBUTES

Table II.1 of Attachment 2A below provides an overview of the products eligible in the Competitive Offer Process of this Solicitation for Local RA from Compensated Self-Shown Resources.

**Table II.1 (Attachment 2A): Overview of Products from Compensated Self-Shown Resources**

Product	Resource Type	Delivery Term	Initial Showing Date (“ISD”)	Agreement(s)
<b>Self-Shown Local RA</b>	Compensated Self-Shown	<ul style="list-style-type: none"> <li>- 1 to 24 months</li> <li>- Must commence on the later of (1) the start of the term of the underlying contract for the resource, or for UOG the beginning of the useful life for that resource, and (2) the beginning of the 2023 RA compliance period on 1/1/2023</li> <li>- Must end on the earlier of (1) the end term of the underlying contract, or for UOG the end of the resource’s useful life, and (2) the end of the 2024 RA compliance period on 12/31/2024</li> </ul>	<ul style="list-style-type: none"> <li>- Any month from 2023 to 2024, subject to the Delivery Term requirements</li> <li>- ISD must begin on first day of month</li> </ul>	<ul style="list-style-type: none"> <li>Appendix E1 – Shown RA Agreement for Existing Resources (Non-PG&amp;E Participants)</li> <li>Appendix E2 – Shown RA Agreement for New Resources (Non-PG&amp;E Participants)</li> <li>Appendix E5 – Shown RA Agreement for Existing Resources (PG&amp;E Participant)</li> <li>Appendix E6 – Shown RA Agreement for New Resources (PG&amp;E Participant)</li> </ul>

### III. ELIGIBILITY REQUIREMENTS

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#### a) Eligible Participants

Only CPUC LSEs are eligible to submit Competitive Offers for Local RA from Compensated Self-Shown Resources in the Competitive Offer Process of this Solicitation.

#### b) Eligible Resources

Pursuant to the LCR RCM Decision, the following resources are eligible to qualify as Compensated Self-Shown Resources:

- Any local preferred resource or energy storage resource with an original contract executed on or after June 17, 2020 up to the life of the resource's original contract, or in the case of utility-owned generation up to the original life of the resource. Per the LCR RCM Decision, the existing definition of preferred resources from the State's Energy Action Plan EAP II, as adopted in D.14-03-004, applies to the LCR RCM, which identifies demand response, renewable resources, and distributed generation as preferred resources.
- A hybrid resource that consists of a preferred resource and an energy storage resource, if either the preferred or the energy storage resource has an original contract executed on or after June 17, 2020.
  - In the case of a hybrid resource, the entire hybrid resource may be eligible for the LCR RCM.
  - In the case of an energy storage resource added to a preferred resource with an original contract executed before June 17, 2020, in which the resources are co-located, only the component with an original contract executed on or after June 17, 2020 shall be eligible for the LCR RCM.
  - The LCR RCM shall not apply to hybrid resources that consist of a fossil resource and an energy storage resource with an original contract executed on or after June 17, 2020. If the energy storage resource is co-located with a fossil resource, the energy storage resource may be separately eligible as a standalone component.

### IV. AGREEMENTS

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PG&E CPE prefers to execute agreements that are substantially similar to the form Agreement provided. PG&E CPE has a strong preference for standardized agreements. Participants must provide a completed version of the relevant agreement, including any proposed markups, as part of their Offer package which will be used by PG&E CPE as part of the review process for

that Competitive Offer. Participants may only submit one version of proposed markups for each relevant Agreement.

The following Agreement(s) may be used for Local RA from Compensated Self-Shown Resources:

- Appendix E1 – Shown RA Agreement for Existing Resources (Non-PG&E Participants)
- Appendix E2 – Shown RA Agreement for New Resources (Non-PG&E Participants)
- Appendix E5 – Shown RA Agreement for Existing Resources (PG&E Participant)
- Appendix E6 – Shown RA Agreement for New Resources (PG&E Participant)

## V. SAFETY

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### **New Resources:**

PG&E is committed to providing safe utility (electric and gas) service to its customers. As part of this commitment, PG&E requires that the Participants recognize safety is of paramount importance. In connection with this Solicitation, Participants will be required to meet certain safety standards, provide safety information related to the technology for the Resource, and provide information regarding safety history, including for the entities that will construct, operate, or maintain the Resource(s). Per Appendix B of this Solicitation, Participants are required to identify the known safety-related hazards and risks associated with their technology. Participants are also required to describe their ability to mitigate safety risks and comply with applicable safety-related codes and standards identified by the Participant.

A Participant's obligations with respect to safety may vary based on the particular Agreement, Resource, and product type, as well as the commercial relationship of the entities involved in the transaction. Each of the Agreements contains specific requirements intended to ensure that the Participant and the entities that construct, operate, or maintain the Resource, as applicable, do so in a safe, reliable, and efficient manner that protects the public health and safety of California residents, business, employees, and the community. Participants will be responsible for any fees and costs associated with meeting PG&E CPE's safety requirements in the Solicitation and the applicable Agreement. Prior to a Participant submitting a Competitive Offer, PG&E CPE recommends that Participants review the safety provisions in the form Agreement and PG&E's Contractor Safety Program Requirements.

### **Existing Resources:**

Not required to provide this demonstration.

## VI.IS-NET

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### **New Resources (Participant is Owner of Resource):**

To be eligible for execution of an Agreement, Participants are required to complete PG&E's safety registration and prequalification process with ISNetworld ("ISNet"), PG&E's primary contractor safety management system. To complete this requirement, Participant's should go to [www.isn.com](http://www.isn.com), and register the project entity who will be party to the Agreement, or, if the project entity has not yet been formed, Participants may register the parent organization to undergo prequalification during the Solicitation. Participants will be required to submit company information related to safety performance and practices for evaluation by ISNet based on criteria described in Section 3 of PG&E's Contractor Safety Program Requirements, which can be found at: [www.pge.com/contractorsafety](http://www.pge.com/contractorsafety). As the prequalification process can take several weeks and active follow-up through ISNet, PG&E recommends Participants familiarize themselves with ISNet and PG&E's Contractor Safety Program prequalification requirements as soon as possible. Participants with Qualified Offers that are required to complete and satisfy PG&E CPE's prequalification process must do so prior to execution in this Solicitation to be considered eligible for execution of an Agreement. Failure to complete prequalification may result in a Participant's Offer no longer being deemed Qualified.

### **New Resources (Participant is Not Owner of Resource):**

Not required to provide this demonstration.

### **Existing Resources:**

Not required to provide this demonstration.

## VII.SITE CONTROL REQUIREMENTS

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### **New Resources:**

#### **a) In-Front-of-the-Meter**

Participants must demonstrate site control at the time of the Competitive Offer submission.

Examples of acceptable forms of Site Control are:

- 1) Fee Title
- 2) Recorded Exclusive Easement
- 3) Executed Option Agreement
- 4) Lease (Non-revocable)
- 5) Lease Option (Non-revocable)

**b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response**

Not required to provide this demonstration.

**Existing Resources:**

Not required to provide this demonstration.

**VIII. INTERCONNECTION REQUIREMENTS**

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**New Resources:**

**a) In-Front-of-the-Meter**

At the time of the Competitive Offer submittal, Participants must have Participating Transmission Operator (PTO) or Utility Distribution Company (UDC) documentation showing that the Resource is expected to receive Full Capacity Deliverability Status (FCDS) in order to support delivery of product, including RA, per the obligations of the corresponding agreement. Participants must remain active in the applicable interconnection queue until the Resource's required network upgrades have been completed. At a minimum, Resources must have an interconnection report or agreement as a result of an interconnection request demonstrating evidence of a construction schedule that can meet the proposed Initial Showing Date.

Participants are reminded that PG&E is releasing this Solicitation in its central procurement function and in that function PG&E has no obligation nor ability to influence the Participating Transmission Operator or Utility Distribution Company. PG&E in its CPE function is not responsible or liable for delays in interconnection or transmission or distribution service or inability to obtain retail electric service for any Resource. For more information, please refer to the Separation of Functions section of the applicable Agreement.

**b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response**

Not required to provide this demonstration but must describe their customer acquisition plans in Appendix B.

**Existing Resources:**

Not required to provide this demonstration.

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*\*\*\* End of Attachment 2A\*\**

## Attachment 2B: Competitive Offer Process – Compensated Offered Resources

### I. OVERVIEW

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In accordance with the CPE Decision, PG&E CPE is seeking Competitive Offers for Bundled RA (System, local, and, if applicable, Flexible). Per OP 8(e) of the CPE Decision, Participants have the option to include energy value as part of their Competitive Offer from Compensated Offered Resources. Per OP 8(c) of the CPE Decision, PG&E CPE will retain the Local RA attributes associated with any selected Competitive Offers and CPUC LSEs will receive credits for any System and Flexible RA procured based on coincident peak load share (as is currently done by the CPUC for Cost Allocation Mechanism resources).

Within its Competitive Offers, CPUC LSEs may indicate that the Local RA attributes of Compensated Offered Resources will be Self-Shown to PG&E CPE for no compensation if their Competitive Offer is not selected in the Competitive Solicitation Process. This option is only available to Participants who are CPUC LSEs. CPUC LSEs electing this option must also meet the requirements for Non-Compensated Shown Resources as detailed in Attachment 1 of this Solicitation Protocol in addition to the requirements detailed in this Attachment 2B.

The deadline to submit Competitive Offers for Compensated Offered Resources is detailed in Table III.2.

### II. PRODUCT ATTRIBUTES

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An overview of the products eligible to be submitted in the Competitive Offer Process for Compensated Offered Resources are listed in Table II.1 below.

**Table II.1 (Attachment 2B): Overview of Products for Compensated Offered Resources**

Product	Resource Category	Delivery Term	Initial Delivery Date (“IDD”)	Agreement(s)
<b>Bundled RA</b>	Compensated Offered Resources	- At least 50 percent of contract deliveries must be within RA compliance years (2023 and 2024)  - 1 to 48 months	- Any month from 2023 to 2024  - IDD must begin on first day of month	Appendix E3 – RA Agreement for Existing Resources (Non-PG&E Participants)
<b>Bundled RA with Energy Settlement</b>				Appendix E4 – RA Agreement for New Resources (Non-PG&E Participants)  Appendix E7 –RA Agreement for Existing Resources (PG&E Participant)  Appendix E8 –RA Agreement for New Resources (PG&E Participant)

**Non-Compensated Self-Show Option**

Per the CPE Decision, CPUC LSEs may indicate in their Competitive Offers that the Local RA attributes of Compensated Offered Resources will be Self-Shown for no compensation if their Competitive Offer is not selected by PG&E CPE as part of the Competitive Offer Process. CPUC LSEs may only elect for the Non-Compensated Self-Show Option with resources that are owned or under an existing contract. CPUC LSEs electing this option must also meet the requirements for Non-Compensated Shown Resources as detailed in Attachment 1 of this Solicitation Protocol in addition to the requirements detailed in this Attachment 2B.

An overview of the additional eligible product in the Competitive Offer Process for Participants who elect for the Non-Compensated Self-Show Option is listed in Table II.2 below.

**Table II.2 (Attachment 2B): Overview of Product for Option to Self-Show for No Compensation if Not Selected**

Product	Resource Category	Delivery Term	Initial Showing Date (“ISD”)	Agreement(s)
Self-Shown Local RA	Non-Compensated Self-Shown	<p>- The Delivery Term may not commence prior to the 2023 RA compliance period on 1/1/2023 and may not extend beyond the 2024 RA compliance period on 12/31/2024</p> <p>- 1 to 24 months</p>	<p>- Any month from 2023 to 2024, subject to the Delivery Term requirements</p> <p>- ISD must begin on first day of month</p>	<p>Appendix E1 – Shown RA Agreement for Existing Resources (Non-PG&amp;E Participants)</p> <p>Appendix E2 – Shown RA Agreement for New Resources (Non-PG&amp;E Participants)</p> <p>Appendix E5 – Shown RA Agreement for Existing Resources (PG&amp;E Participant)</p> <p>Appendix E6 – Shown RA Agreement for New Resources (PG&amp;E Participant)</p>

**III. ELIGIBILITY**

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**a) Eligible Participants**

All Participants are eligible to participate in this process of the Solicitation; however, only CPUC LSEs are eligible for the Non-Compensated Self-Show Option.

### a) Eligible Resources

Any new or existing Resource of any technology type that can provide local RA within the PG&E Local Capacity Areas.

## IV. AGREEMENTS

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To comply with the CPE Decision, PG&E CPE is seeking Competitive Offers for products from New and Existing Compensated Offered Resources. PG&E CPE prefers to execute agreements that are substantially similar to the form Agreement provided. PG&E CPE has a strong preference for standardized agreements. Participants must provide a completed version of the relevant Agreement, including any proposed markups, as part of their Competitive Offer package which will be used by PG&E CPE as part of the review process for that Competitive Offer. Participants may only submit one version of proposed markups for each relevant Agreement.

The following Agreement(s) may be used for products from Compensated Offered Resources:

- Appendix E3 – RA Agreement for Existing Resources (Non-PG&E Participants)
- Appendix E4 – RA Agreement for New Resources (Non-PG&E Participants)
- Appendix E7 – RA Agreement for Existing Resources (PG&E Participant)
- Appendix E8 – RA Agreement for New Resources (PG&E Participant)

The following Agreement(s) may be used for Local RA from Non-Compensated Self-Shown Resources:

- Appendix E1 – Shown RA Agreement for Existing Resources (Non-PG&E Participants)
- Appendix E2 – Shown RA Agreement for New Resources (Non-PG&E Participants)
- Appendix E5 – Shown RA Agreement for Existing Resources (PG&E Participant)
- Appendix E6 – Shown RA Agreement for New Resources (PG&E Participant)

## V. SAFETY

---

### **New Resources:**

PG&E is committed to providing safe utility (electric and gas) service to its customers. As part of this commitment, PG&E requires that the Participants recognize safety is of paramount importance. In connection with this Solicitation, Participants will be required to meet certain safety standards, provide safety information related to the technology for the Resource, and provide information regarding safety history, including for the entities that will construct, operate, or maintain the Resource(s). Per Appendix B of this Solicitation, Participants are

required to identify the known safety-related hazards and risks associated with their technology. Participants are also required to describe their ability to mitigate safety risks and comply with applicable safety-related codes and standards identified by the Participant.

A Participant's obligations with respect to safety may vary based on the particular Agreement, Resource, and product type, as well as the commercial relationship of the entities involved in the transaction. Each of the Agreements contains specific requirements intended to ensure that the Participant and the entities that construct, operate, or maintain the Resource, as applicable, do so in a safe, reliable, and efficient manner that protects the public health and safety of California residents, business, employees, and the community. Participants will be responsible for any fees and costs associated with meeting PG&E CPE's safety requirements in the Solicitation and the applicable Agreement. Prior to a Participant submitting a Competitive Offer, PG&E CPE recommends that Participants review the safety provisions in the form Agreement and PG&E's Contractor Safety Program Requirements.

**Existing Resources:**

Not required to provide this demonstration.

## VI.IS-NET

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**New Resources (Participant is Owner of Resource):**

To be eligible for execution of an Agreement, Participants are required to complete PG&E's safety registration and prequalification process with ISNetworld ("ISNet"), PG&E's primary contractor safety management system. To complete this requirement, Participants should go to [www.isn.com](http://www.isn.com), and register the project entity who will be party to the Agreement, or, if the project entity has not yet been formed, Participants may register the parent organization to undergo prequalification during the Solicitation. Participants will be required to submit company information related to safety performance and practices for evaluation by ISNet based on criteria described in Section 3 of PG&E's Contractor Safety Program Requirements, which can be found at: [www.pge.com/contractorsafety](http://www.pge.com/contractorsafety). As the prequalification process can take several weeks and active follow-up through ISNet, PG&E recommends Participants familiarize themselves with ISNet and PG&E's Contractor Safety Program prequalification requirements as soon as possible. Participants with Qualified Offers that are required to complete and satisfy PG&E CPE's prequalification process must do so prior to execution in this Solicitation to be considered eligible for execution of an Agreement. Failure to complete prequalification may result in a Participant's Offer no longer being deemed Qualified.

**New Resources (Where Participant is Not Owner of Resource):**

Not required to provide this demonstration.

**Existing Resources:**

Not required to provide this demonstration.

## VII.SITE CONTROL REQUIREMENTS

---

**New Resources:**

**a) In-Front-of-the-Meter**

Participants must demonstrate site control at the time of the Competitive Offer submission.

Examples of acceptable forms of Site Control are:

- 1) Fee Title
- 2) Recorded Exclusive Easement
- 3) Executed Option Agreement
- 4) Lease (Non-revocable)
- 5) Lease Option (Non-revocable)

**b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response**

Not required to provide this demonstration.

**Existing Resources:**

Not required to provide this demonstration.

## VIII.INTERCONNECTION REQUIREMENTS

---

**New Resources:**

**a) In-Front-of-the-Meter**

At the time of the Competitive Offer submittal, Participants must have Participating Transmission Operator (PTO) or Utility Distribution Company (UDC) documentation showing that the Resource is expected to receive Full Capacity Deliverability Status (FCDS) in order to support delivery of product, including RA, per the obligations of the corresponding agreement. Participants must remain active in the applicable interconnection queue until the Resource's required network upgrades have been completed. At a minimum, Resources must have an interconnection report or agreement as a result of an interconnection request demonstrating evidence of a construction schedule that can meet the proposed Initial Delivery Date.

Participants are reminded that PG&E is releasing this Solicitation in its central procurement function and in that function PG&E has no obligation nor ability to influence the Participating Transmission Operator or Utility Distribution Company. PG&E in its CPE function is not responsible or liable for delays in interconnection or transmission or distribution service or inability to obtain retail electric service for any Resource. For more information, please refer to the Separation of Functions section of the applicable Agreement.

**b) Aggregated Behind-the-Meter (BTM) Customer-Connected and Demand Response**

Not required to provide this demonstration but must describe their customer acquisition plans in Appendix B.

**Existing Resources:**

Not required to provide this demonstration.

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*\*\*\* End of Attachment 2B \*\*\**