PG&E 2022 CPE Local RA RFO Participants' Webinar

April 27, 2022
12:00 pm CT

Coordinator: ...thank you for standing by. And welcome to the PG&E 2022 Central Procurement Entity Local Resource Adequacy RFO Participants Webinar. Please note that you will be able to see and hear the webinar, but will not be able to speak during the live webinar. You will be able to submit questions to the webinar mailbox at CPESolicitations@PGE.com. Your questions will be answered at the conclusion of the webinar, following today's brief intermission.

The call is being recorded. If you have any objections, you may disconnect at this time. I will now introduce your conference host, Mr. Mark Muranishi. Sir, you may begin.

Mark Muranishi: Thank you. Good morning, everyone. Welcome again, to the 2022 CPE Local RA RFO Participants Webinar. So to kick us off, I just want to give a brief overview of PG&E's CPE. A reminder for everybody, that PG&E is issuing this RFO in its function as a central procurement entity. PG&E's CPE is required to present a local capacity or obtain self-shown commitments for local capacity, to meet the three-year forward multiyear local resource adequacy requirement, on behalf of all CPUC jurisdictional load serving entities within its electric distribution service area.

You guys may see the term CPUC LSE throughout the presentation. That is in reference to CPUC jurisdictional LSE. And one key point for us that we wanted to highlight was that any procurement conducted by PG&E as the central procurement entity, is distinct from procurement conducted by PG&E for PG&E bundled electric service customers.

So at any time during this presentation, in terms of questions of participants, email the questions to the CPE's RFO mailbox. That's at CPESolicitations@PGE.com as shared on the screen here. There will be time to answer any questions. We will do that at the end of the webinar. It's possible that we may not address all the questions during the Q&A portion, depending on the volume. But after the webinar, we will compile and post a Q&A document on our RFO Web site. That Web site link is listed here. It's PGE.com/2022CPERFO.

In addition, the audio portion of the webinar will also be posted on our RFO Web site at the conclusion of the presentation. So all right, moving on. So a couple of disclaimers here in terms of document conflicts. This presentation is intended to be a summary level discussion of the information and requirements established in the RFO materials. Again, it does not include all of the detailed information about the RFO.

We strongly recommend that participants review all the documents on our CPE solicitation and RFO Web site. To the extent that there are any inconsistencies between the information we present today and the requirements in the RFO materials, the RFO materials will govern. We encourage all participants to carefully review our solicitation protocol along with any other documents that we have, again, as can be found on our solicitation Web site.

And really important to highlight, is any participants have questions regarding RFO documents, we really ask all participants to seek clarity in advance of submitting a self-shown commitment or offer as part of this process, we want to be sure everyone understands the information. So please reach out to us via our solicitation mailbox with any questions.

So moving onto the objectives and agenda for the day. The objective for the webinar is to provide information to participants who may submit self-shown commitment or offers, in a 2022 CPE local RA RFO. All information in this presentation applies only to the 2022 CPE local RA RFO. We do have a packed agenda today. As you can see, a number of slides. So just to give you a quick preview of what we'll go through - we're currently in the introduction.

We'll give you the participants, a little bit of overview of some of the CPUC decisions that are governing CPE procurement. We'll go through an overview of the RFO, the 2022 local RA RFO. Then we'll dive into an overview of the agreements and self-shown attestations. Then we'll walk through instructions in how to fill out the specific forms, for any participants who desire to submit a self-shown commitment or offer as part of the solicitation.

And we'll wrap up with a review of the different commitment or competitive offer packages needed for submittal. And then we'll close with Q&A. So before jumping into all the details, I wanted to give everybody an overview of the schedule for our RFO. We issued the 2022 RFO on April 18, 2022. The participants' webinar today, that's what you see on April 27th.

The deadline, in terms of when people need to submit either self-shown commitments or competitive offers, are listed here on this table as well. So the first deadline is for the non-compensated self-shown commitments and that will be on May 16th. And again, we'll go over the details of non-compensated self-shown commitments, as we go through the deck today.

The second and third deadlines are May 18th and May 19th. Again, those are for competitive offers. The May 18th deadline is for competitive offers for PG&E as a Participant. And May 19th is the competitive offer deadline for all other market participants. Our estimated timeframe for agreement execution resulting from this solicitation, will be in late July. And we - PG&E as CPE do have a local RA showing for any capacity that we procure with the California Public Utilities Commission, and that is scheduled to occur in mid-August.

One more I think last thing I'll show a slide here just to - I want to give you an overview of the Independent Evaluator or IE. So the primary role of the Independent Evaluator is to monitor the RFO processes to ensure fair and equal treatment of all potential participants. They also monitor the evaluation processes to ensure we as a PG&E CPE have implemented our evaluation methodology as described in our solicitation protocols and as self-shown commitments and offers are treated consistently.

And lastly, their role is to report on the RFO process and proposed transactions to the CPUC when filed for CPUC approval. So the IE may review all self-shown commitment and offer data and communications with the participants. And it's likely they will. Our IE for this solicitation is Wayne Oliver and Keith Oliver from Merrimack Energy. Their email is listed here. So it's MerrimackIE@MerrimackEnergy.com. And we ask that all participants please copy the IE on all communications to our RFO mailbox.

So that wraps up the introduction section of our presentation. We want to jump into just give all the participants here an overview of the relevant CPUC decisions that are governing CPE procurement. So there are three main ones here. So Decision (20-06-002), (20-12-006), and Decision (22-03-034). So to kick things off I'll walk through a brief overview of the first decisions, the (20-06-002) and (20-12-006).

Before starting, I just want to kind of put the disclaimer out there - participants are strongly encouraged to review the applicable CPUC decisions prior to participating. Again, this is a summary of some of the relevant information from those decisions that we strongly encourage everyone to review those decisions on their own.

CPUC Decision (20-06-002) will be referred to as the CPE Decision. CPUC Decision (20-12-006) - we'll refer to that as the local capacity requirement reduction compensation mechanism decision, or LCR RCM decision. And CPUC Decision (20-06-002), actually that number is incorrect, so we'll be sure to update that when we post the Web site. But it should be CPUC Decision (22-03-034), which will be referred to here as RA OIR Decision, Phase 1 Decision.

Collectively, in this presentation, we'll refer to these three decisions as the decisions. So if you guys see that terminology used, I just want to be sure everyone understands what we're referring to. So a quick overview of the CPE decision. So on June 17, 2020, the CPUC issued the CPE decision which identified PG&E as well as Southern California Edison, or SCE, as essential procurement entities for the respective electricity distribution service areas.

Beginning with the 2023 compliance year, PG&E and SCE are required to procure local capacity to meet the three-year forward multiyear local RA requirement on behalf of all CPUC jurisdictional LSEs within their respective electricity distribution service areas. The CPE can meet its local RA requirements by procuring two things. So one is local RA capacity through an all-source competitive solicitation process, so that's what we're going over today.

And then also local RA capacity that's committed or what we'll call self-shown, to the CPE. The commission also issued a subsequent decision. So this is the LCR RCM decision, in 2020. And really what this highlights is that certain preferred resources, energy storage resources, and hybrid, are co-located resources that are self-shown to the CPE, are eligible for compensation up to a predetermined local RA premium. We'll get into that a little more throughout the presentation.

So the third decision is something that was issued this year, so in March of 2022. Again, this is the RA Phase 1 decision, RA OIR Phase 1 Decision. So on March 17, 2022, the CPUC issued the RA OIR Phase 1 Decision with adopted modifications to the CPE structure that were originally adopted in the CPE and LCR RCM decisions.

So as a reminder for participants, we as a CPE, PG&E CPE, we issued a solicitation in 2021 following that solicitation process that was a regulatory process at the commission, which resulted in this RA OIR Phase 1 Decision, which was looked at modifications to the CPE structure. So we wanted to give a brief overview of some of the relevant modifications coming from that decision.

Again, this is not a complete overview of everything in that decision, but we wanted to highlight a couple of things. So first off, ordering paragraph 2, of the decision of the RA OIR Phase 1 Decision, requires a CPUC LSE that elects a self-shown local resource, to the CPE, to execute an attestation. This attestation requirement actually replaces the previous requirement which came from the LCR RCM decision, which was issued in 2020.

That is also shown as resource to be documented on an agreement. So for some of you who participated or looked at our solicitation last year, this is - it has changed. Ordering paragraph 1 also adopts requirement for a nonperformance of self-shown local resources. And that includes if the CAISO makes a local CPM designation for an individual deficiency, the CPE shall be charged any associated backstop procurement cost, specifically any backstop procurement costs allocated to the CPE shall be allocated to all LSEs in a CPE transmission access charge area, on a low ratio share basis through CAM.

So a few other relevant modifications - so one is ordering paragraph 13, which is a modification to the CPE procurement timeline. It actually moves up the CPE local RA showing by about six weeks. Ordering paragraph 10 requires the CPE to consider any bid of any contract term length greater than or equal to one month. Ordering paragraph 8, modifies the required CPE selection criteria as established in the CPE decision.

And Ordering paragraph 9 removes facility aids, heat rates, startup time, and ramp rate from the data participants are required to provide to the CPE in the solicitation process, as established in the original CPE decision. So that wraps up just a brief overview of the different - or relevant CPUC decisions that govern CPE procurement. Now we'll jump into an overview of the PG&E CE 2022 local RA RFO.

So what's the goal of the RFO? So for us, in order to meet the CPE, central procurement obligations required by the decision that we just reviewed, we are seeking new and existing local resource capacity that can provide RA in

PG&E's local areas. And high level, we included a high level map here to the right. This is also available in our solicitation protocol, which identifies the seven local areas in PG&E's distribution service area.

So just to give you guys a quick overview of that, one is Humboldt, North Coast, North Bay, Sierra, Stockton, the Greater Bay Area, Fresno, and also Kern. So there are seven PG&E local areas that we're seeking procured capacity within. PG&E CPE is required to procure and obtain self-shown commitments to meet 100% of the CPUC 2023 local RA requirement, 100% of the CPUC 2024 local RA requirement, and 50% of the CPUC 2025 local RA requirement in a PG&E distribution service area.

So again, the local RA period is a three-year forward period. PG&E as CPE is required to procure 100% of 2023, or 100% of 2024, and 50% of 2025. Moving onto PG&E CPE's resource need, so as we start to go through the presentation you guys will probably see there a couple of different things we are looking for. But I think at the core of it, there are two components we're really looking to procure.

So one is obtaining commitments from CPUC LSEs that will self-show their resources, to reduce the total local RA need in PG&E distribution service area. So again, this is only eligible to CPUC LSEs. And this is as described in the CPE decision, about the self-shown process. And the second component is really to procure RA capacity or purchase RA capacity from new and existing resources that are located in PG&E local areas, to meet the requirements allocated to PG&E CPE by the CPUC.

The one thing we did want to highlight, you know, again, the CAISO recently released their 2023 local capacity technical study which helps drive the requirements for the CPE. Per that study, the following PG&E local capacity areas are resource deficient as defined by the CAISO. And so development of new resources in the areas will help ensure local reliability in PG&E distribution service areas. So those resource-deficient local capacity areas as defined by the CAISO are the Greater Bay Area, Kern, Stockton, Greater Fresno Area, and Sierra.

Moving onto resource minimum eligibility requirement - so there are a number of eligibility requirements that participate in our solicitation and our RFO. We encourage everybody to review the specific documents and look at the type of either self-shown commitment or offer they want to submit, to make sure they meet all of the specific eligibility requirements. But we did want to highlight three that apply to any type of resource that's offered in the solicitation.

So the first one is all resources participating in this RFO might have a single CAISO resource ID as found in the CAISO Tariff, for any aggregated behind the meter resources. Those must be in a single sublet as determined and defined in the CAISO Tariff. The second one we want to highlight is all resources participating in RFO must be able to provide RA capacity. So you must meet the applicable CPUC and CAISO RA requirement.

Also, the requirements for deliverability as well as any requirement that will enable PG&E CPE to see all the applicable RA benefits associated with the resource. And lastly, all resources participating in the RFO must be electrically connected in a PG&E local capacity area. Again, there are seven in PG&E electric distribution service area, as we covered on previous slides. And then must remain listed as such per the CAISO's local capacity technical study.

I want to jump into a little graphic that I think will help folks understand, and different participants, understand the two different processes we're going to describe as part of the solicitation. So overall, there are two processes. So one is identified by the green box which is the non-compensated self-shown commitment process. And the second one is denoted by the blue box, the competitive offer process.

At the top of this chart we've also listed the different types of participants and we try to map what type of either self-shown commitment or competitive offer they would be able to submit. So we'll go over in detail each of these different pieces, but this is a highlight. CPUC jurisdictional LSEs have the ability to kind of go down three different pathways. So one would be the non-compensated self-shown commitment. Another one would be to submit a competitive offer for a compensated self-shown commitment, so that would be for compensation under the LCR RCM decision.

And the third one would be a competitive offer for a bundled RA product. So this would be an offer for sale of either bundled RA or bundled RA with energy settlement. It is also for any competitive offers that are submitted by CPUC jurisdictional LSEs, you'll see this red dotted line which leads to a green box which is a non-compensated self-shown commitment.

So per the decisions, LSEs can elect to self-show for no compensation if their offer is not selected. So CPUC LSEs can submit a competitive offer for bundled RA, but denote in that offer if the CPE does not select that offer they would elect to basically self-show their resource for no compensation. So moving onto the black box at the top, all market participants - this is kind of the second box of the potential participant entity.

So all market participants have the ability to submit a competitive offer through bundled RA. However, the only difference is that they will not - if they're not a CPUC LSE they do not have the option to elect to self-show for non compensation if their offer is not selected. So moving on, just to zoom in on each of the different commitment types or offer types.

So again, if you remember there's the non-compensated self-shown commitment. So in terms of the eligible counterparties for that, those are CPUC jurisdictional LSEs. In terms of the eligible resources, it could be any existing or new resource under contract with or owned by a CPUC jurisdictional LSE that meets the minimum eligibility requirements of the RFO. The term of the self-shown must fall within the three-year forward local RA compliance period. So given we're in 2022, that would be the 2023-2025 RA compliance period.

And to run through a couple of details, a lot of these are dictated by the decision. So one is any CPUC LSE that submits a non-compensated self-shown commitment will retain the resources system and flexible RA attribute to meet their own RA obligation. Again, so this commitment is for the local RA resource to the CPE, but that CPUC LSE will retain the system of flexible attributes for their own compliance purposes.

A CPUC LSE will submit a self-shown attestation in lieu of a contract. And just to reiterate, that means the contract is not required for any non-compensated self-shown commitment. Again, this was - the genesis of this came out of the RA OIR Phase 1 Decision that we talked about on earlier slides, where the attestation essentially replaced the contractual department for any non-compensated self-shown offers.

And lastly, any CAISO backup procurement costs that are related to the nonperformance of resources provided - any non-compensated self-shown commitments will be charged to the CPE and allocated to all CPUC LSEs and the CPE's TAC area through CAM. So again, this is straight from the decision but we wanted to highlight that as part of the self-shown commitment process.

All right. So moving onto the competitive offer process, so there are two - I would say two types of submittals that can happen as part of the competitive offer process. So one is the compensated self-shown commitment. So that's what will go over here. Again, the eligible counterparties for that are CPUC jurisdictional LSEs. There's only a limited number of resources that are eligible for this, and this is as required by the CPE decision.

So any preferred resource or energy storage resource with an original contract executed on or after June 17, 2020 and that is the effective date of the original CPE decision, that meets the minimum eligibility requirements of the RFO. There is one exception here. So for utility-owned generation, any resource that was approved by the commission or by advice later on or after the June 17, 2020 date, would be eligible as well.

In terms of the self-shown terms, per the LCR RCM decision, the shown term must be equivalent to the period the resource is under control or contracted for, that corresponds with the three-year forward local RA compliance period 2023-2025. So again, this means if the underlying contract for that resource starts in 2023 and goes through 2032, the shown term would have to be equivalent to the 2023-2025 to have to cover that entire period.

So a few details just to highlight, and again, a lot of these are dictated by the decisions. So one, compensation for any competitive offers for this compensated self-shown commitment that are selected by the CPE, will be capped at a predetermined local RA premium in each local area, based on administrative benchmarks determined by the CPUC.

If you look in our solicitation protocol and also on our RFO Web site, there's a link to the CPUC where it's posted the predetermined local RA premiums for this year. So we encourage everyone to look at those. Any CPUC LSE that competitively offers compensated self-shown local RA, again will retain a system of flexible RA attributes for the resource.

So this is very similar to the non-compensated self-shown local RA commitments where the LSE will retain the system and flex attributes. So one difference between the compensated self-shown local RA and the non-compensated self-shown commitment, is both an attestation and a contract will be required for the compensated self-shown local RA. So we'll go over to that. We talk about the agreement overview and we'll get into that a little more. But I just want to be sure everyone's aware that two documents will be required for that.

All right. So sticking with the competitive offer process, there's also the bundled RA and bundled RA energy settlement products that we're seeking. So in terms of the eligible counterparties, again these are all market participants. And so in terms of resources that are eligible, any new or existing resource that meets the requirement of the RFO. In terms of a delivery term, consistent with the decision, this may have a delivery term greater than or equal to one month. We as PG&E CPE do have a preference for delivery terms of one month to 60-months. So again, one month to five years.

And then for new resources where seller is owner of the resource, we may also prefer a delivery term of ten years or 15 years to help incentivize the development of new local resources. A couple of details to highlight, again per the decisions, any procurement that done by PG&E as a CPE, will then be credited to CPUC LSEs for the system of flexible capacity that's procured. And that'll be credited based on the coincident peak load share via CAM.

And just one note for everybody, CPUC LSEs can competitively offer a resource in a CPE solicitation but indicate in the competitive offer that the associated local RA attribute will be a non-compensated self-shown commitment if the competitive offer is not selected. Again, this is default to self-show option, so if folks recall, on the previous slide when we show the graphic with the different boxes, this was kind of that red dotted line which lead to the green box. Again, this is only eligible for CPUC LSEs.

All right. So that wraps up the overview of the decisions and also the solicitation. We're now going to step into an overview of the different agreements that are offered as part of this solicitation and I will be passing it to my colleague, Mike Gonzales.

Mike Gonzales: Thanks, Mark. Hey, everybody. I'm Mike Gonzales. I'm part of the CPE team. I'm going to go over the agreement that we're offering as part of the 22 CPE RFO as well as the self-shown commitment process. So just a disclaimer similar to the ones that Mark mentioned earlier, this presentation and overview is really intended to be summary level. The - to the extent that there are inconsistencies between these presentations and what's in the agreements, the agreements shall govern.

We strongly encourage you guys to review the agreement in its entirety. If you have questions please feel free to reach out to us through the CPE mailbox. For 22, for our 22 CPE solicitation we're offering five types of agreements. The first four are what we're calling our RA agreement. That's for a bundled

RA product. We bifurcated that between whether the seller is the owner of the resource, or not the owner of the resource, like a re-marketer of the capacity.

We've also bifurcated it depending on whether the resource is new or existing. And then the fifth agreement is the compensated self-shown commitment agreement Mark mentioned earlier in a previous slide. For those CPUC jurisdictional LSEs who wish to make a self-shown commitment for compensation, this agreement would govern the payment terms.

Just a general disclaimer - given the timeline that we have proposed for this solicitation, we do have a very strong preference for standardized agreements. So we'll jump into the RA agreements first. They should look pretty similar to the ones that we offered last year. One new note this year - for sellers that are offering to build and own a new dispatchable resource, and a dispatchable has the meaning set forth in the QC methodology manual public by the ISO, we're looking to buy all of the capacity attributes that can be derived from the operational characteristics of the project.

That includes local system flex and any future capacity attributes that can be derived and applied to our compliance obligations. In terms of the quantity of products we're buying, we're buying a percentage of the capacity attributes that can be derived from the operational characteristics of the project. Those operational characteristics will be documented in Appendix 3 of the agreement.

The contracted percentage is going to be fixed at the time of execution. Operational characteristics and contracted percentages will be provided by all the participants in the applicable offer forms. In the event that there's a rules change for RA, the capacity attributes of the project will be recalculated based on the operational characteristic at the time of execution.

For all other sellers, what we're asking for is the capacity attributes from the project, including local RA, system RA and flex RA. We're asking - in terms of the quantity, we're asking our sellers to provide a schedule of monthly capacity attributes in the agreement. Those will be fixed at the time of execution. If there is a reduction in the amount of capacity attributes can be derived from the project, seller can request to reduce the contracted quantity in the - throughout the delivery term.

But following such a reduction, sellers' quantity will also be reduced proportional to the reduction of the project's total capacity attributes for the remainder of the term, delivery term. In terms of the delivery term, as Mark mentioned, we are seeking delivery terms of at least one month. The delivery term will be static at the time of execution, so the contract itself will have a fixed end date irrespective of whether the project is delayed.

Compensation listed here is effectively a ratio of what we - what seller provided over what they should have provided times the payment quantity, multiplied by the contract price. We've - per the decision, we've been encouraged to seek dispatchable resources. We've proposed an energy settlement calculation as an option for sellers, to do that. The energy settlements calculation is really intended to derive what market revenues would have occurred if the unit had been dispatched.

And we'll get into the energy settlement calculations in a future slide. A few more points on the RA agreement - event of default, we're asking our sellers to commit to delivering 80% of the capacity attributes for the project over a 12-month period and 85% over early 24-month period. Seller or a third panty will be the scheduling coordinator retaining the ISO revenues, and is responsible for ISO charges.

We're asking sellers, seller scheduling coordinator, to take all actions to enable the CPE to utilize the product. In terms of the energy settlement, so we have a couple of different versions of the energy settlement calculation based on effectively different technology types. The option 1, we targeted for energy storage. And it really looked at price arbitrage, the lowest we'd say four hours in a day, versus the highest four hours of the day, plus a variable O&M multiplied by what we're calling the energy settlement payment quantity.

Option 2 is targeted for gas fired resources. It looks at the difference between the day ahead price and what we're calling a daily dispatched price. The daily dispatched price looks at the heat rate to gas price, basically all of the gas fuel price components, as well as a variable O&M. Option 3 is fixed generation profile. We targeted that for - particularly for intermittent resources. Sellers would commit to a profile and effectively when the day ahead price is positive, they would owe us market revenues for that, multiplied by the contract schedule.

Option 4 looks like a strike price. Sellers will give us a number of hours in the month and we'll take the highest day ahead prices for those hours and multiply that by the energy settlement quantity. The energy settlement calculation is optional. We are encouraging you guys to offer that as part of your submission.

The next agreement is the compensated self-shown commitment agreement. So as Mark mentioned earlier, this is for those CPUC jurisdictional LSEs who wish to self-show their resources, and are eligible for - and meet the eligibility requirements of the LCR RCM Decision. So the showing commitment is effectively what we're asking CPUC jurisdictional LSEs to show their local RA resources for compensation.

The LSE in this case would still retain the system and if any flex attributes are available, it would also retain those. Delivery terms, similar to the RA agreement is static. So it would have a fixed start date, fixed end date and it won't change with project delays. The showing quantity will be a schedule of values throughout - for each month of the term. It'll be fixed at the time of contract execution.

And it'll be provided through the self-shown commitment form which we'll get into in a future slide. Per the RA OIR Phase 1 Decision that Mark mentioned earlier, the LSE provider, in this case, would be able to replace the commitment with a like for like resource, provided that that like for like resource is submitted with an attestation and that it otherwise meets the LCR RCM requirements.

In terms of compensation, contract price is fixed at the time of execution and cannot exceed the PUC's predetermined price for the applicable local area. The volume of basically capacity attributes that we pay for, will be demonstrated by a proof of commitment attestation. Effectively, it's your way of saying this is what I showed to the CPUC and the ISO. And that's how we determined the amount that we're going to pay them.

Similar to the RA agreement, the provider or a third party, is the scheduling coordinator for the resource, and retains CAISO revenues and CAISO charges. We've updated our credit and collateral requirements. I'll share that with you guys for now. So for existing resources with delivery terms of less than - oh, sorry. So this slide is intended for CPUC jurisdictional LSEs in our distribution service territory.

For existing resources less than 60-months of delivery term, we're offering unsecured credit. For existing resource with greater than a 60-month delivery term, the security they're requiring is the greater of $40 a kilowatt or 10% of the sum of the highest estimated monthly payment over a 36-month period, and that would be exclusive of the energy settlement component if there is one offered.

In terms of new resources, we're asking for $80 of KW for project development security, and for delivery term security, similar to above, if it's less than 60-months we're offering unsecured credit, and for greater than 60-months the credit is the same, $40 of KW or 10% of the sum of the highest estimated monthly payment, over a 36-month period.

For all participants, we have a slightly different set of requirements. It's the existing resources your delivery term of less than 36 months. We're asking for 20% of the sum of the highest estimated monthly payments for a 12-month period, again, exclusive of the energy settlement component. Or delivery terms between 36-months and 60-months, we're asking for 10% of the sum of the highest estimated monthly payment for the 24-month period, unless the delivery term is greater than 60-months.

We're asking for the greater of $40 of KW or 10% of the sum of the highest estimated monthly payment over a 36-month period. For a new resource, we are asking for $80 of KW for project development security. And delivery transparency of $40 of KW with 10% of the - from the highest estimated monthly payments over a 36-month period.

So now we'll go into the self-shown attestation overview. So per the RA OIR Phase 1 Decision, CPE - CPUC jurisdictional LSE can elect to self-show a resource without a contract, just through an attestation. That attestation has to have these three bullets. The LSE has the capacity rights to the resource. For the period that is self-showing the LSE intends to self-show the RA resource on a monthly and annual RA plan, to satisfy system and flex requirements.

And specifically, for LCR RCM it's applicable the resource meets the LCR RCM eligibility requirements. Not to mention, this attestation replaces the previous requirements for the LCR RCM decision that a self-shown resource must be documented through an executed agreement. And executed self-shown attestations are required for all self-shown commitments as submitted as part of the 22 CPE local RA RFO.

The self-shown attestations associated with a compensated self-shown commitments, will be null and void if a corresponding compensated self-shown agreement is not executed between the parties. Effectively the attestation and the agreement would be required in that case. For self-shown attestations associated with competitive offers, that elect to default to self-show, if not selected as a bundled RA product, those attestations will be null and void upon the execution of a competitively offered RA agreement.

In terms of submitting the attestation, we've uploaded those forms to our RFO Web site. There are three forms for three basically use cases. They are the non-compensated self-shown commitment form, the compensated self-shown commitment form, and the default to self-show commitment form. Each - they look very, very similar. Each has their slightly different instruction page, and a slightly different resources page. But each has these three tabs - instructions, attestation, and self-shown resources.

So as Mark mentioned in an earlier slide, the avenue for participation really starts with at the top, what are your CPUC jurisdictional LSEs or are you a market participant? In this case, the showing commitment, the self-shown commitment is only eligible for CPUC jurisdictional LSEs. So those LSEs that elect to - in the green box, that elect to show their resources for no compensation, would fill out commitment form Appendix F1.

For those CPUC jurisdictional LSEs that intend to offer their resources for commitments, sorry for compensation through the LCR RCM which submits Appendix F2. And for those CPUC jurisdictional LSEs that intend to self-show their resources, is not competitively - not selected for competitive offers for bundled RA, would submit the Appendix F3.

In terms of the instructions tab on the non-compensated self-show commitment form, there are a couple of acknowledgements that need to be completed. These are very similar to - these are identical to the acknowledgements that are made as part of the offer form for the bundled RA product. In terms of the compensated self-shown commitment form and default to self-shown commitment form, there is an offer ID that we're asking for.

So when you - and Chadd will get into this in a little bit later, but when you submit an offer form it'll generate an offer ID as part of the save name. We're asking that you populate this so that we can tie your self-shown commitment form to the offer that you submitted competitively. So in terms of the attestation tab, at the top of the attestation tab there's a fill in the blank for the load serving entity name. It'll be followed by the attestation required by the CPUC decision.

And it has some fields at the bottom to populate basically the name of the authorized representative and contact information as well as a signature block. The third tab is the resource tab. So this will be where the CPUC jurisdictional LSE actually spells out the commitments to the resources that they're making.

We've asked for some resource specific information to identify which resources and local areas are associated with that project, as well as the volumetric announced at local commitments - local RA commitments that the LSE is making.

For the non-compensated self-shown commitment form, LSEs must ensure all non-compensated self-shown commitments in the self-shown resource tab. But they only submit one non-compensated self-shown commitment per resource. For the compensated self-shown commitment form CPUC LSEs must submit a single compensated self-shown commitment form for each compensated self-shown commitment competitively offered.

And for the default self-shown commitment form, the LSE must submit a single default to self-shown commitment form for each competitive offer for which it elects to the default to self-show option. In terms of submitting the documents, we're asking that the CPUC jurisdictional LSE submit both the Excel worksheet as well as the PDF. To do that the PDF needs to be signed. It may be signed electronically or physically.

The PDF should contain the attestation worksheet as well as the - as the resource in a single PDF document, in order to - if you're not aware, in Excel you can print to PDF and then select the tabs that you're - the worksheet that you're looking for. We're asking that all of this come in through Power Advocate. And then I will turn it over to Chadd.

Chad Stednitz: Thanks, Mike. Hello, everyone. My name is Chad Stednitz and Im a member of the CPE team. Today I'm going to walk through the offer form instructions for this year's 2022 CPE RFO. So the first offer form, there are two offer forms this year - the first offer form we'll walk through is the Appendix A1 which is for the compensated self-shown commitment. And this slide here just provides an overview of where this offer form fits into the process for - into this year's process.

And once again, the competitive offer for compensated self-shown commitment is for CPUC jurisdictional LSEs only. And to locate this offer form, if you go to the PG&E 2022 CPE RFO Web site shown in the link on the screen, and then scroll down to the CPE local RA RFO solicitation protocol and appendices, you'll find Appendix A1, and that's where you can locate this offer form, which is in an Excel format.

And so once you open up the offer form, you'll see this set up initial offer screen. And you'll be prompted for - to enter information into the - each of the fields. And so the first field that you'll enter information is about the resource, specifically the types of technology for the resource. And just to note that each field needs to be populated, so there is a dropdown in each of the fields or N/A if your resource technology type is not that specific type.

And then the next field is to indicate whether the project is new or existing. And once you've filled in steps one and two you can go ahead and click create offer which will take you to the actual offer form. And so once you do create - once you do click the create offer button, you'll be prompted to the instructions worksheet within the workbook. I suggest reading these notes here. And to also be sure to click enable macros, and then enable content in order for the offer form to perform as designed.

And so once you do that, go ahead and click on the offer info worksheet within the offer form. And this is where you'll begin to verify the information that you entered on the setup initial offer screen. And then also populate the offer form with the pertinent information. And just to note, the cells that are highlighted in gray, they are based off of the information that you did enter in on the setup initial offer screen, and they are locked.

The cells that are highlighted in orange indicate that the participant needs to enter information into each of those cells. And once they do enter in information, the cell will be highlighted in a green color. And a reminder, for each of the cells on the offer form that are orange highlighted, do populate those before submitting them to Power Advocate.

And one other call out for the offer form and its structure, is in Column S you'll find information about some of the fields, specifically the units, or if it has a pick list, information like that, or links to different Web sites for – to access information. So the next piece for the compensated self-shown commitment offer form, is entering in the transaction information.

And so the first piece there is to enter the initial shown date for the offer, and then enter in the shown term. Once you provide that information, the offer form will auto - will un-hide the different calendar years to enter in the offers' contract price that you want to include. And there is a link in the offer form, and also a link on the CPE RFO Web site, to the prices that were provided by the CPUC. And a reminder there that the offer price must be at or below that predetermined local price.

And so once you complete filling out all of the orange highlighted cells on the offer form, and you've verified and reviewed it, go to the file name worksheet in the workbook, and click the generate file name. That'll pull information from the offer info worksheet, and generate a standard file name to be able to continue forward. And so once you've generated that file name, the next step is to click the save this file button, and that'll prompt up a standard file saving panel, which you can go ahead and save that file locally in order to upload it to Power Advocate.

Okay. And so now that was Appendix A1, and so now we'll move into Appendix A2, which is the bundled RA and bundled RA with Energy Settlement offer form. And so the Appendix A2, it's available for all market participants, including CPUC jurisdictional LSEs. One note there is a CPUC jurisdictional LSEs can elect to self-show for no compensation if the offer is not selected. So they do have that additional functionality available in this offer form.

Okay. So similar instructions as the compensated self-shown commitment offer form. So you go to the 2022 CPE RFO Web site and go to the CPE local RA RFO solicitation protocol and dependency section. You'll be able to locate the hyperlink that'll open up this offer form, the Appendix A2 offer form. And a similar screen will open up the setup initial offer screen. But we'll be looking for a little bit different information from participants.

So the first section there is to enter in the resource type that will be offered. The second section there is to answer multiple problems about the resource. And as I just mentioned, CPUC jurisdictional LSEs will have an additional prompt that will populate, asking if they are electing to default to self-shown option for their offer. Once all of the fields are populated on this screen, you can go ahead and click the create offer button, which will open up the actual offer form.

Once you open up the offer form you'll be prompted to the instructions worksheet where the instructions will inform you to enable the macros on the top ribbon, and then enable content, so that the offer form can work as designed. One second. I'm having technical difficulties here. So it looks like the next slide isn't showing. I can't advance any further.

Man: Is the - are the attendees hearing this discussion?

Coordinator: This is the operator. Did you need assistance?

Chadd Stednitz: Yes. So we're trying to advance the slide, but it's not allowing me to.

Coordinator: So it could be frozen unless you're - it could be like your internet provider, if you're having a slow internet connection. I just hit the up button and it went to slide 58.

Chadd Stednitz: Yes. I'm trying to get to slide 60.

Coordinator: Sixty? Okay. One moment. Would this be all the slides in this deck? I have - so the next slide is grayed out.

Chadd Stednitz: Okay. Maybe we can go ahead and take a five minute break and then we'll reconvene in five minutes.

Coordinator: Okay. Thank you all for standing by. Mark, you may go ahead and begin.

Chadd Stednitz: Hello, everyone. We're going to go ahead, we'll start back over at the beginning of Appendix A2 in case anyone missed any information in that period. So as we discovered, Appendix A1 will now transition to Appendix A2, which is the bundled RA and bundled RA with energy settlement offer form. So this offer form, it's available to all market participants, including CPUC jurisdictional LSEs.

So one caveat here is that for CPUC jurisdictional LSEs they also have the option in the offer form to elect to self-show for no compensation if their offer is not selected. And with this offer form, it includes both bundled RA and the option for bundled RA with energy settlement. So next slide, please. To access this offer form, similar to accessing the other offer form, it's to go to the 2022 CPE RFO Web site and scroll down to the CPE local RA RFO solicitation protocol and appendices, and select the Appendix A2 offer form, at which point an Excel workbook will open.

Next slide, please. Once the Excel workbook opens go ahead and enable the macros at the top ribbon. And then click the enable content message that pops up. On this screen, you'll see the setup initial offer screen at which point you can enter information about the resource technology type. Once you enter information about the resource technology type you then can go to the second box there for the bundled RA choices and fill out each of the individual prompts there.

One note here for CPUC jurisdictional entity types an additional popup box will display, asking whether or not we want to select the Self-Shown if not selected for this process.

Once you populate each of the boxes on this setup initial offer screen, click the Create Offer button. Next slide.

Once you click the Create Offer button you'll be prompted to the instructions worksheet, where you'll actually - this is where you'll see the enable macros button at the top of the screen and then the enable content rhythm will display. Be sure to click both, enable the macros and enable content on this screen. And then also review the notes below on the screen before moving to the offer info worksheet. Next slide.

So once you go to the Offer Info worksheet you'll be displayed with the information is similar to what is being here. The information in the gray highlighted cells is locked and is based on the information that was entered on the setup initial offer screen. Any field that is in - highlighted in orange needs to be part - needs to be needs to be completed by the participant before moving forward. Once information is entered by the participant into each of the data fields, the individual cell will highlight green. Next slide.

So as Mike mentioned earlier, there's two pathways for the bundled RA and bundle RA with energy settlement process. The first is - it's the - it's based off the contract structure. So there's two different contract structures. The first percent and the second is fixed.

And in order to determine which contract structure your offer is, is to look at Row 20 on the Offer Info worksheet. And there's a contract structure field, and this is based on the information that's submitted on the Setup Initial Offer screen.

And so the remainder of Step 3 and then Step 4, we'll split into two sections. The first we'll look at when the contract structure is percent, and then we'll also look at when the contract structure is fixed. Next slide.

So at the top of the screen there in the black font you can see that this is for the contract structure when it is percent. So the participant will select their NQC data source. There's a pick list there that they can - that can be used. Then you'll enter in the RA attributes for the NQC values for each of the months. And for Flex RA attributes enter the EFC value. If there is no flex RA attributes, enter zero for that specific month.

And then the final field to enter here is the contracted quantity. And this is where the participant will enter their percentage of the contracted quantity percent as part of their offer. So the - and then the next section on the Offer Info worksheet is to enter information about the Resource Adequacy Agreement.

The first section to populate is the energy settlement. So there's four energy settlement options as Mike covered earlier. And then there's also the option in there, if you like to not have an energy settlement to select N/A.

So once you select an energy settlement option other than N/A you'll be prompted with one of two messages. If you select energy options, one, two or three you'll be prompted with the first message box on the left there which is fill in the energy settlement worksheet for this variance. So a separate worksheet will populate for this variant and you'll populate that with information. We'll cover that information about the energy settlement in Step 5.

If you select energy option number four, you'll enter that information on the variant worksheet that'll populate. Once again we'll cover this information in Step 5. And one more piece of information here is depending the energy settlement options are - depend on the technology type. So as you're filling out this offer form, you'll only be able to see the energy settlement options that are applicable to your technology type. Next slide please.

So finishing out the last part of the Resource Adequacy Agreement section of the Bundled RA and Bundled RA with Energy Settlement Offer form is to enter the initial delivery date and the delivery term. Once the participants enter that information, you'll be prompted with the following message box which will allow these options to either go enter in the information automatically or to continue on the Offer Info worksheet.

For now we're going to continue, we're going to - we would click no here just to continue entering information on the Offer Info worksheet. But just a reminder to fill out all worksheets in the offer form prior to submittal.

Okay, so continuing with the contract structure when it's percent, the participant would then be asked to enter in the operational characteristics of the project. And just a reminder, that Column S, you can access the information related to the units or if there is a pick list and just additional details about each of - the many of the fields. The example shown here is for the energy storage resources, but each technology type has its own operational characteristics section that will display. Next slide.

And this section here is an optional section. So it's part of the solicitation. Participants may submit up to five mutually exclusive offers. In order - to add a variant If you scroll up to the top of the Offer Info worksheet, you'll see a button there labeled Add Variant. If you click that button a new column will display to the right of the current variant. And the fields that are highlighted in orange are able to be edited or you can enter content into each of those fields for that specific variant.

Many of the other fields will carry over. They're locked as you add additional variants beyond the first variant. But the fields that you can make changes to are displayed on the screen. So the energy settlement, the initial delivery date, the delivery term, the contract price and the contracted quantity, each of those can be varied between variants. And in order to add any additional variants, you just add, you just click the Add Variant button.

Okay and so that was the contract - when the contract structure is fixed and just a reminder - or sorry when the contract structure is percent. And so now we're going to transition into when the contract structure in the offer form is fixed.

And a reminder you can identify whether your offer form is percent or fixed by looking at Row 20 on the Offer Info worksheet of the offer form.

So with the - when the contract structure is fixed, the participant will enter information about the project here. So similar at - similar to when this percent, but you don't have to enter in a - the contracted quantity field. You enter in the NCC data source. Then you enter in the monthly NQC values. And if there is an EFC or flex, you'd enter the EFC value for each month. If there is none enter zero.

The next section is the Resource Adequacy section. Once again the participants should select one of the energy settlement options if elected, and if none select N/A from the pick list. You'll receive the same messages as you would your percent where for Options 1, 2 and 3 for energy settlement you'll populate the Energy Settlement worksheet which will display. And if you select Energy Settlement Option 4, you will populate that information related to the energy settlement on the Variant worksheet.

And a reminder, any cell that is highlighted in orange needs to be populated by the participant with information. And once the - moving on, so once the energy settlement information, or energy settlement is selected, the participation should move down to the initial delivery date and delivery term for their offer.

A popup box, once that information is entered will be presented where the participant can go to the Variant worksheet to populate details about the offer that they're providing. For the purposes of this presentation we'll go - we'll select No to continue populating the Offer Info worksheet. So this is the same as it - as the contract - when the contract structure was percent.

To add a variant to your offer form fill to the top of the screen and select Add Variant. And reminder, you are allowed to submit a total of five mutually exclusive offers to the - as part of this RFO.

So now we're moving to Step 4 and this is for the Variant worksheet. So once you complete filling out the Offer Info worksheet including selecting your energy settlement if there is any, your initial delivery date and your delivery term, you'll - you can move to the Individual Variant worksheet.

And when the contract structure is percent you'll be prompted with this worksheet where you can enter in your contract price, which is the Number 1 box below. Once again orange highlighted cells indicate that information needs to be entered into that field.

With the percent contract structure the offer form will automatically calculate the percentage of capacity attributes using the contracted quantity that you entered on the Offer Info worksheet. So it's a formula-driven cell and that's the Number 2 box, but you can verify that it's calculating the values correctly in that section.

So you won't be able to edit those. You would have to change the percentage if you wanted to make any change to those values. You would have to make a change to the contracted quantity percentage that you enter on the Offer Info worksheet. Next slide.

Okay and so the Variant worksheet when you - when the contract structure is fixed is similar with the exception that the contracted quantity as you can see those fields, the Number 2 below are highlighted in orange, they need to be populated by the participants.

So the participant when the contract structure is fixed will need to enter in both the contract price for Box Number 1 and the contract quantity Box Number 2. So each of those fields needs to be populated for variant.

And now we'll move into Step 5 which is the energy settlement options if one is selected. So just a reminder, when you're - to select an energy settlement option on the Offer Info screen if you go to the Energy Settlement data field in the - on the Resource Adequacy Agreement section, you'll be able to use the pick list there to select the energy settlement option. And that is dependent upon the technology type that is selected in the Setup Initial Offer screen.

Depending on the energy settlement option that you select, if you - Options 1, 2 or 3 are selected, a new worksheet will display in the workbook one for - and if there's additional variants you would have this - would display separately for each variant. And it'll be under the energy settlement variant and then whatever the variant naming convention.

If you select energy settlement Option 4 there won't be a - an energy settlement worksheet that displays. You'll be able to enter into that information on the Variant worksheet which is where you would enter in also your price and your you're contracted quantity. Once you select your energy settlements, you go in and enter in your initial delivery date and delivery terms. So that allows the Energy Settlement worksheet to be set up using that information.

And so the next I want to walk through is each of the options on the energy storage, energy settlement at least the way it's displayed in the offer form. So the first option is the energy storage energy settlement which once again that'll display on its own worksheet. And the participant will be prompted to enter in the information into each of the orange highlighted cells shown below.

The next energy settlement option is Option 2 which is gas fired. In this section the participant will enter in the information shown below. The energy settlement payment quantity will adjust based on the delivery term that is entered, the initial delivery date and delivery terms that are entered on the in - the offer info worksheet. So that's a dynamic section there. Next slide.

The third option is the fixed generation profile energy settlement. Once again this is - this option will create a new worksheet, the Energy Settlement Variant worksheet to - for participants to enter in information. In this case, the participants should input the contract schedule into the orange highlighted self displayed below. Reminder here, the units are megawatt hours and to round the values to two decimal places. Next slide.

So the final energy settlement option is the monthly price energy settlement. In this case, the energy settlement will not display on a separate worksheet. It'll display on that specific variant worksheet. And the participants should enter information in the Energy Settlement Details section of that Variant worksheet.

Once again the area to enter in the information are the orange highlighted cells. And the participants should enter information about the energy price, hours and energy settlement payment quantity related to this offer. Next slide.

To wrap up the Appendix A2 Offer form, once the participant has entered in all of the information, all the orange highlighted cells in the offer form, in order to save the file and generate a file name, go to the file name worksheet and click the Generate File Name button. This will pull information from the offer form to create a unique identifier for the offer form. Next slide.

All right, and once you've generated the file name, the next step is to click the Save This File and then save the file locally. Do not change the file name as it's displayed. And this file then can be uploaded as part of the offer submittal process.

And with that, I'll go ahead and pass it over to Mark to discuss the commitments or competitive offer submittal.

Mark: All right thanks Chadd, appreciate that doing the offer forms and appreciate everyone in the audience sticking with us through some technical difficulty.

So we'll go through the next slide, just really go over the offer submittal process or Self-Shown Commitment submittal process. So the first - I just want to give overview of the documents that are required, if you are submitting a Non-Compensated Self-Shown Commitment. So there's two specific documents that are due at submittal.

So the first one is Appendix F1. Again probably Mike touched on this but that's a Non-Compensated Self-Shown Commitment form. That's an Excel form. And then the second one is the Self-Shown attestation, and that's an executed attestation in PDF format which Mike reviewed a little earlier. So there's two documents required for that.

In terms of a competitive offer, there are a number of documents that are due at submittal. So the first one is Appendix A1 or A2. That's the offer form. Chadd just walk through those two different offer forms. So if you're submitting a Compensated Self-Shown Commitment again, this is under the LCR RCM, you would use Appendix A1. And if you're submitting an offer for bundled RA or bundled RA with energy settlement, you would use offer form A2.

There's also some additional appendices we'd be looking for from the different participants. So there's Appendix D1 which will be supplemental resource information, so information about the resource. And then Appendix D2 which would be counterparty financial information, Appendix C which is the FERC Order 717 waiver, Appendix D which is a confidentiality agreement, and then Appendix E which covers the different agreement forms that again Mike covered earlier.

So depending on the competitive offer you're submitting there's Appendix E1 which is a Compensated Self-Shown Commitment under the LCR RCM. So that would apply. And then if you're submitting a competitive offer for Bundled RA or Bundled RA with energy settlement, you'd submit Appendix E2 through E5 or whichever one is applicable. Again those are bifurcated by two different things. So one is a whether or not the seller is the owner of the resource and then also if that resource is new or existing.

So in terms of the competitive offers submittal documents there's also Appendix F. So again this is only required if you recall those options for CPUC LSEs to default to Self-Show if they're offer is not selected for Bundled RA. So that would be Appendix F3 which would be the default to Self-Shown Commitment form.

If the participant is submitting a Compensated Self-Shown Commitment under LCR RCM they would have to also submit Appendix F2. And then of course the Self-Shown attestations so this is similar to what we talked about for the Non-Compensated Self-Shown Commitment submittal but again this is executed Self-Shown attestation that would be in PDF form. And then for new resources. We're looking for a map of the specific resource.

If the participant is submitting multiple competitive offers the following documents only needs to be submitted once. And again all these documents are submitted to the Power Advocate, so that's Appendix D2 which is the supplemental counterparty financial information, Appendix C which is the FERC waiver, and then Appendix D which is the confidentiality agreement.

So again those three only needs to be submitted once, if a participant in submitting multiple competitive offers. All of the other documents need to be submitted at least one per offer.

So we mentioned Power Advocate to you guys a couple of times in this presentation. This is essentially the way that we are going to intake any offer submittal or any Self-Shown commitment submittal. So Power Advocate is a third-party online platform. And there's specifically three Power Advocate events. So some of you may have seen this, but please ensure you register for and upload documents to the correct event.

So those three events are really tied to, if you remember when we went over the different commitment, the either Self-Shown Commitment or offer deadlines when we reviewed the schedule. So the first one is for non-Compensated Self-Shown Commitments. And that would be from all CPUC jurisdictional LSEs. The link is here on the screen and then also the event ID.

The second one will be any competitive offers from PG&E participant. So that's - the link is also here on the screen. And then the third one would be the competitive offers from all PG&E participants. So again each of those events really corresponds to the different deadlines we stated in our solicitation schedule.

If you guys are looking for instructions on Power Advocate they're available on our 2022 RFO Web site. And additional instructions on submitting the documents along with kind of a checklist for you guys to - any participant to look at what documents they need to submit depending on what offer they're submitting will be found in our solicitation protocol. So I strongly encourage everyone to review that prior to submitting. And then if you do have any questions, you can also reach out to us at our Solicitation mailbox.

So just a few reminders, again these are summary level so we encourage everybody to review the protocol. But a couple of things we just want to highlight.

So again any data that's input on the offer form or the commitment form may result in terms of contractual implications. So make sure you review all the relevant documents in terms of the contracts or agreements and understand how the data you're submitting in the offer form will be then translated into the applicable agreement.

Competitive offers and Non-Compensated Self-Shown Commitments shall not be made contingent upon execution of any agreement related to any other competitive offers or the acceptance of any other Non-Compensated Self-Shown Commitment.

The commitment package or offer package must be complete at time of submission. So again look at the solicitation protocols so you can make sure you have all the relevant documents.

In terms of the non Compensated Self-Shown Commitments and competitive offers for compensated Self-Shown through LCR RCM we're only allowing one offer variation for that. And also participants submitting any competitive offers for Bundled RA or Bundle RA with energy settlement are allowed up to five mutually exclusive competitive offer variations as Chadd touched on earlier.

In terms of the agreement we are accepting proposed markups. Participants are only allowed to submit one version of proposed markups for each applicable agreement. So if you're submitting multiple offers for different resources, but they're all under the same agreement, please only submit one version of markups for that agreement.

So just to close this out before we take a brief intermission and get into Q&A, in terms of communications. Again we have our 2022 local RFO Web site. It has all the information you need. Everything should be available there. It includes our flow documents, our schedule, any of the agreements we talked about, the offer forms and the Self-Shown Commitment forms.

And again we encourage folks who have questions to reach out as soon as possible. And you can reach out to us at our Solicitation mailbox. So again that's cpesolicitations@pge.com and make sure you copy the independent evaluator at merrimackie@merrimackenergy.com.

So with that we'll take a brief intermission. Again if you have any questions about the Webinar or presentation today, please send us a question to the

Solicitation mailbox, and we'll be sure to answer it during the portion of the presentation.

Mark Muranishi: All right this is Mark again with the PG&E CPE Team. Thank you everybody for waiting patiently as we took a brief intermission. Now, I want to jump into the Q&A portion of the presentation. So we did get some questions in our Solicitation mailbox. So I'll go through those at a high level and jump through some of the questions and answers.

So the first question is, "Will the presentation, the Webinar presentation be posted on the CPU Web site?" The answer is yes. It will be posted along with an audio recording and also a transcript of the presentation as well. So be on the lookout for that. We will likely send out a market notice so if you're not - if you're on a distribution list once we post those documents.

So we also got a couple questions regarding interconnection in terms of what is eligible to be qualified and how Phase 1 results, whether or not those are required Phase 1 interconnection results or required as part of the solicitation.

So for our solicitation protocol which you guys can find on our Web site at the time of submittal of any competitive offer, a resource must have a completed Phase 1 interconnection study result resulting from a interconnection request that demonstrates evidence of a construction schedule that can meet the proposed initial delivery date.

So again that's based on offer you submit and the timeline you submit for a new resource or phase one interconnected study or result is required. You also have to demonstrate that the construction schedule can meet the proposed initial delivery date.

Also, participants must have participating transmission operator PTO or UDC, Utility Distribution Company documentation showing that the resources expected to receive deliver ability status to support the delivery of product which in this case is resource adequacy associated with your offer.

So and one last thing to note is that all participants must remain active in the applicable interconnecting queue until the resources required and network updates have been completed.

So we received a question about the delivery term in terms of what's allowed. So specifically is the CPE required - requiring annual strips or again monthly strips to be submitted. So in short we are not requiring annual strips. Monthly submissions are okay. Suggest everyone review the solicitation protocol and specifically looks at the different delivery term requirements.

If you recall we are looking at offers greater than equal to one month. And the initial delivery date or start dates for those must be within the three-year forward RA compliance period which in this case given we're in 2022 is 2023 to 2025.

Another question we received, "When will participants find out the predetermined local RA premiums on LCR RCM compensated Self-Shown resources?" So the LCR RCM prices for 2022 are actually posted on the CPUC's Web site on their Resource Adequacy Compliance Materials page. You can find it under the 2022 Guide and Resources section. There's also a link to that document on CPE solicit - RFO Web site. So you can take a look there as well. And I believe we also have a link in our solicitation protocol.

Next question. "So for Compensated Self-Shown Commitments what happens if CPUC benchmarks change for 2024 and 2025 but the resource has already been committed at $0 as part of this 2022 RFO?"

So based on our understanding of the applicable decisions specifically the LCR RCM decision, the predetermined local price for any Compensated Self-Shown Commitment so that's under the LCR RCM is fixed at contract execution. So I suggest if you have questions about that, it's also referred to decision 20-12-006. Again, that's the LRC RCM decision.

"So what happens if an LSE self shows for no compensation and then the resource is sold to another LSE due to changes in their own positions?" I would assume the LSE's position RA position. So based on our understanding of the attestation requirements the CPUC LSC that signs the attestation is committing and attesting to self-show their resource.

So I really suggest, you know, you look at the attestation requirements that are in RA Phase 1 or RA OIR Phase 1 decision or Decision 22-03-034. Within there you will see the different things you are attesting to by submitting the resource or submitting a Non-Compensated Self-Shown Commitment for that resource. So I strongly encourage participants to look there.

And the last question we received was, "Which NQC should we use at the time of submission?" And so for this please submit the NQC values that are most current at the time of submission. So you'll see there's a data source for the NQC values. And when you enter those with into the offer form, there's a dropdown list and you can select whether it's from the most recent report, or if it's a new resource if it's based on expected values.

And that wraps up the questions we received. So with that, I know we're right at 12 o'clock. Again, I really want to appreciate everybody for joining the Webinar today and hanging with us through some of the technical difficulties, really look forward to everyone's participation.

And again, if you have any questions about the solicitation, about the documents we have, please reach out to us via our RFO mailbox. That's cpesolicitations@pge.com and make sure you copy our independent evaluator. We look forward to your participation in the future. Thank you.

END