

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



June 1, 2020

Erik Jacobson  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177

Dear Mr. Jacobson,

On October 31, 2019, Pacific Gas and Electric Company (PG&E) filed a waiver request via Advice Letter 5677-E for its 2020 year-ahead local Resource Adequacy (RA) requirement in the Sierra, Stockton, and Kern local areas. PG&E seeks relief from its remaining 2020 year-ahead local RA obligation and any potential Commission-imposed penalties for deficiencies. PG&E's waiver request demonstrated that it pursued all commercially reasonable efforts in procuring local capacity to meet its local RA obligations. The Energy Division of the California Public Utilities Commission (Commission) approves Advice Letter 5677-E, PG&E's request for a penalty waiver.

Commission Decision (D.) 06-06-064 established waiver provisions for local Resource Adequacy (RA) procurement. D.19-06-026 established 2020 compliance year obligations for all Load Serving Entities (LSEs). On October 31, 2019, PG&E submitted its year-ahead local RA compliance filing, showing a deficiency in the Sierra, Stockton, and Kern local areas. PG&E also submitted a request for penalty waiver for this deficiency via Advice Letter 5677-E pursuant to D.06-06-064 and D.19-06-026.

Section 3.3.12 of D.06-06-064 describes a standard that an LSE may use to demonstrate that it could not reasonably achieve its LCR obligations:

- (1) *a demonstration that the LSE reasonably and in good faith solicited bids for its RAR capacity needs along with accompanying information about the terms and conditions of the Request for Offer or other form of solicitation, and*
- (2) *a demonstration that despite having actively pursued all commercially reasonable efforts to acquire the resources needed to meet the LSE's local procurement obligation, it either*
  - (a) *received no bids, or*
  - (b) *received no bids for an unbundled RA capacity contract of under \$40 per kW-year or for a bundled capacity and energy product of under \$73 per kW-year, or*
  - (c) *received bids below these thresholds but such bids included what the LSE believes are unreasonable terms and/or conditions, in which case the waiver request must demonstrate why such terms and/or conditions are unreasonable.*

*An LSE's waiver request that meets these requirements is a necessary but not a sufficient condition for the grant of such waiver. The Commission will also consider other information brought to its attention regarding the reasonableness of the waiver request.*

Erik Jacobson  
June 1, 2020  
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Energy Division has reviewed PG&E's actions and finds them reasonable considering the capacity available to meet PG&E's local RA obligation. In this case, Energy Division finds that PG&E held solicitations and pursued all commercially reasonable efforts to acquire the resources needed to meet the LSE's local procurement obligation. PG&E's waiver request includes confidential market-sensitive information supporting this finding. Thus, Energy Division grants Advice Letter 5677-E, PG&E's request for a waiver of Commission penalties related to its year-ahead 2020 local RA procurement.

Sincerely,



Edward Randolph  
Deputy Executive Director for Energy and Climate Policy /  
Director, Energy Division

Cc: [EDComplianceReports@cpuc.ca.gov](mailto:EDComplianceReports@cpuc.ca.gov)



**Erik Jacobson**  
Director  
Regulatory Relations

Pacific Gas and Electric Company  
77 Beale St., Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415-973-3582

October 31, 2019

**Advice 5677-E**

(Pacific Gas and Electric Company – U 39 E)

Public Utilities Commission of the State of California

**Subject: Request for Waiver of Penalties for Failure to Meet Local Resource Adequacy Procurement Obligations**

**I. Purpose**

Pursuant to Decisions 06-06-064 and 19-06-026, Pacific Gas and Electric Company (PG&E) hereby submits this Advice Letter to request from the California Public Utilities Commission (Commission or CPUC) a waiver of penalties for failure to demonstrate in its 2020 annual resource adequacy (RA) compliance filing (2020 Annual Compliance Filing) that it has met its local RA procurement obligations, as detailed in Appendix D. In accordance with Decision 06-06-064, PG&E is submitting this Advice Letter at the same time it is submitting its 2020 Annual Compliance Filing.

**II. Background**

In Decision 06-06-064 and Decision 07-06-029, the Commission first established local RA procurement obligations and a penalty structure applicable when a load serving entity (LSE) fails to demonstrate in its required compliance filing that it has met its allocated local RA procurement obligations.<sup>1</sup> Anticipating that, despite commercially reasonable efforts, some LSEs may ultimately be unable to procure capacity necessary to meet local obligations due to limited availability in local areas, the Commission also adopted a waiver-of-penalties process. An LSE is able to request, at the time it files its local RA compliance showing, a waiver of penalties associated with its failure to demonstrate that it has met its local RA procurement obligation, if certain conditions are met.<sup>2</sup> The Commission found that this waiver process is “necessary as a market power mitigation

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<sup>1</sup> Decision 06-06-064, pp. 66-69, Conclusions of Law 24-26, Ordering Paragraph 1; Decision 07-06-029, pp. 37-38.

<sup>2</sup> Decision 06-06-064, pp. 71-74, Conclusions of Law 27-28, Ordering Paragraph 1.

measure.”<sup>3</sup> If an LSE demonstrates that a waiver of penalties is justified, it will be obligated to pay for any backstop procurement, but it will not be penalized by the Commission.<sup>4</sup> In Decision 19-02-022, the Commission extended this waiver of penalties process to multiyear local RA procurement obligations.<sup>5</sup>

Initially, local RA penalty waiver requests were received and processed confidentially by Commission staff.<sup>6</sup> In Decision 19-06-026, the Commission adopted local RA obligations for all LSEs for 2020-2022 and determined that the recent increase in local waiver requests necessitated establishment of a formal, transparent waiver review process.<sup>7</sup> Accordingly, the Commission adopted a requirement that local RA penalty waiver requests be submitted via Tier 2 Advice Letter with service to the service list (in redacted form, if necessary) of the RA proceeding open at the time of the request.<sup>8</sup>

### **III. Waiver Request Requirements**

Decision 06-06-064 sets forth the required contents of a waiver request,<sup>9</sup> and Decision 19-06-026 provides an update to such required contents.<sup>10</sup> Section 24 of the Commission’s *2020 Filing Guide for System, Local and Flexible Resource Adequacy (RA) Compliance Filings*, issued October 17, 2019, includes these updated requirements, as follows:

The waiver process is as follows. An LSE requesting a waiver must make such request at the time it files its Local RAR compliance showing. The waiver request must include both of the following:

- (1) a demonstration that the LSE reasonably and in good faith solicited bids for its RAR capacity needs along with accompanying information about the terms and conditions of the Request for Offer or other form of solicitation, and
- (2) a demonstration that despite having actively pursued all commercially reasonable efforts to acquire the resources needed to meet the LSE’s local procurement obligation, it either
  - (a) received no bids, or

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<sup>3</sup> Decision 06-06-064, p. 71.

<sup>4</sup> Decision 06-06-064, p. 4.

<sup>5</sup> Decision 19-02-022, p. 29, Ordering Paragraph 13.

<sup>6</sup> Decision 19-06-026, p. 16.

<sup>7</sup> Decision 19-06-026, Ordering Paragraphs 1-3, p. 17.

<sup>8</sup> Decision 19-06-026, Ordering Paragraph 8.

<sup>9</sup> Decision 06-06-064, pp. 72-73.

<sup>10</sup> Decision 19-06-026, Ordering Paragraph 6.

- (b) received no bids for an unbundled RA capacity contract of under \$51 per kW-year or for a bundled capacity and energy product of under \$73 per kW-year, or
- (c) received bids below these thresholds but such bids included what the LSE believes are unreasonable terms and/or conditions, in which case the waiver request must demonstrate why such terms and/or conditions are unreasonable.

These requirements are necessary, but are not necessarily a sufficient, condition for CPUC to grant waiver. The Commission will also consider other information brought to its attention regarding the reasonableness of the waiver request.<sup>11</sup>

#### **IV. PG&E's Waiver Request**

Despite good faith, commercially reasonable efforts, PG&E is submitting a 2020 Annual Compliance Filing that fails to demonstrate that PG&E has met the entirety of its local RA obligations for the 2020-2022 period. As described below, PG&E reasonably and in good faith issued two requests for offers and made all commercially reasonable efforts to meet its current local RA procurement obligations, but it was unable to close its short positions, as detailed in Appendix D. Thus, PG&E requests a waiver of penalties for failure to make the required demonstration regarding local RA procurement obligations.

##### **A. PG&E reasonably and in good faith solicited bids for PG&E's local RA capacity needs**

Below, PG&E provides a demonstration that it reasonably and in good faith solicited bids for its local RA capacity needs along with accompanying information about the terms and conditions of PG&E's requests for offers and other forms of solicitation.

###### **PG&E Solicitations for Capacity to Meet Local RA Procurement Obligations**

PG&E undertook two solicitations to fulfill its local procurement obligations. Specifically, the first was a Multi-Year Purchase Electronic Solicitation launched on June 28, 2019 which sought to procure volumes in North Coast/North Bay, Sierra, Kern and Stockton. Appendix A contains information regarding this solicitation.

Subsequently, PG&E undertook a second solicitation with two phases. A Multi-Year Sale Solicitation – Phase 1 was launched on July 26, 2019 for sales of Local, System, and

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<sup>11</sup> 2020 Filing Guide for System, Local and Flexible Resource Adequacy (RA) Compliance Filings R.17-09-020, issued October 17, 2019, p. 42.

Flexible RA, and Import Allocation Rights for the years 2020 through 2022. On September 18, PG&E started Phase 2 of a 2019 Multi-Year RA Solicitation for purchases, sales and purchases/sales of Local, System, and Flexible RA and Import Allocation Rights for 2020-2022 delivery period. The documents associated with these solicitations can be found in Appendix B.

#### *Other Efforts to Acquire Local RA Capacity*

In addition to issuing solicitations and fielding offers, PG&E made public notices of its intent to procure capacity in particular local areas. These include:

- Market notice issued August 5, 2019 seeking to procure volumes in North Coast/North Bay, Sierra, Kern, and Stockton.
- Market notice issued August 16, 2019 seeking to procure volumes in North Coast/North Bay, Sierra, Kern and Stockton.
- Posted market notice on CAISO Power Contracts Bulletin Board on August 29, 2019 seeking to procure volumes in North Coast/North Bay, Sierra, Kern and Stockton.

The details of these market notices can be found in Appendix C.

#### **B. Despite having actively pursued all commercially reasonable efforts to acquire needed resources, PG&E either received no bids, or received no bids under the specified thresholds**

Below, PG&E provides a demonstration that, despite having actively pursued all commercially reasonable efforts to acquire the resources needed to meet its local procurement obligations, PG&E either: (a) received no bids, or (b) received no bids for an unbundled RA capacity contract of under \$51 per kW-year or for a bundled capacity and energy product of under \$73 per kW-year.

#### *Results*

PG&E was able to procure capacity in each of the required local areas. However, despite commercially reasonable efforts, PG&E was unable to procure to its full local RA obligations for the Kern, Sierra, and Stockton local capacity areas (LCAs). Details of the nature of these shortfalls can be found in Appendix D.

In each of these local areas, there were (a) suppliers who had no capacity to sell and therefore PG&E received no bids from those suppliers, or (b) suppliers that submitted bids to PG&E with prices that exceeded the applicable \$51 per kW-year or \$73 per kW-year thresholds. Detailed descriptions of PG&E's efforts to procure in each of these areas, including descriptions of bids received, can be found in Appendix E.

#### **C. Other information**

PG&E notes that, in some local areas, the generating capacity available is close to the total level of the requirements in local areas. The table below shows the quantity of capacity on the 2020 net qualifying capacity (NQC) list as well as the 2020 local requirements for the Kern, Sierra, and Stockton areas.

Local Area	Sum of August NQC <sup>12</sup> (MW)	2020 Local Requirement <sup>13</sup> (MW)
Kern	398.48	465
Sierra	2102.66	1764
Stockton	632.98	629

While demand response resources are also available to meet local requirements, the table illustrates how little excess generating capacity exists in these regions.

PG&E also notes that the 2020 local requirements were established using the NQC list from 2019. To the extent there are changes (e.g. due to updated effective load carrying capability (ELCC) adjustments) in the capacity represented on the NQC list between years, this may also have an impact on the ability to meet local requirements.

This submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

## V. Confidentiality Treatment

In support of this Advice Letter, PG&E has provided the confidential information in Appendices D and E. This information is being submitted in the manner directed by Decision 08-04-023, the August 22, 2006 Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066, and General Order 66-D to demonstrate the confidentiality of the material and to invoke the protection of confidential utility information provided under applicable law, including California Public Utilities Code Section 454.5(g), or the Investor Owned Utility Matrix, Appendix 1 of Decision 06-06-066 and Appendix C of Decision 08-04-023. Separate Declarations Seeking Confidential Treatment are being submitted concurrently with this Advice Letter.

## VI. Protests

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than November 20, 2019, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division

<sup>12</sup> Summed by local area, per 2020 NQC list issued by CPUC on September 27, 2019. File can be found at <https://www.cpuc.ca.gov/WorkArea/DownloadAsset.aspx?id=6442462785>.

<sup>13</sup> Decision 19-06-026, p. 7.

ED Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson  
Director, Regulatory Relations  
c/o Megan Lawson  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-3582  
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

## **VII. Effective Date**

PG&E requests that this Tier 2 advice letter become effective on regular notice, November 30, 2019 which is 30 calendar days after the date of submittal.

## **VIII. Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for R.17-09-020. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021

or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

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Erik Jacobson  
Director, Regulatory Relations

Attachments:

- Appendix A: PG&E's E-Solicitation
- Appendix B: PG&E's Procurement Solicitation
- Appendix C: PG&E Market Notices
- Appendix D: PG&E's Shortfalls in Kern, Sierra, and Stockton LCAs (Confidential)
- Appendix E: PG&E Procurement Efforts in Kern, Sierra, and Stockton LCAs (Confidential)

cc: Service List R.17-09-020



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39E)

Utility type:

ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Yvonne Yang

Phone #: (415)973-2094

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: Yvonne.Yang@pge.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric  
PLC = Pipeline

GAS = Gas  
HEAT = Heat

WATER = Water

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 5677-E

Tier Designation: 2

Subject of AL: Request for Waiver of Penalties for Failure to Meet Local Resource Adequacy Procurement Obligations

Keywords (choose from CPUC listing): Compliance

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:  
D.19-06-026 and D.06-06-064

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested?  Yes  No

If yes, specification of confidential information: See confidentiality declarations and a matrix.  
Confidential information will be made available to appropriate parties who execute a  
nondisclosure agreement. Name and contact information to request nondisclosure agreement/  
access to confidential information: Alice Gong, AxL3@pge.com, 415-973-4569 & Anna Foglesong, ALLo@pge.c

Resolution required?  Yes  No

Requested effective date: 11/30/19

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Erik Jacobson, c/o Megan Lawson  
Title: Director, Regulatory Relations  
Utility Name: Pacific Gas and Electric Company  
Address: 77 Beale Street, Mail Code B13U  
City: San Francisco, CA 94177  
State: California Zip: 94177  
Telephone (xxx) xxx-xxxx: (415)973-2093  
Facsimile (xxx) xxx-xxxx: (415)973-3582  
Email: PGETariffs@pge.com

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: District of Columbia Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**PACIFIC GAS AND ELECTRIC COMPANY**

**DECLARATION OF ALICE GONG  
SEEKING CONFIDENTIAL TREATMENT  
FOR CERTAIN DATA AND INFORMATION CONTAINED  
IN ADVICE LETTER 5677-E**

I, Alice Gong, declare:

1. I am a Manager in the Portfolio Management department within the Energy Policy and Procurement organization at Pacific Gas and Electric Company (PG&E). In this position, my responsibilities include overseeing Resource Adequacy (RA) compliance activities at PG&E. This declaration is based on my personal knowledge of PG&E's practices and my understanding of the Commission's decisions protecting the confidentiality of market-sensitive information.

2. Based on my knowledge and experience, and in accordance with the Decisions 06-06-066, 08-04-023, and relevant Commission rules, I make this declaration seeking confidential treatment for certain data and information contained in PG&E's Local Waiver Request for the 2020 Annual RA Compliance Filing.

3. Attached to this declaration is a matrix (Attachment 1) identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes confidential market sensitive data and information covered by D.06-06-066. The matrix also specifies why confidential protection is justified. Further, the data and information: (1) is not already public; and (2) cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text that is pertinent to my declaration in the attached matrix.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on October 31, 2019, at San Francisco, California.

/s/

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ALICE GONG

**ATTACHMENT 1**

**PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)**

**Advice 5677-E  
October 31, 2019**

**IDENTIFICATION OF PROCUREMENT-RELATED CONFIDENTIAL INFORMATION**

<b>Redaction Reference</b>	<b>Category from D.06-06-066, Appendix 1, or Separate Confidentiality Order That Data Corresponds To</b>	<b>Justification for Confidential Treatment</b>	<b>Length of Time Data To Be Kept Confidential</b>
<b>Document:</b>			
Appendix D – PG&E’s Shortfalls in Kern, Sierra, and Stockton LCAs – Tables 1, 2 and 3	Section V1) A) – Utility Bundled Net Open (Long or Short) Position for Capacity (MW)	Quantitatively represents PG&E’s confidential capacity (Local Area) net open position forecast.	Front three years

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**PACIFIC GAS AND ELECTRIC COMPANY**

**DECLARATION OF ANNA FOGLESONG  
SEEKING CONFIDENTIAL TREATMENT  
FOR CERTAIN DATA AND INFORMATION CONTAINED  
IN ADVICE LETTER 5677-E**

I, Anna Foglesong, declare:

1. I am the Director of Energy Transactions and Legislative Policy within Energy Policy and Procurement at Pacific Gas and Electric Company (PG&E). In this position, my responsibilities include oversight of commercial activities and interactions with market participants related to Resource Adequacy. This declaration is based on my personal knowledge of PG&E's practices and my understanding of the Commission's decisions protecting the confidentiality of market-sensitive information.

2. Based on my knowledge and experience, and in accordance with the Decisions 06-06-066, 08-04-023, and relevant Commission rules, I make this declaration seeking confidential treatment for certain data and information provided to the Commission's Energy Division on October 31, 2019.

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes confidential market sensitive data and information covered by D.06-06-066 and Public Utilities Code §454.5(g). The attached matrix also specifies why confidential protection is justified. Further, the data and information: (1) is not already public; and (2) cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text that is pertinent to my declaration in the attached matrix.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on October 31, 2019 at San Francisco, California.

A handwritten signature in blue ink, appearing to read "Anna Foglesong".

Anna Foglesong  
Director, Energy Transactions and Legislative  
Policy  
Pacific Gas and Electric Company

**ATTACHMENT 1**  
**PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)**  
**Advice 5677-E**  
**October 31, 2019**

**IDENTIFICATION OF PROCUREMENT-RELATED CONFIDENTIAL INFORMATION**

Redaction Reference	Category from D.06-06-066, Appendix 1, or Separate Confidentiality Statute or Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
<b>Document:</b>			
Grey shading in Appendix E – paragraphs 5-10	Public Utilities Code §454.5(g)	Information includes PG&E's confidential sales and procurement needs for Resource Adequacy (RA) products which directly informs PG&E's RA strategies to buy and sell in the market. Any disclosure of PG&E's sales and procurement strategies is market sensitive, and if released, this information could cause harm to PG&E's customers and put PG&E at an unfair business disadvantage.	Three years
Grey shading in Appendix E – paragraph 6	Section VIII) A) – Bid Information  Public Utilities Code §454.5(g)	Confidential bid information from solicitation e.g., participating bids, counterparty names, prices and quantities offered.  Information includes PG&E's confidential sales and procurement needs for Resource Adequacy (RA) products which directly informs PG&E's RA strategies to buy and sell in the market. Any disclosure of PG&E's sales and procurement strategies is market sensitive, and if released, this information could cause harm to PG&E's customers and put PG&E at an unfair business disadvantage.	Three years
Grey shading in Appendix E; Attachments 6-12,14,15	Section VIII) A) – Bid Information  Public Utilities Code §454.5(g)	Confidential bid information from solicitation e.g., participating bids, counterparty names, prices and quantities offered.  Information includes PG&E's confidential sales and procurement needs for Resource Adequacy (RA) products which directly informs PG&E's RA strategies to buy and sell in the market. Any disclosure of PG&E's sales and procurement strategies is market sensitive, and if released, this information could cause harm to PG&E's customers and put PG&E at an unfair business disadvantage.	Three years

**PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)**

**Advice 5677-E**

**October 31, 2019**

**IDENTIFICATION OF PROCUREMENT-RELATED CONFIDENTIAL INFORMATION**

Redaction Reference	Category from D.06-06-066, Appendix 1, or Separate Confidentiality Statute or Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
Grey shading in Appendix E; Attachments 1-5, 13, 16-27	Public Utilities Code §454.5(g)	Information includes PG&E's confidential sales and procurement needs for Resource Adequacy (RA) products which directly informs PG&E's RA strategies to buy and sell in the market. Any disclosure of PG&E's sales and procurement strategies is market sensitive, and if released, this information could cause harm to PG&E's customers and put PG&E at an unfair business disadvantage.	Three years

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**DECLARATION SUPPORTING CONFIDENTIAL DESIGNATION  
ON BEHALF OF  
PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)**

1. I, Anna Fogelsong am the Director of Energy Transactions and Legislative Policy of Pacific Gas and Electric Company (“PG&E”), a California corporation. Fong Wan, the Senior Vice President for Energy Policy and Procurement of PG&E, delegated authority to me to sign this declaration. My business office is located at:

Pacific Gas and Electric Company  
77 Beale Street, Mail Code 25A  
San Francisco, CA 94105

2. PG&E will produce the information identified in paragraph 3 of this Declaration to the California Public Utilities Commission (“CPUC”) or departments within or contractors retained by the CPUC in response to a CPUC audit, data request, proceeding, or other CPUC request.
3. Title and description of document(s): Confidential Appendix E to Advice Letter 5677-E: PG&E Procurement Efforts in Kern, Sierra, and Stockton LCAs.
4. These documents contain confidential information that, based on my information and belief, has not been publicly disclosed. These documents have been marked as confidential, and the basis for confidential treatment and where the confidential information is located on the documents are identified on the following chart:

Check	Basis for Confidential Treatment	Where Confidential Information is located on the documents
<input type="checkbox"/>	<p>Customer-specific data, which may include demand, loads, names, addresses, and billing data</p> <p>(Protected under PUC § 8380; Civ. Code §§ 1798 <i>et seq.</i>; Govt. Code § 6254; Public Util. Code § 8380; Decisions (D.) 14-05-016, 04-08-055, 06-12-029)</p>	
<input checked="" type="checkbox"/>	<p>Personal information that identifies or describes an individual (including employees), which may include home address or phone number; SSN, driver's license, or passport numbers; education; financial matters; medical or employment history (not including PG&amp;E job titles); and statements attributed to the individual</p> <p>(Protected under Civ. Code §§ 1798 <i>et seq.</i>; Govt. Code § 6254; 42 U.S.C. § 1320d-6; and General Order (G.O.) 77-M)</p>	<p>Appendix E;</p> <p>Attachments 1-27</p>
<input type="checkbox"/>	<p>Physical facility, cyber-security sensitive, or critical energy infrastructure data, including without limitation critical energy infrastructure information (CEII) as defined by the regulations of the Federal Energy Regulatory Commission at 18 C.F.R. § 388.113</p> <p>(Protected under Govt. Code § 6254(k), (ab); 6 U.S.C. § 131; 6 CFR § 29.2)</p>	
<input type="checkbox"/>	<p>Proprietary and trade secret information or other intellectual property and protected market sensitive/competitive data</p> <p>(Protected under Civ. Code §§3426 <i>et seq.</i>; Govt. Code §§ 6254, <i>et seq.</i>, e.g., 6254(e), 6254(k), 6254.15; Govt. Code § 6276.44; Evid. Code §1060; D.11-01-036)</p>	
<input type="checkbox"/>	<p>Corporate financial records</p> <p>(Protected under Govt. Code §§ 6254(k), 6254.15)</p>	

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<input checked="" type="checkbox"/>	Third-Party information subject to non-disclosure or confidentiality agreements or obligations  (Protected under Govt. Code § 6254(k); see, e.g., CPUC D.11-01-036)	Appendix E; Attachments 6-12,14,15
<input type="checkbox"/>	Other categories where disclosure would be against the public interest (Govt. Code § 6255(a))	_____

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5. The importance of maintaining the confidentiality of this information outweighs any public interest in disclosure of this information. This information should be exempt from the public disclosure requirements under the Public Records Act and should be withheld from disclosure.
6. I declare under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge.
7. Executed on this 31<sup>st</sup> day of October, 2019 at San Francisco, California.

  
Anna Foglesong  
 Director, Energy Transactions and Legislative Policy  
 Pacific Gas and Electric Company

**PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)**

**ADVICE LETTER 5677-E**  
**ATTACHMENT TO DECLARATION**  
October 31, 2019

<b>ATTACHMENT NAME</b>	<b>DOCUMENT NAME</b>	<b>CATEGORY OF CONFIDENTIALITY</b>	<b>LOCATION</b>
Confidential Appendix E	PG&E Procurement Efforts in Kern, Sierra, and Stockton LCAs	Personal information that identifies or describes an individual (including employees), which may include home address or phone number; SSN, driver's license, or passport numbers; education; financial matters; medical or employment history (not including PG&E job titles); and statements attributed to the individual  (Protected under Civ. Code §§ 1798 <i>et seq.</i> ; Govt. Code § 6254; 42 U.S.C. § 1320d-6; and General Order (G.O.) 77-M)	Grey shading in Appendix E, Attachments 1-27
Confidential Appendix E	PG&E Procurement Efforts in Kern, Sierra, and Stockton LCAs	Third-Party information subject to non-disclosure or confidentiality agreements or obligations  (Protected under Govt. Code § 6254(k); see, e.g., CPUC D.11-01-036)	Grey shading in Appendix E, paragraph 6; Grey shading in Attachments 6-12,14,15

**PACIFIC GAS AND ELECTRIC COMPANY**

**APPENDIX A**

**PG&E's E-Solicitation**

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**From:** RA\_Solicitations  
**Sent:** Friday, June 28, 2019 10:41 AM  
**To:** RA\_Solicitations <RASolicitations@pge.com>  
**Subject:** PG&E E-Solicitation for Local RA 2020-2022

**Dear Prospective Participant:**

Pacific Gas and Electric Company (“PG&E”) invites your participation in its Local Resource Adequacy (“RA”) Electronic Solicitation. Through this solicitation, PG&E seeks to **purchase** local RA products for 2020 through 2022 delivery periods. This email describes the schedule and process for submitting offers to sell local RA to PG&E in this solicitation. PG&E, at its sole discretion, may change the terms, requirements, and schedule of this Electronic Solicitation.

**Table 1: Summary of Requested RA Products**

Product	PG&E Seeking to	Pricing	Delivery Period	Local Area	Offer Due Date
Local RA	Buy	Flat price (\$/kW-month)	Monthly Periods from 2020 through 2022	Kern and/or North Coast / North Bay	Wednesday July 3, 2019 by 12:00 noon Pacific Prevailing Time (PPT)

**Master Agreement and RA Confirmation**

PG&E will transact RA products under an EEI Master Agreement. The executed Master Agreement shall govern transactions entered into pursuant to this Electronic Solicitation, including transaction details agreed to in any RA Confirmation Agreements (“Confirmation”).

PG&E’s accompanying Confirmation sets forth the terms and conditions to create and define the Products in Table 1. The Confirmation requires participants to comply with the RA requirements as implemented by both the California Public Utilities Commission and the California Independent System Operator. The Confirmation is specific to transactions executed under an EEI Master Agreement with a Collateral Annex, and, as such, successful participants must have an EEI Master Agreement and Collateral Annex in place with PG&E prior to execution of an unmodified Confirmation in this Electronic Solicitation. Modification of the Confirmation may be necessary for those participants without a PG&E Collateral Annex.

## **Submitting Offers**

Participants should submit: (1) the RA Offer Form, and (2) the RA Confirmation with any proposed edits in redline. PG&E encourages interested parties to make only necessary changes to the Confirmation. PG&E will not consider significant changes to the confirmation issued with this solicitation.

PG&E requests parties offer a price at which they are willing to sell PG&E the product. Prior to final execution of transactions, parties will be allowed to indicate their pricing is firm. A significant change in pricing from initial indicative offers may terminate further negotiations. PG&E prefers offers of individual, independent monthly volumes to multi-month strips of equal volume.

PG&E will entertain offers for swaps, wherein PG&E buys the local RA described above and simultaneously sells system or other local RA products.

Offers must be submitted via e-mail to the PGE RA Solicitations mailbox ([RASolicitations@pge.com](mailto:RASolicitations@pge.com)) with a copy to the independent evaluator Charles Janecek ([Charles.Janecek@PACONSULTING.COM](mailto:Charles.Janecek@PACONSULTING.COM)) by the deadline indicated in Table 1. Telephonic, hardcopy, or facsimile transmission of an offer is not acceptable. PG&E will acknowledge, by email, the receipt of all responses received. PG&E will not be responsible for any unsuccessful transmittals.

## **Schedule for RA Offers**

The table below provides the tentative schedule for this Electronic Solicitation, which is subject to change at PG&E's discretion.

**Table 2: Estimated Timeline**

Milestone	Date/Time
PG&E issues Electronic Solicitation	Friday, June 28, 2019
Deadline to submit indicative offers	Wednesday, July 3, 2019 at 12:00 noon PPT
Shortlisted participants notified	Monday, July 15, 2019
Target final execution of transaction via EEI confirmation.	Friday, July 26, 2019

## **Contact Information**

Questions regarding this solicitation and process should be addressed to the PG&E RA Solicitations Mailbox ([RASolicitations@pge.com](mailto:RASolicitations@pge.com)) with a copy to the Independent Evaluator ([Charles.Janecek@PACONSULTING.COM](mailto:Charles.Janecek@PACONSULTING.COM)).

## **Disclaimers**

This Electronic Solicitation does not constitute an offer to buy or sell and creates no obligation to execute any agreement or to enter into any transaction. Any negotiations are subject to PG&E management approval and execution of final documents. PG&E shall retain the right at any time, in its sole discretion, to reject any offer and/or modify, suspend or cancel this Electronic Solicitation, for any reason whatsoever without prior notification to Participants and without liability of any kind to, or responsibility of, PG&E or anyone acting on PG&E's behalf.

Thank you for your consideration of this Electronic Solicitation.

## **PG&E RA Procurement Team**

**PACIFIC GAS AND ELECTRIC COMPANY**

**APPENDIX B**

**PG&E's Procurement Solicitation  
Phase 1 and Phase 2 Solicitation Documents**



# 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation Protocol

**July 26, 2019**

**Request for Bids****Table of Contents**

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**Request for Bids**

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RA Confirmation  
RA Bid Form  
Confidentiality Agreement  
Documentation of Entity Legal Status from the  
California Secretary of State

**Request for Bids****I. Introduction and Overview****A. Overview**

Pacific Gas and Electric Company (“PG&E”) is issuing the 2019 Multi-Year Resource Adequacy (RA) Solicitation (“Solicitation”) to solicit bids (“Bids”) from participants (“Participants” or “Bidders”) for the purchase of Local, System, and Flexible Resource Adequacy (“RA”) and Import Allocation Rights (“IAR”) (collectively, “Product”), as described below in “Table 2: Product Available for the 2019 Multi-Year RA Sale Solicitation”, pursuant to an EEI Master Agreement and RA Confirmation (collectively, “Agreement”), as detailed below in *Section II.C – Contract Options*.<sup>1</sup> PG&E may also execute a limited number of swap transactions (“Swaps”) to the extent the swap transaction does not result in a short position for PG&E.<sup>2</sup> This Solicitation protocol (“Solicitation Protocol”) describes the process by which PG&E seeks and evaluates Bids submitted in the Solicitation. The Solicitation complies with PG&E’s Conformed Bundled Procurement Plan (“BPP”) Appendix S – Sales Framework.

For phase one of this 2019 Multi-Year RA Sale Solicitation, PG&E will make Bids due after Initial 2020 Year-Ahead Allocations from the California Public Utilities Commission (“CPUC”) have been received. Allowing bids to be due after Initial 2020 Year-Ahead Allocations have been received allows load-serving entities (“LSEs”) to have a better understanding of their position needs prior to making decisions about RA sales and purchases.

PG&E intends to issue a second phase of the solicitation for its remaining long position upon receiving its Final 2020 Year-Ahead Allocations from the CPUC.<sup>3</sup> This will allow LSEs to know their position needs prior to making decisions about potential RA sales and purchases.

**B. Expected Schedule****I. Schedule Overview**

The expected schedule for this Solicitation is listed in Table I below. All times are in Pacific Prevailing Time (“PPT”).

**Table I: 2019 PG&E’s Multi-Year RA Sale Solicitation Schedule**

Event	Date/Time
PG&E issues Solicitation	July 26, 2019
Participants’ Webinar	July 30, 2019 at 10 AM

<sup>1</sup> For purposes of this Solicitation, Bids include potential Swaps from Bidders.

<sup>2</sup> For purposes of this Solicitation, a Swap would be limited to a PG&E sale of local RA paired with a PG&E purchase of either System or Local RA.

<sup>3</sup> Historically, PG&E has received its Final 2020 Year-Ahead Allocations from CPUC in the month of September.

## Request for Bids

Bids Due. Bid(s) must be submitted to Power Advocate.	The later of 1 PM on: (1) August 6, 2019 or (2) the 5 <sup>th</sup> business day after PG&E receives Initial 2020 Year-Ahead Allocations from CPUC
PG&E notifies Participants of Shortlist Status	+12 days
Continued Negotiations	+1 to 18 days (+13 to 30 days after Bids Due)
Target Execution of any RA Confirmations	+0 days (+13 to 30 days after Bids Due)

The Solicitation schedule is subject to change at PG&E's sole discretion at any time. PG&E will endeavor to notify participants of any schedule change via notification on PG&E's Solicitation website. PG&E will have no liability or responsibility to any participant for change in the schedule or for not providing notice of any change.

## II. Solicitation Process

The Solicitation will consist of the following phases:

1. **Issuance:** PG&E issues the Solicitation and posts the Solicitation Protocol, form of Agreement, and all other Solicitation materials on the Solicitation website. Participants may submit questions concerning the Solicitation to [PGERARFO@pge.com](mailto:PGERARFO@pge.com) as described in *Section V – Communications*. Answers to questions will be posted to the Solicitation webpage as described in that section.
2. **Participants' Webinar:** PG&E hosts a Participants' Webinar to review key Protocol items related to this Solicitation and conduct a question and answer (Q&A) session.
3. **Bids Due:** Bids must be submitted by **1:00 PM (PPT) on the later of (1) August 6, 2019, or (2) the 5th business day after PG&E receives Initial 2020 Year-Ahead Allocations from CPUC**. All Bids must include the documents described in *Section IV.C – Required Documents*. PG&E **strongly encourages Participants to submit the Appendix A - RA Confirmation as soon as available**, prior to final bid package deadline. By submitting a Bid in this Solicitation, the Participant agrees, as described in *Section IV.A – Agreement by Participant*, to be bound by all of the terms, conditions and other provisions of this Solicitation and any changes or supplements to it that may be issued by PG&E. Bids are expected to remain open during the Bid review and negotiation phases.
4. **Bid Review:** PG&E evaluates all Bids based on the criteria defined in *Section III – Evaluation of Bids*. During the Bid review phase, PG&E will discuss the Bids received with the California Public Utilities Commission ("CPUC"), PG&E's Procurement Review Group ("PRG") and the Solicitation Independent Evaluator

## Request for Bids

(“IE”). See *Section VIII – Confidentiality Agreement* for terms of disclosure to these third parties.

5. **Negotiations and Execution:** PG&E will notify participants of shortlisted Bids to proceed with negotiations. PG&E may negotiate on RA Confirmations prior to shortlisting in an effort to lead to faster execution with Participants.

PG&E may execute RA Confirmations with selected Participants at any time during the negotiation phase or may choose to execute none at all.<sup>4</sup> The Solicitation will terminate as described in *Section XI – Termination of the Solicitation-Related Matters*.

PG&E is committed to minimizing the amount of time required to conduct this Solicitation, while ensuring that Participants have sufficient time to prepare Bids, PG&E has sufficient time to evaluate and review Bids, and that both PG&E and Participants have sufficient time to negotiate RA Confirmations. Some of the most significant ways Participants can reduce the amount of time spent in the Solicitation process include:

1. Provide redline comments to the RA Confirmation form prior to the Bid submittal deadline;
2. Limit proposed changes to the RA Confirmation and by clearly identify any such changes in the redline markup; and
3. Provide all requested information in the RA Bid Form.

### C. Disclaimers for Rejecting Bids and/or Terminating this Solicitation

This Solicitation does not constitute an offer to sell and creates no obligation to execute any Agreement or to enter into a transaction under an Agreement as a consequence of the Solicitation or negotiations arising from the Solicitation. PG&E shall retain the right at any time, in its sole discretion, to reject any Bid on the grounds that it does not conform to the terms and conditions of this Solicitation, or as otherwise provided in this Solicitation, and reserves the right to request information at any time during the Solicitation process.

PG&E retains the discretion, in its sole judgment, to: (a) reject any Bid on the basis that it does not provide sufficient ratepayer benefit or that it would impose conditions that PG&E determines are impractical or inappropriate; (b) formulate and implement appropriate criteria for the evaluation and selection of Bids; (c) negotiate with any Participant; and (d) 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 reserves the right to either suspend or terminate this Solicitation at any time for any reason whatsoever. PG&E 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 Participant, whether submitting a Bid or not.

## II. **Solicitation Products**

### A. Product Attributes

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<sup>4</sup> For Swaps, there will be two RA Confirmations executed – one for each swap leg.

**Request for Bids**

PG&E is seeking to sell the following products in this Solicitation:

**Table 2: Product Available for the 2019 Multi-Year RA Sale Solicitation**

<b>Product</b>	<ul style="list-style-type: none"> <li>• Resource Adequacy (RA)           <ul style="list-style-type: none"> <li>◦ System (Option for Flexible Attribute)</li> <li>◦ Local (Option for Flexible Attribute)<sup>5</sup></li> <li>◦ Swaps<sup>6</sup></li> </ul> </li> <li>• Import Allocation Rights (IAR)</li> </ul>
<b>Pricing</b>	<ul style="list-style-type: none"> <li>• RA – fixed price (\$/kw-month)</li> <li>• Import Allocation Rights – fixed price (\$/kw-month)</li> </ul>
<b>Delivery Term</b>	<ul style="list-style-type: none"> <li>• System RA and IAR:           <ul style="list-style-type: none"> <li>◦ January 2020 through December 2020 (monthly)</li> </ul> </li> <li>• Local RA and Swaps           <ul style="list-style-type: none"> <li>◦ January 2020 through December 2022 (monthly)</li> </ul> </li> </ul>
<b>Quantity</b>	<ul style="list-style-type: none"> <li>• Minimum 1 MW</li> <li>• No maximum bid quantity</li> </ul>
<b>Agreement</b>	<ul style="list-style-type: none"> <li>• Confirm under an EEI Master Agreement</li> </ul>

**B. Bid Quantities**

Bids must indicate the specific RA quantity in MWs and prices as requested in the Bid Form. Participants must bid a minimum volume of 1MW. There is no maximum bid quantity. PG&E may select partial bid volumes.

**C. Contract Options**

The terms and conditions creating and defining the conforming products sold by PG&E are set forth in the accompanying RA Confirmation. The RA Confirmation is specific to transactions executed under an EEI Master Agreement with Collateral Annex and as such, Participants will need to have an EEI Master Agreement and Collateral Annex in place with PG&E prior to the execution of a RA Confirmation in this Solicitation.

Modification of the RA Confirmation may be necessary for those Participants with an EEI Master Agreement without a PG&E Collateral Annex. Participants with such agreements must include in their Bids, modifications to the RA Confirmation as applicable to their EEI Master Agreement with PG&E. The EEI Master Agreement shall govern transactions entered into pursuant to this Solicitation except to the extent modified by the RA Confirmation. The RA Confirmation, when fully executed, shall become an RA Confirmation subject to the terms of the EEI Master Agreement.

Participants interested in establishing an EEI Master Agreement with PG&E should send an email to the RA Solicitation mailbox at [PGERARFO@pge.com](mailto:PGERARFO@pge.com) with such request.

<sup>5</sup> There are currently 7 Local Reliability Areas within PG&E's service territory, including: (1) Greater Bay, (2) Greater Fresno, (3) Humboldt, (4) Kern, (5) North Coast / North Bay, (6) Sierra, and (7) Stockton.

<sup>6</sup> For purposes of this Solicitation, a Swap would be limited to a PG&E sale of local RA paired with a PG&E purchase of either System or Local RA. For Swaps, Bidders also have the option for the Flexible Attribute.

**Request for Bids**

### III. Evaluation of Bids

In its evaluation of conforming Bids, PG&E will primarily consider the following criteria:

- Price (subject to portfolio constraints)
- Conformance with PG&E's RA Confirmation

PG&E will evaluate each Bid against these criteria and select a subset of Bids to move to the negotiation phase.

Each of the evaluation criteria is discussed in more detail below.

**Price** considers how pricing for a specific product compares with other Bids of the same product.

**Conformance to the RA Confirmation** is the degree to which a Participant has modified the RA Confirm. For Participants who bid equal pricing, those Participants that make few or no material or substantive changes to the RA Confirm are strongly preferred over those Participants that make such changes. For this reason, Participants are strongly encouraged to bid pricing for conforming products consistent with PG&E's RA Confirmation with minimal or no proposed changes.

### IV. Participation Protocols

#### A. Agreement by Participant

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Each entity submitting a Bid in this Solicitation is a Participant. By responding to this Solicitation, each Participant 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.

#### B. Submission Overview

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All Bids must be received by 1:00 P.M. (PPT) on the later of (1) August 6, 2019, or (2) the 5<sup>th</sup> business day after PG&E receives Initial 2020 Year-Ahead Allocations from CPUC, as specified in Table I, PG&E's 2019 Multi-Year RA Sale Solicitation Schedule, and include all required Bid documents as set forth in *Section IV.D – Required Documents*.

**Submitting Documents:** All Bids for this Solicitation **must** be submitted electronically through Power Advocate. Prior to submitting a Bid, Participants must register with Power Advocate. PG&E strongly encourages Participants to register with Power Advocate at least one week before Bids are due. PG&E will post detailed instructions on the Multi-Year RA Sale Solicitation website for submitting Bid(s) and using the online platform. Power Advocate registrants should be listed under the entity submitting the Bid, not its consultants.

Power Advocate Link:

<https://www.poweradvocate.com/pR.do?okey=94712&pubEvent=true>

## Request for Bids

PG&E strongly encourages Participants to register with Power Advocate at least one week before Bids are due. Detailed instructions for submitting Bid(s) and using Power Advocate are on PG&E's Solicitation website.

**Electronic Document Formats:** The electronic documents for the attachments must be in a Microsoft Word, Excel file or Adobe Acrobat PDF file as applicable. For each document, please include the Participant's company name in each file name.

### C. Number of Bids and Variations Allowed Per Bidder

One (1) Appendix B – RA Bid Form should be submitted per Participant.<sup>7</sup> Participants may submit multiple Bids. Participants may submit up to three (3) variations for a single term/product. Mutually exclusive Bids should be clearly identified. Participants may submit up to three (3) groups of mutually exclusive Bids ("Mutually Exclusive Groups") per month within a given year ("Month-Year"), and each group can include up to three (3) Bids.

For clarity, if a Participant submits Bids in a Mutually Exclusive Group, the Participant is indicating that it will only execute one of the Bids within the group.

### D. Required Documents

The following documents listed in "Table 3: 2019 Multi-Year RA Sale Solicitation Bid Package" are located at the 2019 Multi-Year RA Sale Solicitation website at [www.pge.com/rfo/ra-solicitation](http://www.pge.com/rfo/ra-solicitation) and must be included with all conforming Bids. In order to expedite the review process, PG&E has a strong preference for Participants to submit Appendix A – RA Confirmation as soon as possible, prior to final bid package deadline. The deadline to submit all documents in the bid package is the later of 1:00 PM (PPT) on 1) August 6, 2019, or 2) the 5<sup>th</sup> business day after PG&E receives Initial 2020 Year-Ahead Allocations from CPUC.

**Table 3: 2019 Multi-Year RA Sale Solicitation Bid Package**

Appendix	Title	Description	Format
A	RA Confirmation	<p>A redline mark-up of the RA Confirmation or statement that the Participant accepts PG&amp;E's form RA Confirmation without changes. A version of the RA Confirmation incorporating edits need only be submitted once and need not duplicate pricing and quantity information provided on the RA Bid Form. This information will be entered into the RA Confirmation prior to execution.</p> <p><b>PG&amp;E strongly encourages Participants to submit the Appendix A - RA Confirmation as soon as available, prior to final bid package deadline.</b></p>	MS Word
B	RA Bid Form	Participants must provide all applicable information requested in the form. Participants are to enter a single bid	MS Excel

<sup>7</sup> Counterparties should contact [PGERARFO@pge.com](mailto:PGERARFO@pge.com) if submitting a number of bid variations that exceeds the number of rows allowed in a single Appendix B – RA Bid Form.

**Request for Bids**

		<p>quantity by product, in \$/kW-month for each month, as applicable for each product. Bids that do not meet these requirements may be rejected as non-conforming.</p> <p>PG&amp;E will only accept one Bid Form per counterparty.</p> <p>PG&amp;E will not accept Bids that are contingent on the selection of another bid.</p> <p>Bid Form file name must be the same as the Bid ID contained within the file. Bid Form information must be consistent with RA Confirmation.</p>	
C	Confidentiality Agreement	Participants must agree to be bound by the terms and conditions of Appendix C via the Non-Disclosure attestation in the Bid Form	PDF
D	Documentation of Entity Legal Status from the California Secretary of State	Participant or end-user counterparty must demonstrate that it has an "Active" legal status authorized by the California Secretary of State in order to engage in business with PG&E. A webpage screenshot verifying Participant or end-user counterparty's "Active" legal status via the California Secretary of State's webpage is acceptable. The California Secretary of State website is located at <a href="https://businesssearch.sos.ca.gov/">https://businesssearch.sos.ca.gov/</a> .	MS Word or PDF

**Format of Electronic Documents:** The electronic documents must be in a Microsoft Word, Excel, or PDF file, as applicable. The Participant should not provide documents in other electronic formats or versions.

**Telephonic, telegraphic, hardcopy or facsimile transmission of a Bid is not acceptable.**

## V. Communications

PG&E has established the Solicitation website at <http://www.pge.com/rfo/ra-solicitation>. All Solicitation documents, information, announcements and questions and answers will be posted and available to Participants at this website.

To ensure accuracy and consistency of the information provided to all Participants, PG&E encourages Participants to submit any inquiries via e-mail to [PGERARFO@pge.com](mailto:PGERARFO@pge.com) and CC the Independent Evaluator ("IE") at [Charles.Janecek@PAconsulting.com](mailto:Charles.Janecek@PAconsulting.com). With respect to a matter of general interest raised by any Participant, PG&E may, without reference to the inquiring Participant, post the question and PG&E's response on PG&E's website. PG&E will attempt to respond to all inquiries, but may decline to respond to any particular inquiry.

## Request for Bids

All correspondence sent to PG&E will be monitored by the IE, Charles Janecek of PA Consulting, 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 certain competitive Solicitations.

## VI. Credit

During the negotiation phase, PG&E's credit group will consider a Participant's capability to perform all of its financial and other obligations which provides for the collateral requirements governing transactions executed as part of this Solicitation. While Participants can propose modifications to the collateral requirements as part of their mark-up of the RA Confirmation, reaching agreement on any changes during the negotiation phase is a requirement for proceeding to execution. PG&E's credit group may determine that the performance assurance specified under the RA Confirmation is insufficient to support the Participant's performance prior to or during the Delivery Period.

NOTE: PG&E's credit group may consider alternatives for rate setting authorities who participate in the Solicitation.

## VII. Pricing, Terms and Conditions

Participants should develop their Bids based on the RA Confirmation. See also Sections I, II and V regarding the mark-up of the form RA Confirmation.

Participants are required to complete the RA Bid Form specifying the products, quantity, and pricing being bid. This form should be completed with consideration of the RA Confirmation. Any changes made to the RA Confirmation or pricing after submission of the Bid may not be accepted by PG&E or may result in PG&E rejecting the Participant's Bid.

## VIII. Confidentiality Agreement

All information and documents exchanged, the negotiations of any transaction, and the status or existence of negotiations, between PG&E and the Participant in connection with this Solicitation shall be considered confidential information and PG&E and the Participant shall be prohibited from disclosing such information to any and all third parties except as provided below.

PG&E retains the right to disclose any information or documents provided by the Participant along with the status of the negotiations of the Bid to the CPUC, its staff, the PRG, the Solicitation IE and to any other entity with competent jurisdiction over PG&E 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 to the Participant or any third party. PG&E has confidentiality and/or non-disclosure agreements with the PRG and the IE, applicable to the confidential information. PG&E cannot, however, ensure that the CPUC will afford confidential treatment to confidential information in connection with the Solicitation, or that confidentiality agreements or orders will be obtained from the CPUC.

**Request for Bids****IX. Execution of Agreement**

By submitting a Bid, a Participant agrees, if its Bid is selected, to negotiate a definitive RA Confirmation consistent with the RA Confirmation provided in Appendix A and containing such other terms and conditions as may be mutually acceptable to PG&E and the Participant. PG&E's evaluation of a Participant's Bid, and PG&E's negotiation with the Participant, will not constitute any agreement by PG&E to any modification made by the Participant to the RA Confirmation submitted or constitute an obligation on PG&E to execute an agreement with the Participant in this Solicitation.

**X. Participant's Waiver of Claims and Limitations of Remedies**

Except as expressly set forth in this Solicitation, by submitting a Bid, the Participant knowingly and voluntarily waives any rights under statute, regulation, state or federal constitution, or common law to assert any claim or complaint or other challenge in any regulatory, judicial or other forum, including the CPUC, except as expressly provided below, the FERC, the Superior Court of the State of California ("State Court") or United States District Court ("Federal Court") concerning or related in any way to the Solicitation and/or any documents related to the Solicitation ("Waived Claims"). The assertion of any Waived Claims by Participant at the CPUC, FERC, State Court, Federal Court, or otherwise shall, to the extent that Participant's Bid has not already been disqualified, provide PG&E the right, and may result in PG&E electing, to reject such Bid or terminate the Solicitation.

By submitting a Bid, the Participant further agrees that the sole forum in which Participant may assert any challenge with respect to the conduct or results of the Solicitation is the CPUC. The Participant further agrees that the sole means of challenging the conduct or results of the Solicitation is a protest to PG&E's filing before the CPUC showing details of one or more agreements entered into as a result of the Solicitation. The Participant further agrees that the sole basis for any such protest shall be a challenge to the conduct or results of the Solicitation on the grounds that PG&E failed in a material respect to conduct the Solicitation in accordance with the Solicitation rules and procedures outlined in this document, and the exclusive remedy available to the Participant in the case of such a protest shall be an order of the CPUC that PG&E again conduct any portion of the Solicitation that the CPUC determines was not previously conducted in accordance with the Solicitation rules and procedures outlined in this document. The Participant expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs, and/or attorneys' fees. Unless PG&E elects to do otherwise in its sole discretion, during the pendency of such a protest 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 has elected to terminate the Solicitation.

The Participant agrees to indemnify and hold PG&E harmless from any and all claims by any other Participant asserted in response to the assertion of a Waived Claim by the Participant. Except as expressly provided in this Solicitation, 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.

**XI. Termination of the Solicitation-Related Matters**

**Request for Bids**

PG&E 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 or anyone acting on PG&E'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 that, following evaluation of the Bids, there are no Bids that provide adequate ratepayer benefit.

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

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

PG&E will notify Participants by the close of the Solicitation if their Bids are not accepted. The Solicitation will terminate automatically on October 30, 2019 unless extended by PG&E.

## **XII. Participant's Representations and Warranties**

BREACH BY ANY PARTICIPANT OF THE REPRESENTATIONS AND WARRANTIES OF THE SOLICITATION OR ANY SOLICITATION DOCUMENTS IS, 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.

**MASTER POWER PURCHASE AND SALE AGREEMENT  
RESOURCE ADEQUACY CONFIRMATION LETTER  
BETWEEN  
[PARTY A NAME] ("PARTY A")  
AND**

**Pacific Gas and Electric Company, a California corporation, limited for all purposes  
hereunder to its Electric Procurement and Electric Fuels Functions ("PARTY B")**

This confirmation letter ("Confirmation") confirms the Transaction between Party A and Party B, which becomes effective on the date fully executed by both Parties (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the "Master Agreement"). The Master Agreement and this Confirmation are collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement or the Tariff (defined below), as applicable. Section references herein are to this Confirmation unless otherwise noted.

**ARTICLE 1  
TRANSACTION TERMS**

**Buyer:** Party A

**Seller:** Party B

**Product:** The Product is the Capacity Attributes of the Unit(s) as defined in Appendix B; provided that if Buyer does not specify the Local Capacity Area in Appendix B, when applicable, then Seller may provide Local RAR from any Local Capacity Area in the Seller's local areas. The Product does not include any right to the energy or ancillary services of the Unit(s).

**Delivery Period:** [Begin Date] through [End Date], inclusive.

**Contract Quantity and Price:** The Contract Quantity and Contract Price for each day of each Showing Month during the Delivery Period shall be set forth in Appendix B.

**ARTICLE 2  
DELIVERY OBLIGATIONS AND ADJUSTMENTS**

**2.1 Firm RA Product**

Seller's obligation to deliver the Contract Quantity of Product for each day included in the Delivery Period is firm and will not be excused for any reason.

**2.2 Seller To Identify Shown Unit**

- (a) Seller shall identify the Shown Unit(s) that meet the Product characteristics and Contract Quantity specified in Appendix B by providing Buyer with the specific Unit information no later than:
  - (i) Fifteen (15) calendar days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, if the Confirmation Effective Date is at least fifteen (15) calendar days before such Compliance Showing deadline; or
  - (ii) One (1) business day from the Confirmation Effective Date if the Confirmation Effective Date is less than fifteen (15) calendar days from the Compliance Showing. Section 2.3 of this Confirmation does not apply when the Confirmation Effective Date is within fifteen (15) calendar days of the Compliance Showing.
- (b) The Shown Unit should not have characteristics that would trigger the need for Buyer or Seller to file an Advice Letter to the CPUC.
- (c) Seller's notice under this Section 2.2 shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within three (3) Business Days of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Shown Unit. If Buyer timely objects, Seller must identify another Shown Unit within five (5) Business Days. This second Shown Unit shall be deemed acceptable to and approved by Buyer upon receipt. This section does not apply if the Confirmation Effective Date is within fifteen (15) calendar days of the relevant Compliance Showing deadline.
- (d) Once the Shown Unit designated by Seller is approved or deemed approved in accordance with Section 2.2(c), then any such Shown Unit will be automatically deemed the Unit from which the Product is delivered for purposes of this Confirmation for the affected Showing Month.

### **2.3 Seller To Provide Alternate Capacity**

- (a) If Seller desires to provide the Contract Quantity for any Showing Month during the Delivery Period from a different Unit other than the Shown Unit as designated in Section 2.2, then Seller may, at no additional cost to Buyer provide Buyer with Product from one (1) or more Alternate Units in an amount such that the total amount of Product provided to Buyer from the Unit and Alternate Units for the Showing Month during the Delivery Period is not more or less than the Contract Quantity for the Delivery Period.
- (b) If Seller desires to provide Product from an Alternate Unit under Section 2.3(a), Seller must notify Buyer of its intent to provide Product from an Alternate Unit and identify the proposed Alternate Unit meeting the Product characteristics specified in Appendix B no later than five (5) calendar days before the relevant deadlines for the submission of Compliance Showings related to the applicable

Showing Month. Seller's notice under this Section 2.3(b) shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within one (1) Business Day of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Alternate Unit. If Buyer timely objects, Seller must identify another Alternate Unit within two (2) Business Days. This second Alternate Unit is deemed acceptable to and approved by Buyer upon receipt.

- (c) Once the Alternate Unit is approved or deemed approved in accordance with Section 2.3(b), then any such Alternate Unit will be automatically deemed the Unit from which Product is delivered for purposes of this Confirmation for the affected Showing Month.

## **2.4 Delivery of Product**

- (a) Seller shall provide Buyer with the Contract Quantity of Product for each day during the Delivery Period consistent with the following:
  - (i) Seller shall, on a timely basis with respect to each applicable Showing Month, submit, or cause the Unit's Scheduling Coordinator to submit, Supply Plans in accordance with the Tariff to identify and confirm the Product provided to Buyer for each day of such Showing Month that is included in the Delivery Period so that the total amount of Product identified and confirmed for each such day of such Showing Month equals the Contract Quantity for such day of such Showing Month.
  - (ii) Seller will be deemed to have delivered the Product on each day to the extent that Buyer receives credit from CAISO for such day for Product identified and confirmed in the Supply Plan submitted for the Unit.
  - (iii) Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article 7 as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.
- (b) In accordance with Sections 2.2 and 2.3 and subject to Article 7, Seller shall to the extent required by CAISO or the CPUC rules cause the information listed in Appendix B to be completed and included in all applicable Supply Plans and shall cause all Supply Plans to be filed in conformance with the requirements of the CPUC Filing Guide and the Tariff. In addition, if during the Delivery Period, there are changes to the information included in Appendix B, the Parties agree to communicate such changes to each other promptly.

## **2.5 Damages for Failure to Provide Capacity**

If Seller fails to deliver to Buyer the Contract Quantity of Product for any day during the Delivery Period in accordance with Section 2.4 then with respect to each Showing

Month, Seller shall pay to Buyer at the time set forth in Article Six of the Master Agreement, the following damages in lieu of damages specified in Section 4.1 of the Master Agreement:

For each applicable day during the Showing Month included in the Delivery Period in which the Buyer's Monthly Payment has been received by Seller in accordance with Section 3.1 of this Confirmation only, the amount equal to (w) the applicable Contract Price divided by (x) the number of days included in the Showing Month multiplied by (y) the amount of Contract Quantity not delivered by Seller on such day, multiplied by (z) 1,000 kW per MW.

## **2.6 Indemnities for Failure to Deliver Contract Quantity**

- (a) Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or CAISO resulting from any of the following:
  - (i) Seller's failure to deliver any portion of the Contract Quantity of Product for any portion of the Delivery Period and such failure results in the imposition of penalties, fines or costs assessed against Buyer; or
  - (ii) A Unit's Scheduling Coordinator's failure to timely or accurately submit Supply Plans in accordance with the applicable Tariff that identify Buyer's right to the Contract Quantity purchased hereunder for each day of the Delivery Period.
- (b) With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines, and costs.

## **2.7 Buyer's Re-Sale of Product**

- (a) Buyer may re-sell all or a portion of the Product purchased under this Confirmation ("Resold Product"); provided that such re-sell right does not include the ability to offer any portion of Product into the CSP. If Buyer re-sells Product, Seller agrees, and agrees to cause the Unit's Scheduling Coordinator, to follow Buyer's instructions with respect to providing such Resold Product to subsequent purchasers of such Resold Product to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller further agrees, and agrees to cause the Unit's Scheduling Coordinator, to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to any subsequent purchaser of such Resold Product due to the failure of Seller or the Unit's Scheduling Coordinator to comply with the terms of this Confirmation, then Seller shall be liable to Buyer for any liabilities Seller would

have incurred under this Confirmation if Buyer had not resold the Product, including without limitation, pursuant to Sections 2.5 and 2.6.

- (b) If Buyer exercises its right to re-sell the Product, Buyer shall notify Seller in writing that such sale has occurred by providing to Seller a form of the same format as the Supply Plan indicating the Unit(s) included in any re-sale (“Re-sale Plan”). The Re-sale Plan shall be provided no later than three (3) Business Days before the deadline for the Compliance Showings applicable to the relevant Showing Month, except where Buyer exercises its rights under Article 7, then Buyer shall notify Seller in accordance with deadlines described in Article 7. Buyer shall notify Seller of any subsequent changes or further resale of the Resold Product, and such notice shall include all updates to the information in Appendix B in accordance with the deadlines described in this Section 2.7(b).

## **ARTICLE 3 PAYMENT**

### **3.1    Monthly Payment**

**[For Payment in Arrears]** In accordance with the terms of Article Six of the Master Agreement, Buyer shall make a payment (a “Monthly Payment”) to Seller, for the applicable Showing Month, as follows:

$$\text{Monthly Payment} = Q \times P \times CF$$

where:

Q = The Contract Quantity of Product to be delivered by Seller to Buyer pursuant to Appendix B and consistent with Section 2.4 for the Showing Month

P = The Contract Price for the Showing Month, expressed in dollars per kW-month, as stated in Appendix B

CF = The conversion factor equal to 1,000 kW per MW

The Monthly Payment calculation shall be rounded to two decimal places.

**[For Prepayment]** Buyer shall make a payment (a “Monthly Payment”) to Seller, for the applicable Showing Month, as follows:

$$\text{Monthly Payment} = Q \times P \times CF$$

where:

Q = The Contract Quantity of Product to be delivered by Seller to Buyer pursuant to Appendix B and consistent with Section 2.4 for the Showing Month

P = The Contract Price for the Showing Month, expressed in dollars per kW-month, as stated in Appendix B

CF = The conversion factor equal to 1,000 kW per MW

The Monthly Payment calculation shall be rounded to two decimal places.

If the Confirmation Effective Date is more than fifteen (15) calendar days prior to the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, payment shall be paid by Buyer and received by Seller no later than fifteen (15) calendar days prior to the deadlines for the corresponding Compliance Showings applicable to the Showing Month. If the Confirmation Effective Date is fifteen (15) calendar days or less from the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, the Monthly Payment shall be made by Buyer and received by Seller no later than five (5) Business days following the Confirmation Effective Date.

### **3.2 Allocation of Other Payments and Costs**

- (a) Seller is entitled to retain any revenues it may receive from, and shall pay all costs charged by, CAISO or any other third party with respect to the Unit for (i) start-up, shutdown, and minimum load costs, (ii) capacity revenue for ancillary services, (iii) energy sales, (iv) revenue for flexible ramping product, and (v) any revenues for black start or reactive power services. All Seller revenues described in this Section 3.2(a) and received by Buyer or a purchaser of Resold Product must be remitted to Seller and Buyer shall pay such revenues to Seller if received by Buyer or if a subsequent purchaser of Resold Product fails to remit those revenues to Seller.

[For Payment in Arrears] If Buyer fails to pay such revenues to Seller, Seller may recoup any amounts owing to it for such revenues against any future amounts it may owe to Buyer pursuant to Article Six of the Master Agreement.

Seller shall indemnify, defend and hold Buyer harmless from and against all liabilities, damages, claims, losses, costs or expenses (including, without limitation, attorneys' fees) incurred by or brought against Buyer in connection with Environmental Costs.

- (b) In order to verify the accuracy of such revenues, Buyer has the right, at its sole expense and during normal working hours after reasonable prior notice, to hire an independent third party reasonably acceptable to Seller to audit any documents, records or data of Seller associated with the Contract Quantity and in accordance with Section 3.1 of this Confirmation and Article Six of the Master Agreement.
- (c) If CAISO or CPUC develops a centralized capacity market, Buyer will have exclusive rights to tell the Seller or the Unit's Scheduling Coordinator to offer, bid, or otherwise submit the applicable Contract Quantity of Product for each day during the Delivery Period provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive all revenues from such re-sale.
- (d) Buyer and Seller agree that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the Tariff. Any Availability Incentive

Payments or Non-Availability Charges are for the account, or are the responsibility of, the Seller, as applicable.

**ARTICLE 4**  
**CAISO OFFER REQUIREMENTS**

Seller is responsible for, as applicable, scheduling or causing the applicable Unit's Scheduling Coordinator to schedule with, or make available to, CAISO the Product delivered to Buyer for each day during the Delivery Period in compliance with the Tariff, and performing all, or causing the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the Product sold hereunder. Buyer is not liable for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions or any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator (unless Seller is the Scheduling Coordinator), owner, or operator for such noncompliance.

**ARTICLE 5**  
**OTHER BUYER AND SELLER COVENANTS**

**5.1 Seller's and Buyer's Duty to Take Action to Allow the Utilization of the Product**

Buyer and Seller shall, throughout the Delivery Period, take commercially reasonable actions (including the execution of documents or instruments) reasonably necessary to ensure Buyer's right to the use of the Contract Quantity on each day during the Delivery Period for the sole benefit of Buyer or any applicable subsequent purchaser pursuant to Section 2.7. The Parties shall make commercially reasonable changes to this Confirmation necessary to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, CAISO or other Governmental Body having jurisdiction to administer Compliance Obligations, with regard to the following proceedings: (a) the Resource Adequacy (RA) Order Instituting Rulemaking (OIR) (Rulemaking (R.)17-09-020) at the CPUC; (b) the RA Enhancements stakeholder initiative at the CAISO; (c) the Integrated Resource Plan OIR (R.16-02-007) at the CPUC; (d) the Power Charge Indifference Adjustment (PCIA) OIR (R.17-06-026) at the CPUC.

**5.2 Representations, Warranties and Covenants**

- (a) Seller represents and warrants to Buyer throughout the Delivery Period that:
  - (i) no portion of the Contract Quantity for any day during the Delivery Period has been committed by Seller to any third party in order to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;
  - (ii) the Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;
  - (iii) each Unit's Scheduling Coordinator, owner and operator is obligated to comply with applicable laws, including the Tariff, relating to the Product;

- (iv) if Seller is the owner of the Unit, the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned or transferred for the Unit for each day included in the Delivery Period does not exceed the Unit NQC and, if applicable, the Unit EFC, for that Unit; and
  - (v) Seller has notified either the Scheduling Coordinator of the Unit or the entity from which Seller purchased the Product of the fact that Seller has transferred the Contract Quantity for each day of the Delivery Period to Buyer.
- (b) Seller represents and warrants to Buyer as of the date of the relevant Compliance Showing, that Seller owns or has the exclusive right to the Product sold under this Confirmation from the Unit;
- (c) Seller covenants as follows:
- (i) Seller shall not, and shall cause the Unit's Scheduling Coordinator to not, offer any portion of the Contract Quantity for any day during the Delivery Period to CAISO as CPM Capacity. However, if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall, and shall cause the Unit's Scheduling Coordinator to promptly (and in any event within one (1) Business Day of the time Seller receives notification from CAISO) notify Buyer if CAISO designates any portion of the Contract Quantity for any day during the Delivery Period as CPM Capacity and, if CAISO makes such a designation, shall, and shall cause the Unit's Scheduling Coordinator to not accept any such designation by CAISO unless and until Buyer has agreed to accept such designation; and
  - (ii) Seller shall, upon request, furnish Buyer, CAISO, CPUC or other applicable Governmental Body evidence that its representation made in Section 5.2(c)(i) is true and correct
- (d) Each Party covenants to the other Party throughout the Delivery Period to comply with the Tariff, relating to the Product.
- (e) The Parties agree that the following sections of the Master Power Purchase and Sale Agreement between the Parties shall not be applicable to this Confirmation or Transactions hereunder: Sections 5.1(d), 5.1(e), 5.1(f), 10.2(v), 10.2(vi), 10.2(x), and 10.10. Notwithstanding anything to the contrary contained herein, with respect to Seller: Buyer acknowledges and agrees that the existence or continuation of Seller being Bankrupt is not an Event of Default with respect to Seller under this Agreement (including pursuant to Section 5.1(g) of the Master Agreement) and does not entitle Buyer to terminate this Agreement solely because of such existence or continuation.

## **ARTICLE 6**

## **CONFIDENTIALITY**

Notwithstanding Section 10.11 of the Master Agreement, the Parties may disclose all terms and conditions of this Transaction to any Governmental Body, the CPUC, CAISO and the Procurement Review Group, and Seller may disclose the transfer of the Contract Quantity for each day during the Delivery Period under this Transaction to the Scheduling Coordinator of the Unit in order for such Scheduling Coordinator to timely submit accurate Supply Plans. Each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Body, CAISO, or Scheduling Coordinator to further disclose information disclosed pursuant to this Article. In addition, if Buyer resells all or any portion of the Contract Quantity for any day during the Delivery Period to another party, Buyer shall be permitted to disclose to the purchaser of the Resold Product all such information necessary to effect such resale transaction, other than the Contract Price. *[Drafting Note: Parties to review confidentiality provision in Master Agreement and edit accordingly here]*

## **ARTICLE 7** **HOLD-BACK AND SUBSTITUTE CAPACITY**

No later than three (3) Business Days before the relevant deadline for the initial Compliance Showing with respect to a particular Showing Month, Buyer may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Buyer shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Buyer's request for Hold-Back Capacity, Buyer may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Buyer's use as Substitute Capacity only for Planned Outages within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day of the Planned Outage for which Buyer seeks to use such Substitute Capacity as required by the CAISO. The amount of Contract Quantity that is the subject of Buyer's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.4 for purposes of calculating a Monthly Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Section 2.5 or 2.6. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Buyer's request under this Article 7.

Notwithstanding anything to the contrary in Sections 2.6, Seller shall not be liable for any costs, penalties, or fines assessed against Buyer by the CAISO as a result of Seller's failure to make Substitute Capacity available to Buyer if Buyer did not timely comply with the notification requirements of this Article 7.

## **ARTICLE 8** **COLLATERAL REQUIREMENTS**

### **8.1 Buyer Collateral Requirements**

Notwithstanding anything to the contrary contained in the Master Agreement, Buyer shall, within five (5) Business Days following the Confirmation Effective Date, provide to, and maintain with,

Seller a Fixed Independent Amount as long as Buyer or its Guarantor, if any, does not maintain Credit Ratings of at least BBB- from S&P and Baa3 from Moody's. The "Fixed Independent Amount" shall be 20% of the sum of the Monthly Payments for all unpaid months of the Delivery Period. [For Masters with Collateral Annex insert: For the purposes of calculating the Collateral Requirement pursuant to Section 8.2 of the Master Agreement, entitled "Party B Credit Protection", and all corresponding provisions to Section 8.2 of the Master Agreement, such Fixed Independent Amount for Buyer shall be added to the Exposure Amount for Seller and subtracted from the Exposure Amount for Buyer.]

## **8.2 Seller Collateral Requirements**

Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions to Section 8.1 of the Master Agreement do not apply to this Confirmation. *[Drafting Note: Parties to review Collateral Requirements provision in Master Agreement and edit accordingly here]*

## **8.3 Current Mark-to-Market Value**

[For Masters with Collateral Annex insert:] For the purposes of calculating Exposure pursuant to the Collateral Annex, the Current Mark-to-Market Value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the Current Mark-to-Market Value for this Transaction, consequently affecting each Party's Exposure.

[For Masters without Collateral Annex insert:] For the purposes of calculating Termination Payment pursuant to Article 8 of the Master Agreement, the mark-to-market value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the mark-to-market value for this Transaction, consequently affecting each Party's Performance Assurance amount.

# **ARTICLE 9**

## **ADDITIONAL MASTER AGREEMENT AMENDMENTS**

### **9.1 Declaration of an Early Termination Date and Calculation of Settlement Amounts**

The Parties shall determine the Settlement Amount for this Transaction in accordance with Section 5.2 of the Master Agreement using the defined terms contained in this Confirmation and with respect to this Transaction only, the following language is to be added at the end of Section 5.2 of the Master Agreement:

"If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from the CPUC, CAISO, or any

Governmental Body having jurisdiction, because Buyer or a purchaser of Resold Product is not able to include the applicable Contract Quantity in any applicable Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith, estimate the amount of those penalties, fines or costs and include this estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties, fines or costs, Buyer shall promptly remit to Seller the excess amount. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.**

[INSERT NAME OF BUYER]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**APPENDIX A**  
**DEFINED TERMS**

For purposes of this Confirmation, the following terms have the following meanings:

“Advice Letter” means (1) an informal request by a CPUC jurisdictional entity for Commission approval, authorization, or other relief, including an informal request for approval to furnish service under rates, charges, terms or conditions other than those contained in the utility’s tariffs then in effect, and (2) a compliance filing by a load-serving entity pursuant to Public Utilities Code Section 380.

“Alternate Unit” means a generating unit designated by the Parties in accordance with Section 2.3 and which includes the Product characteristics, if any, as set forth in Appendix B.

“CAISO” means the California Independent System Operator Corporation or any successor entity performing substantially the same functions.

“CAISO Controlled Grid” has the meaning set forth in the Tariff.

“Capacity Attributes” means, with respect to a generating unit, any and all of the following, in each case which are attributed to or associated with the generating unit at any time throughout the Delivery Period:

(a) Resource Adequacy Capacity attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward RAR;

(b) Resource Adequacy Capacity attributes or other locational attributes of the generating unit related to a Local Capacity Area, as may be identified from time to time by the CPUC, CAISO or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of the generating unit within the CAISO Control Area, that can be counted toward a Local RAR; and

(c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs of the generating unit, howsoever entitled, including any accounting construct counted toward any Compliance Obligations;

provided that, notwithstanding the foregoing, Capacity Attributes exclude all certificates, tags, credits, or accounting constructs that are not counted toward any Compliance Obligations, howsoever entitled associated with the generating unit, as such characteristics, certificates, tags, credits, or accounting constructs are described in the CPUC Decisions and Tariff.

“Capacity Procurement Mechanism” or “CPM” has the meaning set forth in the Tariff.

“Competitive Solicitation Process” or “CSP” has the meaning set forth in the Tariff.

“Compliance Obligations” means the RAR and Local RAR, and if applicable FCR.

**“Compliance Showings”** means the (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) if applicable, FCR compliance or advisory showings (or similar or successor showings), in each case, an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to CAISO) pursuant to the CPUC Decisions, to CAISO pursuant to the Tariff, or to any Governmental Body having jurisdiction.

**“Confirmation”** is defined in the introductory paragraph of this Confirmation.

**“Confirmation Effective Date”** is defined in the introductory paragraph of this Confirmation.

**“Contract Price”** means, for any period during the Delivery Period, the price, expressed in dollars per kW-month, specified for such period set forth in the Contract Price Table in Appendix B.

**“Contract Quantity”** means, with respect to any day during the Delivery Period, the amount of Product, expressed in MW, set forth in the Contract Quantity table in Appendix B for such day.

**“Control Area”** has the meaning set forth in the Tariff.

**“CPM Capacity”** has the meaning set forth in the Tariff.

**“CPUC”** means the California Public Utilities Commission.

**“CPUC Decisions”** means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-01-063, 15-06-063, 16-06-045, 17-06-027, and any other existing or subsequent decisions, resolutions, or rulings related to resource adequacy, including, without limitation, the CPUC Filing Guide, in each case as may be amended from time to time by the CPUC.

**“CPUC Filing Guide”** means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE’s to demonstrate compliance with the CPUC’s resource adequacy program.

**“Delivery Period”** is defined in Article 1 of this Confirmation.

**“Emission Reduction Credits”** or “ERC(s)” means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health and Safety Code Sections 40709 and 40709.5, whereby such district has established a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

**“Environmental Costs”** means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, and the Product’s compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, all operating and maintenance costs for operation of pollution mitigation or control

equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all Emission Reduction Credits or Marketable Emission Trading Credits (including any costs related to greenhouse gas emissions) required by any applicable environmental laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to the site, and the decontamination or remediation, on or off the site, necessitated by the introduction of such hazardous substances on the site.

“FERC” means the Federal Energy Regulatory Commission.

“FCR” means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by a Local Regulatory Authority or other Governmental Body having jurisdiction.

“FCR Attributes” means, with respect to a generating unit, any and all resource adequacy attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward an LSE’s FCR.

“FCR Contract Quantity” means, with respect to a day included in the Delivery Period, the amount of FCR Attributes, expressed in MW, equal to the Contract Quantity for such day.

“Flexible Capacity Category” has the meaning set forth in the Tariff.

“Governmental Body” means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal. This definition does not include “market participants” as defined in the CAISO’s Business Practice Manual for Definitions and Acronyms as published on the CAISO website.

“Hold-Back Capacity” is defined in Article 7 of this Confirmation.

“Local Capacity Area” has the meaning set forth in the Tariff.

“Local RAR” means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

“LSE” means “Load Serving Entity” as such term is defined in the Tariff.

“Marketable Emission Trading Credits” means without limitation, emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (see 42 U.S.C. § 7651b.(a) to (f)).

“Master Agreement” is defined in the introductory paragraph of this Confirmation.

“Monthly Payment” is defined in Section 3.1 of this Confirmation.

“MW” means megawatt.

“Outage” has the meaning set forth in the Tariff.

“Path” refers to the Path 26 transmission constraint which is surrounded by two zones; North of Path 26 (PG&E’s TAC) and South of Path 26 (SCE and SDG&E’s TACs), as identified by the Commission in D.07-06-029.

“Planned Outage” means any outage that was submitted to the CAISO for approval at least eight (8) calendar days prior to the outage start date.

“Procurement Review Group” has the meaning set forth in CPUC Decision D. 02-08-071.

“Product” is defined in Article 1 of this Confirmation.

“RAR” means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

“Re-sale Plan” is defined in Section 2.7(b) of this Confirmation.

“Resold Product” is defined in Section 2.7 of this Confirmation.

“Resource Adequacy Capacity” has the meaning set forth in the Tariff.

“Scheduling Coordinator” has the meaning set forth in the Tariff.

“SCID of Benefitting LSE” means the Scheduling Coordinator ID Code (SCID) of the Load Serving Entity (LSE) that will be using the Product toward meeting their RAR in the given Showing Month.

“Scheduling Coordinator ID Code (SCID)” has the meaning set forth in the Tariff.

“Showing Month” means the calendar month that is the subject of the related Compliance Showing, as set forth in the CPUC Decisions and outlined in the Tariff. For illustrative purposes only, pursuant to the Tariff and CPUC Decisions in effect as of the Confirmation Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

“Shown Unit” means a Unit specified by Seller in a Supply Plan, but not necessarily identified by Seller to Buyer on the Confirmation Effective Date.

“Substitute Capacity” means “RA Substitute Capacity” as defined in the Tariff.

**“Substitute Rules”** means rules pursuant to Tariff section 9.3, Tariff Section 40.9, CAISO Business Practice Manual for Reliability Requirements section 9 and CAISO Business Practice Manual for Outage Management section 10.

**“Supply Plan”** has the meaning set forth in the Tariff.

**“System RAR”** means the system resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

**“Tariff”** means the Fifth Replacement FERC Electric Tariff and the associated CAISO protocol provisions, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

**“Unit”** means any generation unit provided by Seller pursuant to Section 2.2 and any Alternate Unit or Shown Unit.

**“Unit EFC”** means, with respect to a Unit on any date of determination, the lesser of the Effective Flexible Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

**“Unit NQC”** means, with respect to a Unit on any date of determination, the lesser of Net Qualifying Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

**APPENDIX B**  
**PRODUCT AND PRICE INFORMATION**

Product means Capacity Attributes with the following characteristics.

<b>Showing Month and Year</b>	<b>Path (North, South)</b>	<b>System RAR Quantity (MW)</b>	<b>Local RAR Quantity (MW)</b>	<b>Local Capacity Area*</b>	<b>FCR Quantity, if any (MW)</b>	<b>Flexible Capacity Category (1,2,3)</b>	<b>Contract Price (\$/kW-month)</b>	<b>SCID of Benefitting LSE</b>

\* Please specify: Bay Area, Humboldt, Sierra, Stockton, Fresno, Kern, North Coast/North Bay, LA Basin, Big Creek/Ventura

## **APPENDIX C**

**Name:** [Buyer's Name], a [include place of formation and business type] ("[Buyer]" or "[Party A]")

All Notices:

Delivery Address:

Street:

City:      State:      Zip:

Mail Address: (if different from above)

Attn:

(email)

Phone:

### **Invoices and Payments:**

Attn:

[\(email\)](#)

Phone:

### **Scheduling:**

Attn:

[\(email\)](#)

Phone:

### **Wire Transfer:**

BNK:

ACCT Title:

ABA:

ACCT:

DUNS:

Federal Tax ID Number:

### **Credit and Collections:**

Attn:

[\(email\)](#)

Phone:

### **Contract Management**

Attn:

[\(email\)](#)

Phone:

### **With additional Notices of an Event of Default to Contract Manager:**

Attn:

[\(email\)](#)

Phone:

### **Supply Plan Contact:**

**Name:** Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions

("[Seller]" or "[Party B]" )

All Notices:

Delivery Address:

77 Beale Street, Mail Code N12E

San Francisco, CA 94105-1702

Mail Address:

P.O. Box 770000, Mail Code N12E

San Francisco, CA 94177

Attn: Candice Chan ([candice.chan@pge.com](mailto:candice.chan@pge.com))

Director, Contract Mgmt & Settlements

Phone: (415) 973-7780

### **Invoices and Payments:**

Attn: Tom Girlich ([thomas.girlich@pge.com](mailto:thomas.girlich@pge.com))

Manager, Electric Settlements

Phone: (415) 973-9381

### **Outages:**

Attn: Outage Coordinator

[ESMOutageCoordinator@pge.com;](mailto:(ESMOutageCoordinator@pge.com);)

[RATransactionNotificationList@pge.com](mailto:RATransactionNotificationList@pge.com))

Phone: (415) 973-1721

### **Wire Transfer:**

BNK: The Bank of NY Mellon

ACC Title: PG&E

ABA: 011001234

ACCT: 059994

DUNS: 556650034

Federal Tax ID Number: 94-0742640

### **Credit and Collections:**

Attn: Credit Risk Management ([PGERiskCredit@pge.com](mailto:PGERiskCredit@pge.com))

Phone: (415) 972-5188

### **Contract Management**

Attn: Elizabeth Motley ([elizabeth.motley@pge.com](mailto:elizabeth.motley@pge.com))

Contract Management

Phone: (415) 973-2368

### **With additional Notices of an Event of Default to Contract Manager:**

Attn: Ted Yura ([ted.yura@pge.com](mailto:ted.yura@pge.com))

Senior Manager, Contract Management

Phone: (415) 973-8660

### **Supply Plan and Hold-Back Request:**

[EPP-RAFilingsMailbox@pge.com](mailto:EPP-RAFilingsMailbox@pge.com)

**APPENDIX E**  
**FORM OF LETTER OF CREDIT**

***Issuing Bank Letterhead and Address***

STANDBY LETTER OF CREDIT NO. XXXXXXXXX

**Date:** [Insert issue date]

**Beneficiary:** [Insert Beneficiary name]  
[Insert Beneficiary address]

**Applicant:** [Insert Applicant name]  
[Insert Applicant address]

**Letter of Credit Amount:** [Insert amount]

**Expiry Date:** [Insert date that is one (1) year from offer date]

Ladies and Gentlemen:

By order of [Insert name of Applicant] (“Applicant”), we hereby issue in favor of [Insert name of Beneficiary] (the “Beneficiary”) our irrevocable standby letter of credit No. [Insert number of letter of credit] (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ [Insert amount in figures followed by (amount in words)] (“Letter of Credit Amount”). This Letter of Credit is available with [Insert name of issuing or paying bank, and the city and state in which it is located] by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on [Insert expiry date] (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents:

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. [Insert number] and stating the amount of the demand; and

2. One of the following statements signed by an authorized representative or officer of Beneficiary:

A. “The amount of the accompanying sight draft under Letter of Credit [Insert number of letter of credit] (the “Draft Amount”) is owed to [Insert name of Beneficiary] by [Insert name of Beneficiary’s counterparty under the RA Confirmation] (“Counterparty”) under Confirmation for Resource Adequacy Capacity Product for CAISO Resources dated [insert date of the Confirmation] between [Insert name of Beneficiary] and Counterparty, which entitles [Insert name of Beneficiary] to draw the Draft Amount under Letter of Credit No. [Insert number];” or

B. "Letter of Credit No. [Insert number] will expire in thirty (30) days or less and [Insert name of Beneficiary's counterparty under the RA Confirmation] has not provided replacement security acceptable to [Insert name of Beneficiary]."

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable;
4. A drawing for an amount greater than the Letter of Credit Amount is allowed, however, payment shall not exceed the Letter of Credit Amount; and
5. The Expiry Date of this Letter of Credit shall be automatically extended without amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to renew this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at [Insert bank's address for drawings].

All demands for payment shall be made either by presentation of originals or copies of documents, or by facsimile transmission of documents to [Insert fax number], Attention: [Insert name of bank's receiving department]. You may contact us at [Insert phone number] to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a facsimile presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the third (3rd) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at [Insert number and any other necessary details].

Very truly yours,

**[INSERT NAME OF ISSUING BANK]**

By: \_\_\_\_\_

Name: [Print or type name]

Title: [Print or type title]

**EXHIBIT A**  
**SIGHT DRAFT**

TO:  
[INSERT NAME AND ADDRESS OF PAYING BANK]

AMOUNT: \$ \_\_\_\_\_ DATE: \_\_\_\_\_

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC COMPANY THE AMOUNT OF U.S. \$ \_\_\_\_\_ (\_\_\_\_\_ U.S. DOLLARS)

DRAWN UNDER [INSERT NAME OF ISSUING BANK] LETTER OF CREDIT NO. [XXXXXX].

REMIT FUNDS AS FOLLOWS:

[INSERT PAYMENT INSTRUCTIONS]

DRAWER:

By: \_\_\_\_\_  
Name: [Print or type name]  
Title: [Print or type title]



## 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation

Version: RA1907 V3.0

### ENABLE MACROS OR THIS WORKBOOK WILL NOT FUNCTION PROPERLY.

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



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



Unless otherwise provided herein, all capitalized terms shall have the meaning ascribed to them in PG&E's 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation Protocol dated July 26, 2019, or the applicable Agreement. Information submitted in this bid form must exactly match the contract terms of acceptance.

1. **Each counterparty should submit only one bid form.** Counterparties should contact PGERARFO@pge.com if submitting a number of bid variations that exceeds the number of rows allowed in a single bid form.
2. An "Instructions" button appears at the top of some tabs. Click that button and follow all instructions that are provided carefully.
3. Please submit this file in the **Microsoft Excel .xlsb format**. **Other versions will not be accepted.**
4. **Please save often.**
5. This workbook is configured to recalculate automatically; however, if for any reason it does not refresh automatically, please press F9 to recalculate.
6. The workbook functions best using **Microsoft Excel 2010 or later** on a **Windows XP or Windows 7 Operating System**.
7. A completed form must include values you have entered on the following required tabs:  
[Contact Information](#)  
[Final Bid Data and/or RA Import Rights from PGE](#)  
[Supply Chain Responsibility](#)

8. Every cell with a yellow background must be filled in. As you fill these fields in, the yellow background will disappear.

#### Version Log

Version Number	Release Date	Notes
RA1907 V3.0	7/29/2019	Bid Summary tab removed
RA1907 V2.0	7/28/2019	Correction to file name copying mechanism on Instructions tab
RA1907 V1.0	7/26/2019	Original Release



26 required fields have not been populated

### 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation: Contact Information

Company Name:	
Company Address:	
City:	
State:	
Zip:	
Authorized Contact #1:	
Title of Contact #1:	
Phone Number #1:	
Alt. Number (Cell) #1:	
Fax Number #1:	
Email Address #1:	
Authorized Contact #2:	
Title of Contact #2:	
Phone Number #2:	
Alt. Number (Cell) #2:	
Fax Number #2:	
Email Address #2:	

### Participant's Non-Disclosure Agreement (NDA)

By submitting an offer, Participant agrees to adhere and be bound by the confidentiality provisions described in the 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation Protocol and the Confidentiality Agreement included as Attachment C to the Solicitation Protocol.

Title: \_\_\_\_\_  
Electronic Signature: \_\_\_\_\_  
Select "Yes" to certify that the typed name acts as your electronic signature.

### Acknowledgement of Protocol

By selecting "Yes" Participant hereby agrees to the terms of the Solicitation Protocol. Participant acknowledges that any costs incurred to become eligible or remain eligible for the solicitation, and any costs incurred to prepare a bid for this solicitation are solely the responsibility of Participant.

Title: \_\_\_\_\_  
Electronic Signature: \_\_\_\_\_  
Select "Yes" to certify that the typed name acts as your electronic signature.

### Participant Authorization

By selecting "Yes" Participant hereby confirms that they are "a duly authorized representative of Participant."

Title: \_\_\_\_\_  
Electronic Signature: \_\_\_\_\_  
Select "Yes" to certify that the typed name acts as your electronic signature.

### Attestation

By providing the electronic signature below Participant hereby attests that all information provided in this Bid Package and in response to this 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation is true and correct to the best of Participant's knowledge as of the date such information is provided.

Title: \_\_\_\_\_  
Electronic Signature: \_\_\_\_\_  
Select "Yes" to certify that the typed name acts as your electronic signature.

### A File Name Must Be Generated

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

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

When you are ready to submit this form...

1) Click this button ►

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

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

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

## 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation

Bid Development Area

### INSTRUCTIONS

Information entered on this tab will be ignored during PG&E's review of this offer form. This tab is included as a work area where you can model bids that you will eventually copy to the "Final BID Data" tab using the large gray "Copy" buttons below on the right. Only values entered on the "Final BID Data" tab will be considered during PG&E's review.

**How to copy data into the "Final BID Data" tab:** To prevent validation mechanisms on the "Final BID Data" tab from being overwritten, that tab has been configured to allow input only by keying directly into that tab, OR by using the large gray "Copy" buttons on the right immediately below to copy data you develop on this tab to the "Final BID Data" tab. Two utilities described further on in this instruction area are included to facilitate data development. Please read the following descriptions of both utilities carefully.

The **Data Creator** utility can be used to automatically generate sequences of "Show Month and Year (Term)", "Transaction Type" and "Product to Buy" values. We strongly recommend that you experiment with this utility. You can use the utility to create term/type/product sequences, then transfer those sets to another spreadsheet (see next utility description) to take advantage of drag-and-drop and other standard Excel features.

The **Copy Data to New Workbook** utility can be used to copy data you have developed on this tab to a new workbook where you can exercise all Excel's usual functionality to refine your data, then copy it back to this tab for transfer to the "Final BID Data" tab using the large gray "Copy" buttons on the right immediately below.

The **Fix Data Grid Formats and/or Clear Data From This Tab** button can be used to delete all data in the grid below. If you wish to retain the data in the grid but reformat all the rows, first use the "Copy Data to New Workbook" utility to copy the data currently in the grid to a new workbook. Then click the "Clear Data From This Tab" button to clear all data from this tab and fix the grid row formatting. Then use paste-special-values to copy the values back into the grid below from the other workbook.

Showing Month and Year (Term)	Transaction Type	Product to Buy <small>(System not permitted in 2021 or 2022)</small>	BUY Bid Price (\$/kW-Month)	BUY Generic RA Volume (MW)	BUY Flexible RA Volume (MW)	Product to Sell	SWAP Offer Price (\$/kW-Month)	SWAP Generic RA Volume (MW)	SWAP Flexible RA Volume (MW)	Mutually Exclusive Groups

Click "Format" to rebuild the default format for the row.

←Format  
←Format  
←Format

## **2019 Multi-Year Resource Adequacy (RA) Sale Solicitation**

## **Product 1 - Offers to BUY RA from PG&E**

## **INSTRUCTIONS**

**INSTRUCTIONS**  
PG&E can only accept bids to buy RA from PG&E submitted on this tab in the table below.

PG&E will reject any bid that has an error message in the Bid ID column.

Instructions for use of the "Mutually Exclusive Groups" column can be viewed by clicking the [?] button in the header of that column.

Please note that the "SELL Generic RA Volume" and "SELL Flexible RA Volume" columns are locked. Consequently you cannot copy a selection that includes those columns to another location if the area selected to copy includes those columns. Instead you must copy values in the cells to the right and left of those columns separately. **To easily clear one or more rows** select any part of the row(s) and click the button on the right immediately below.

**This tab contains extensive validation mechanisms that are not present on the "Paste BID Data Here" tab.** When you copy data from the "Paste BID Data Here" tab to this tab you may be presented with red error messages in the Bid ID column. A full explanation of each error message will be displayed in the green field immediately below this message when the red error message in the Bid ID column is clicked.

If an error message appears in red in the "Bid ID" column an explanation will be displayed here when the error message is clicked.

## **2019 Multi-Year Resource Adequacy (RA) Sale Solicitation**

## **Product 2 - Offers to BUY RA Import Rights from PG&E**

**Company Name:**



Appendix A - Version 2019.01

**Supply Chain Responsibility**  
There are 5 required fields that are not yet filled in.

## Supply Chain Responsibility

- 1) Is your company certified as a minority, woman, service disabled veteran-owned (DVBE) business, lesbian, gay, transgender (LGBT) business? (select only one):

<Choose>

- 2) Is your company a certified small business?

<Choose>

- 3) Does your company have specific programs designed to recruit and develop small, diverse suppliers/subcontractors (e.g. outreach, training, mentorship, etc.).

<Choose>

- 4) Does your company plan to subcontract any of the work pertaining to this solicitation to California CPUC-certified diverse firms?

<Choose>

- 5) Does your company have a Code of Conduct policy for its employees and suppliers?

<Choose>

**2019 Multi-Year Resource Adequacy (RA) Sale Solicitation  
Confidentiality Agreement**

**CONFIDENTIALITY AGREEMENT**

This confidentiality agreement (“Confidentiality Agreement”) dated as of the last date of signature found at the signature block (“Execution Date”) is entered into by and between Pacific Gas and Electric Company, a California corporation, (“PG&E”) and \_\_\_\_\_ (“Participant”), *[Participant to insert type of entity]*, each of which may be referred to herein separately as a “Party” or together as the “Parties”. *[Note to Participants: If you have provided a Bid as part of a joint venture or partnership, please insert the names of all parties in interest as Participants.]*

Whereas, each Party (“Provider”) may have furnished and is furnishing to the other Party (“Recipient”) certain Confidential Information, as defined below, in order to assess Participant’s offer to purchase certain product from PG&E as submitted into PG&E’s 2019 Multi-Year RA Sale Solicitation issued June 26, 2019 (“Solicitation”) in accordance to Appendix S - Sales Framework of PG&E’s Bundled Procurement Plan filed with the California Public Utilities Commission Decision and the negotiation of an agreement (“Agreement”) in connection with the Solicitation, if applicable;

Whereas, it is to the mutual benefit of each Party hereto to enter into this Confidentiality Agreement and provide for the procedure to exchange and protect Confidential Information, as defined below, pursuant to this Confidentiality Agreement;

NOW, THEREFORE, in consideration of Provider’s disclosure to Recipient of Confidential Information and other valuable consideration, the Parties agree as follows:

**1. Definition of Confidential Information**

The term “Confidential Information” shall mean all information that either Party has furnished or is furnishing to the other Party, which with respect to Participant as Provider must in addition be clearly marked “Confidential” (or promptly identified in writing as such when furnished to PG&E in intangible form), in connection with or pertaining to the Solicitation or any Agreement offer thereunder, whether furnished before or after the Execution Date of this Confidentiality Agreement, whether intangible or tangible, and in whatever form or medium provided, and regardless of whether owned by Provider, as well as all information generated by Recipient or its Representatives, as defined below, that contains, reflects, or is derived from such furnished information. “Confidential Information” shall also include information regarding the Parties’ bidding and negotiation process, including the status of such process, and potential commercial relationship concerning the Solicitation or any Agreement offer thereunder.

**2. Disclosure to Representatives**

Recipient agrees that it shall maintain the Confidential Information in strict confidence and that the Confidential Information shall not, without Provider’s prior written consent, be disclosed by Recipient or by its affiliates, or their respective officers, directors, partners, employees, agents, or representatives (collectively, “Representatives”) in any manner whatsoever, in whole or in part, and shall not be used by Recipient or by its Representatives other than in connection with the Solicitation and the evaluation or negotiation of the Agreement; provided that, PG&E may use Confidential Information, consolidated with other market information and not specifically attributed to the Provider, to analyze or forecast market conditions or prices, for its own internal use or in the context of regulatory or other proceedings. Moreover,

**2019 Multi-Year Resource Adequacy (RA) Sale Solicitation  
Confidentiality Agreement**

Recipient agrees to transmit the Confidential Information only to such of its Representatives who need to know the Confidential Information for the sole purpose of assisting Recipient with such permitted uses, as applicable; provided that, Recipient shall inform its Representatives of this Confidentiality Agreement and secure their agreement to abide in all material respects by its terms. In any event, Recipient shall be fully liable for any breach of this Confidentiality Agreement by its Representatives as though committed by Recipient itself.

**3. Nondisclosure**

Recipient further agrees that it:

- (a) shall not disclose any Confidential Information provided to it by Provider to any third party for any purpose, except as provided in Section 5 below (or Section 2 above if a Representative is a third party);
- (b) shall not distribute all or any portion of Confidential Information to any Representative for any purpose other than as permitted by Section 2 above; and
- (c) shall destroy or return all such Confidential Information upon Provider's request; provided that, each Party shall have the right to retain one copy of Confidential Information for regulatory compliance or legal purposes, and neither Party shall be obligated to purge extra copies of Confidential Information from electronic media used solely for disaster recovery backup purposes.

**4. Exclusions to Confidential Information**

For purposes of this Confidentiality Agreement, Confidential Information does not include information that:

- (a) is in the public domain at the time of the disclosure by Provider or is subsequently made available to the general public through no violation of this Confidentiality Agreement by Recipient;
- (b) Recipient can demonstrate was at the time of disclosure by Provider already in Recipient's possession and was not acquired, directly or indirectly, from Provider on a confidential basis;
- (c) is independently developed by Recipient without use of or reference to the Confidential Information; or
- (d) is disclosed with the prior written consent of Provider.

**5. Required and Permitted Disclosure**

Recipient agrees not to introduce (in whole or in part) into evidence or otherwise voluntarily disclose in any administrative or judicial proceeding, any Confidential Information, except as required by law or as Recipient may be required to disclose to duly authorized governmental or regulatory agencies ("Required Disclosure"). In the event that Recipient or any of its Representatives becomes subject to a Required Disclosure, Recipient agrees:

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- (a) to the extent practicable, to use reasonable efforts to notify Provider prior to disclosure and to prevent or limit such disclosure; and
- (b) if disclosure of such Confidential Information is required to prevent Recipient from being held in contempt or subject to other legal detriment, to furnish only such portion of the Confidential Information as it is legally compelled to disclose and to exercise its reasonable efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to the disclosed Confidential Information.

After using such reasonable efforts, Recipient shall not be prohibited from complying with the Required Disclosure and shall not be liable to the other Party for monetary or other damages incurred in connection with the Required Disclosure.

In addition to the Required Disclosure, PG&E shall be permitted to disclose Confidential Information as follows: (i) to PG&E's Procurement Review Group ("PRG"), as defined in California Public Utilities Commission ("CPUC") Decision (D) 02-08-071 and subject to confidential treatment by PRG members; (ii) to the CPUC (including CPUC staff) under seal for purposes of review (if such seal is applicable to the nature of the Confidential Information), and (iii) to the Independent Evaluator, as defined and specified in the 2019 Multi-Year RA Sale Solicitation Protocol ("Protocol"). PG&E shall also be permitted to disclose Participant's Confidential Information in order to comply with (A) any applicable law, regulation, or any exchange or control area rule, or (B) any applicable regulation, rule, or order of the CPUC, California Energy Commission, the California Air Resources Board, or the Federal Energy Regulatory Commission, including any mandatory discovery or data request issued by any of the foregoing entities.

**6. No License Rights**

This Confidentiality Agreement and any Confidential Information used or disclosed hereunder shall not be construed as granting, expressly or by implication, Recipient any rights by license or otherwise to such Confidential Information or to any invention, patent or patent application, or other intellectual property right, now or hereafter owned or controlled by Provider.

**7. Publicity**

Subject to Sections 4 and 5, neither Party will disclose any information or make any news release, advertisement, public communication, response to media inquiry or other public statement regarding this Confidentiality Agreement and the Confidential Information disclosed hereunder (including without limitation the potential commercial relationship between the Parties, the inclusion of a bid on PG&E's shortlist of bids, or the status of negotiations) or the performance hereunder or with respect to a bid, without the prior written consent of the other Party.

**8. No Future Contracts**

Entry into this Confidentiality Agreement and the disclosure of Confidential Information hereunder shall not constitute a bid or acceptance or promise of any future contract or amendment of any existing contract. Each Party shall retain such rights with respect to its own Confidential Information as it had prior to entering into this Confidentiality Agreement. Neither Party shall have any legal obligation with respect to any contemplated transaction because of this Confidentiality Agreement nor any other written or oral

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expression with respect to any transaction except, in the case of this Confidentiality Agreement, for the matters specifically agreed to herein.

**9. No Representation or Warranties**

Any Confidential Information exchanged under this Confidentiality Agreement shall carry no warranties or representations of any kind, either expressed or implied, unless specifically expressed per the terms of the Protocol. Recipient shall not rely on the Confidential Information for any purpose other than to make its own evaluation thereof or as provided in the Protocol.

**10. Injunctive Relief**

Recipient acknowledges and agrees that, in the event of any breach of this Confidentiality Agreement, Provider may be irreparably and immediately harmed and monetary damages may not be adequate to make Provider whole. Accordingly, it is agreed that, in addition to any other remedy to which it may be entitled in law or equity and, with respect to PG&E as Provider any remedy under the Protocol, Provider shall be entitled to an injunction or injunctions (without the posting of any bond and without proof of actual damages) to cease breaches or prevent threatened breaches of this Confidentiality Agreement and/or to compel specific performance of this Confidentiality Agreement, and that neither Recipient nor its Representatives will oppose the granting of such equitable relief if a court finds a breach or threatened breach. Each Party expressly agrees that it shall bear all costs and expenses, including attorneys' fees and costs that it may incur as Provider in enforcing the provisions of this Confidentiality Agreement.

**11. Term and Provisions Surviving Termination**

This term of this Confidentiality Agreement shall be two (2) years from the Execution Date; provided however, that either Party may earlier terminate this Confidentiality Agreement by giving the other Party thirty (30) days prior written notice of its intention to terminate this Confidentiality Agreement. Any such expiration or termination shall not abrogate either Party's obligations hereunder with respect to Confidential Information received prior to such expiration or termination nor those terms herein relating to the interpretation or enforcement of this Confidentiality Agreement relating to said obligations. Such obligations and terms shall survive for a period of three (3) years from said expiration or termination.

**12. No Waiver**

Any waiver of any provision of this Confidentiality Agreement, or a waiver of a breach hereof, must be in writing and signed by both Parties to be effective. Any waiver of a breach of this Confidentiality Agreement, whether express or implied, shall not constitute a waiver of a subsequent breach hereof.

**13. Binding Nature and Amendment**

This Confidentiality Agreement contains the entire understanding between the Parties with respect to Confidential Information received hereunder. No change or modification shall be effective unless made in writing and signed by an authorized representative of each Party. Any conflict between the language of any legend or stamp on any Confidential Information received hereunder, any provision of the Solicitation Protocol, or Agreement relating to Confidential Information provided during the term of this Agreement, on the one hand, and this Confidentiality Agreement, on the other hand, shall be resolved in favor of the language of this Confidentiality Agreement. This Confidentiality Agreement may not be amended or modified except by a written agreement executed by both Parties.

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**14. Governing Law and Jurisdiction**

THIS CONFIDENTIALITY AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA. THE PARTIES AGREE THAT ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATED IN ANY WAY TO THIS CONFIDENTIALITY AGREEMENT SHALL BE BROUGHT SOLELY IN A COURT OF COMPETENT JURISDICTION SITTING IN THE CITY AND COUNTY OF SAN FRANCISCO. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY ACTION OR PROCEEDING IN ANY SUCH COURT, ANY OBJECTION TO VENUE WITH RESPECT TO ANY SUCH ACTION OR PROCEEDING AND ANY RIGHT OF JURISDICTION ON ACCOUNT OF THE PLACE OF RESIDENCE OR DOMICILE OF ANY PARTY THERETO. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE THE RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY CLAIM ARISING OUT OF OR RELATED TO THIS CONFIDENTIALITY AGREEMENT.

**15. Severability**

If any provision hereof is unenforceable or invalid, it shall be given effect to the extent it may be enforceable or valid, and such unenforceability or invalidity shall not affect the enforceability or validity of any other provision of this Confidentiality Agreement.

**16. Counterparts**

This Confidentiality Agreement may be signed in counterparts, each of which shall be deemed an original. This Confidentiality Agreement may be executed and delivered by facsimile or PDF transmission and the Parties agree that such facsimile or PDF transmission execution and delivery shall have the same force and effect as delivery of an original document with original signatures.

**17. Notice**

Any notice given hereunder by either Party shall be made in writing and shall be effective once delivered, by any of the following means: (a) e-mail, with indication of complete electronic transmission thereof and receipt of a copy sent via certified U.S. Mail, return receipt requested, as evidenced by a signed delivery receipt; or (b) overnight delivery by a nationally recognized overnight delivery service, as verified by a delivery receipt or signature, addressed as follows:

To Participant: **[TO BE COMPLETED BY EACH PARTICIPANT]**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_

**PG&E**

**2019 Multi-Year Resource Adequacy (RA) Sale Solicitation  
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To PG&E: Pacific Gas and Electric Company  
Electric Supply Department  
Attn: Multi-Year RA Sale Manager  
77 Beale Street, (MC B25J)  
San Francisco, California 94105  
Email: [PGERARFO@pge.com](mailto:PGERARFO@pge.com)

Either Party may periodically change any address to which notice is to be given it by providing written notice of such change to the other Party.

IN WITNESS WHEREOF, each Party has caused this Confidentiality Agreement to be duly executed and delivered by its proper and duly authorized agent as of the date set forth below. *[Note to Participants:  
For joint Bids, please add signature blocks for each Participant involved.]*

**PACIFIC GAS AND ELECTRIC COMPANY**

**[PARTICIPANT NAME]**

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Signature

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Signature

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Print Name

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Print Name

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Title

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Title

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Date

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Date



# **2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2**

**Resource Adequacy Purchases, Sales, and Purchase-Sales;  
Import Allocation Right Sales**

**September 18, 2019**

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## I. Introduction and Overview

### A. Overview

Pacific Gas and Electric Company (“PG&E”) is issuing Phase 2 of its 2019 Multi-Year Resource Adequacy (“RA”) Solicitation (“Solicitation”) seeking bids for the sale (*i.e.*, **PG&E buys**), purchase (*i.e.*, **PG&E sells**), and purchase/sale (*i.e.*, **simultaneous PG&E buys/PG&E sells**) of the following eligible RA and Import Allocation Rights (“IAR”) products with respect to the 2020 – 2022 delivery periods, as described below in “Table 2: Product Available for the 2019 Multi-Year RA Solicitation”, pursuant to an EEI Master Agreement and RA Confirmation (collectively, “Agreement”), as detailed below in *Section II.C – Contract Options*. This Solicitation protocol (“Solicitation Protocol”) describes the process by which PG&E seeks and evaluates bids submitted in the Solicitation. The Solicitation complies with PG&E’s Conformed Bundled Procurement Plan (“BPP”) Appendix S – Sales Framework.

For Phase 2 of the 2019 Multi-Year RA Solicitation, PG&E will make bids due after Final 2020 Year-Ahead Allocations from the California Public Utilities Commission (“CPUC”) and the Final 2020 Net Qualifying Capacity (“NQC”) List from the California Independent System Operator (“CAISO”) have been received. Allowing bids to be due after Final Allocations and NQC List have been received allows load-serving entities (“LSEs”) to know their position needs prior to making decisions about bids.

### B. Expected Schedule

#### Schedule Overview

The expected schedule for this Solicitation is listed in Table I below. All times are in Pacific Prevailing Time (“PPT”). All days are in business days.

Table I: 2019 PG&E’s Multi-Year RA Solicitation Schedule

Event	Date/Time
1) PG&E issues Phase 2 of Solicitation	Wednesday, 9/18
2) Participants’ Webinar	Thursday, 9/19 at 10 AM
3) Bids Due. Bid(s) must be submitted to Power Advocate.	1 PM on the 5 <sup>th</sup> business day after PG&E receives Final Allocations for 2020 from CPUC and Final NQC List for 2020 from CAISO
4) PG&E notifies Participants of shortlist status	+9 days by COB
5) Deadline for notified shortlisted Participants to accept shortlist status and final volumes	+2 days at 12 PM (+11 days after Bids Due)

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### 2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2

6) Target Execution of Phase 2 RA Confirmations	By Friday, 10/18 COB
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The Solicitation schedule is subject to change at PG&E's sole discretion at any time. PG&E will endeavor to notify participants of any schedule change via notification on PG&E's Solicitation website. PG&E will have no liability or responsibility to any participant for change in the schedule or for not providing notice of any change.

#### C. Disclaimers for Rejecting Bids and/or Terminating this Solicitation

This Solicitation does not constitute a bid to sell or purchase and creates no obligation to execute any Agreement or to enter into a transaction under an Agreement as a consequence of the Solicitation or discussions arising from the Solicitation. PG&E shall retain the right at any time, in its sole discretion, to reject any bid on the grounds that it does not conform to the terms and conditions of this Solicitation, or as otherwise provided in this Solicitation, and reserves the right to request information at any time during the Solicitation process.

PG&E retains the discretion, in its sole judgment, to: (a) reject any bid on the basis that it does not provide sufficient ratepayer benefit or that it would impose conditions that PG&E determines are impractical or inappropriate; (b) formulate and implement appropriate criteria for the evaluation and selection of bids; (c) negotiate with any Participant; and (d) 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 reserves the right to either suspend or terminate this Solicitation at any time for any reason whatsoever. PG&E 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 Participant, whether submitting a bid or not.

## II. **Solicitation Products**

### A. Product Attributes

PG&E is seeking the following products in this Solicitation:

**Table 2: Product Available for the 2019 Multi-Year RA Solicitation**

<b>Product</b>	<ul style="list-style-type: none"><li>• Resource Adequacy (RA)<ul style="list-style-type: none"><li>◦ System (Option for Flexible Attribute)</li><li>◦ Local (Option for Flexible Attribute)<sup>1</sup></li></ul></li><li>• Import Allocation Rights (IAR)</li></ul>
<b>Pricing</b>	<ul style="list-style-type: none"><li>• RA – fixed price (\$/kw-month)</li><li>• Import Allocation Rights – fixed price (\$/kw-month)</li></ul>
<b>Transaction</b>	PG&E seeks the following transaction types: <ul style="list-style-type: none"><li>• PG&amp;E sells System RA (2020)</li></ul>

<sup>1</sup> There are currently 7 Local Reliability Areas within PG&E's service territory, including: (1) Greater Bay, (2) Greater Fresno, (3) Humboldt, (4) Kern, (5) North Coast / North Bay, (6) Sierra, and (7) Stockton.

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### 2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2

<b>Types (Term)</b>	<ul style="list-style-type: none"><li>• PG&amp;E sells Local RA (2020, 2021, 2022)</li><li>• PG&amp;E sells IAR (2020)</li><li>• PG&amp;E sells System RA and buys Local RA (2020)</li><li>• PG&amp;E sells Local RA and buys System RA (2020, 2021, 2022)</li><li>• PG&amp;E sells Local RA and buys Local RA (2020, 2021, 2022)</li><li>• PG&amp;E buys System RA (2020, 2021, 2022)</li><li>• PG&amp;E buys Local RA (2020, 2021, 2022)</li></ul> <p>Terms available are January through December (monthly) for the years listed above.</p> <p>Note: PG&amp;E is particularly interested in receiving Local RA in 2020, 2021, and 2022 in the following areas: Kern, North Coast/North Bay, Sierra, and Stockton.</p>
<b>Quantity</b>	<ul style="list-style-type: none"><li>• Minimum 1 MW</li><li>• No maximum Bid quantity</li></ul>
<b>Agreement</b>	<ul style="list-style-type: none"><li>• Confirmation under an EEI Master Agreement</li></ul>

## B. Bid Quantities

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Bids must indicate the specific RA quantity in MWs and prices as requested in the Bid Form. Participants must bid a minimum volume of 1MW. There is no maximum bid quantity. PG&E may select partial bid volumes.

## C. Contract Options

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The terms and conditions creating and defining the conforming products sold by PG&E are set forth in the accompanying RA Confirmation. The RA Confirmation is specific to transactions executed under an EEI Master Agreement with Collateral Annex and as such, Participants will need to have an EEI Master Agreement and Collateral Annex in place with PG&E prior to the execution of a RA Confirmation in this Solicitation.

PG&E intends to execute transactions using a form confirmation with selected Participants. PG&E may execute RA Confirmations with selected Participants at any time during the Solicitation or may choose to execute none at all.<sup>2</sup> The Solicitation will terminate as described in *Section XI – Termination of the Solicitation-Related Matters*.

Participants that were not awarded volumes in Phase 1 may propose modifications for discussion with the PG&E RA team. We encourage these Participants to flag any issues in the Confirmation early. PG&E intends to utilize the same Confirmation for Participants that were awarded volumes, and executed Confirmations in Phase 1.

## III. Evaluation of Bids

In its evaluation of conforming bids, PG&E will primarily consider the following criteria:

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<sup>2</sup> For buy-sells, there will be two RA Confirmations executed – one for each buy-sell leg.

## 2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2

- Price (subject to portfolio constraints)
- Conformance with PG&E's RA Confirmation

PG&E will evaluate each bid against these criteria and select a subset of bids to Shortlist.

Each of the evaluation criteria is discussed in more detail below.

**Price** considers how pricing for a specific product compares with other Bids of the same product.

**Conformance to the RA Confirmation** is the degree to which a Participant has modified the RA Confirmation. PG&E intends to execute one form of RA Conformation with all selected Participants. Participants are strongly encouraged to bid pricing for conforming products consistent with PG&E's RA Confirmation with minimal or no proposed changes.

## IV. Participation Protocols

### A. Agreement by Participant

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Each entity submitting a bid in this Solicitation is a Participant. By responding to this Solicitation, each Participant 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.

### B. Submission Overview

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All Bids must be received by 1 PM on the 5<sup>th</sup> business day after PG&E receives Final Allocations for 2020 from CPUC and Final NQC List for 2020 from CAISO, as specified in Table I, PG&E's 2019 Multi-Year RA Solicitation Schedule, and include all required Bid documents as set forth in *Section IV.D – Required Documents*.

**Submitting Documents:** All Bids for this Solicitation **must** be submitted electronically through Power Advocate. Prior to submitting a Bid, Participants must register with Power Advocate. PG&E strongly encourages Participants to register with Power Advocate at least one week before Bids are due. PG&E will post detailed instructions on the Multi-Year RA Solicitation website for submitting bid(s) and using the online platform. Power Advocate registrants should be listed under the entity submitting the bid, not its consultants.

Power Advocate Link:

<https://www.poweradvocate.com/pR.do?okey=97032&pubEvent=true>

**Electronic Document Formats:** The electronic documents for the attachments must be in a Microsoft Word, Excel file or Adobe Acrobat PDF file as applicable. For each document, please include the Participant's company name in each file name.

**2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2**

**C. Number of Bids and Variations Allowed Per Participant**

One (1) Appendix B – RA Bid Form should be submitted per Participant.<sup>3</sup> Participants may submit multiple bids within the single bid form. Participants may submit:

- Up to three (3) Buy bids with the same combination of Term and Product to Buy,
- Up to three (3) Sell bids with the same combination of Term and Product to Sell, and
- Up to three (3) Buy/Sell bids with the same combination of Term and Product to Buy.

Mutually exclusive bids should be clearly identified. Participants may submit up to three (3) groups of mutually exclusive bids (“Mutually Exclusive Groups”) per month within a given year (“Month-Year”), and each group can include up to three (3) bids.

For clarity, if a Participant submits bids in a Mutually Exclusive Group, the Participant is indicating that it will only execute one of the bids within the group.

**D. Required Documents**

The following documents listed in “Table 3: 2019 Multi-Year RA Solicitation Bid Package” are located at the 2019 Multi-Year RA Solicitation website at [www.pge.com/rfo/ra-solicitation](http://www.pge.com/rfo/ra-solicitation) and must be included with all conforming Bids. In order to expedite the review process, PG&E has a strong preference for Participants to submit Appendix A – RA Confirmation as soon as possible, prior to final bid package deadline. The deadline to submit all documents in the bid package is 1 PM on the 5<sup>th</sup> business day after PG&E receives Final Allocations for 2020 from CPUC and Final NQC List for 2020 from CAISO.

**Table 3: 2019 Multi-Year RA Sale Solicitation Bid Package**

Appendix	Title	Description	Format
A1, A2, and/or A3	RA Confirmation (if applicable)	Participants that were not awarded volumes in Phase 1 may propose modifications for discussion with the PG&E RA team. We encourage these Participants to flag any issues in the Confirmation early. PG&E intends to utilize the same Confirmation for Participants that were awarded volumes, and executed Confirmations, in Phase 1.  Note: If Appendix A – RA Confirmation is not included a Participants’ Bid Package, Participant is indicating there are no issues to the form confirmation.	MS Word
B	RA Bid Form	Participants must provide all applicable information requested in the form. Participants are to enter a single bid quantity by product, in \$/kW-month for	MS Excel

<sup>3</sup> Counterparties should contact [PGERARFO@pge.com](mailto:PGERARFO@pge.com) if submitting a number of bid variations that exceeds the number of rows allowed in a single Appendix B – RA Bid Form.

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### 2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2

		<p>each month, as applicable for each product. Bids that do not meet these requirements may be rejected as non-conforming.</p> <p>PG&amp;E will only accept one Bid Form per counterparty.</p> <p>PG&amp;E will not accept Bids that are contingent on the selection of another bid.</p> <p>Bid Form file name must be the same as the Bid ID contained within the file. Bid Form information must be consistent with RA Confirmation.</p>	
C	Confidentiality Agreement	Participants must agree to be bound by the terms and conditions of Appendix C via the Non-Disclosure attestation in the Bid Form	PDF
D	Documentation of Entity Legal Status from the California Secretary of State (if applicable)	<p>Participant or end-user counterparty must demonstrate that it has an “Active” legal status authorized by the California Secretary of State in order to engage in business with PG&amp;E. A webpage screenshot verifying Participant or end-user counterparty’s “Active” legal status via the California Secretary of State’s webpage is acceptable. The California Secretary of State website is located at <a href="https://businesssearch.sos.ca.gov/">https://businesssearch.sos.ca.gov/</a>. Note, a Joint Powers Authority (“JPA”) is also acceptable.</p> <p>Participants do not need to resubmit an Appendix D for Phase 2 if it was already provided in the Bid Submittal Package for Phase 1.</p>	MS Word or PDF

**Format of Electronic Documents:** The electronic documents must be in a Microsoft Word, Excel, or PDF file, as applicable. The Participant should not provide documents in other electronic formats or versions.

**Telephonic, telegraphic, hardcopy or facsimile transmission of a Bid is not acceptable.**

## V. Communications

PG&E has established the Solicitation website at <http://www.pge.com/rfo/ra-solicitation>. All Solicitation documents, information, announcements and questions and answers will be posted and available to Participants at this website.

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

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CC the Independent Evaluator (“IE”) at [Charles.Janecek@PAconsulting.com](mailto:Charles.Janecek@PAconsulting.com). With respect to a matter of general interest raised by any Participant, PG&E may, without reference to the inquiring Participant, post the question and PG&E’s response on PG&E’s website. PG&E will attempt to respond to all inquiries but may decline to respond to any particular inquiry.

All correspondence sent to PG&E will be monitored by the IE, Charles Janecek of PA Consulting, 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 certain competitive Solicitations.

## VI. Credit

Upon shortlist, PG&E’s credit group will consider a Participant’s capability to perform all of its financial and other obligations which provides for the collateral requirements governing transactions executed as part of this Solicitation. Participants that were not awarded volumes in Phase 1 may propose modifications to the collateral requirements for discussion with the PG&E RA team. We encourage these Participants to flag any issues with credit language in the Confirmation early. PG&E intends to utilize the same Confirmation for Participants that were awarded volumes, and executed Confirmations in Phase 1.

NOTE: PG&E’s credit group may consider alternatives for rate setting authorities who participate in the Solicitation.

## VII. Pricing, Terms and Conditions

Participants should develop their Bids based on the RA Confirmation.

Participants are required to complete the RA Bid Form specifying the products, quantity, and pricing being bid. This form should be completed with consideration of the RA Confirmation. Any changes made to the RA Confirmation or pricing after submission of the Bid may not be accepted by PG&E or may result in PG&E rejecting the Participant’s Bid.

## VIII. Confidentiality Agreement

All information and documents exchanged, the negotiations of any transaction, and the status or existence of negotiations, between PG&E and the Participant in connection with this Solicitation shall be considered confidential information and PG&E and the Participant shall be prohibited from disclosing such information to any and all third parties except as provided below.

PG&E retains the right to disclose any information or documents provided by the Participant along with the status of the negotiations of the Bid to the CPUC, its staff, the PRG, the Solicitation IE and to any other entity with competent jurisdiction over PG&E 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 to the Participant or any third party.

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### 2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2

PG&E has confidentiality and/or non-disclosure agreements with the PRG and the IE, applicable to the confidential information. PG&E cannot, however, ensure that the CPUC will afford confidential treatment to confidential information in connection with the Solicitation, or that confidentiality agreements or orders will be obtained from the CPUC.

## IX. Execution of Agreement

By submitting a bid, a Participant agrees, if its Bid is selected, to discuss a definitive RA Confirmation consistent with the RA Confirmation provided in Appendix A and containing such other terms and conditions as may be mutually acceptable to PG&E and the Participant. PG&E's evaluation of a Participant's Bid, and PG&E's discussion with the Participant, will not constitute any agreement by PG&E to any modification made by the Participant to the RA Confirmation submitted or constitute an obligation on PG&E to execute an agreement with the Participant in this Solicitation.

## X. Participant's Waiver of Claims and Limitations of Remedies

Except as expressly set forth in this Solicitation, by submitting a bid, the Participant knowingly and voluntarily waives any rights under statute, regulation, state or federal constitution, or common law to assert any claim or complaint or other challenge in any regulatory, judicial or other forum, including the CPUC, except as expressly provided below, the FERC, the Superior Court of the State of California ("State Court") or United States District Court ("Federal Court") concerning or related in any way to the Solicitation and/or any documents related to the Solicitation ("Waived Claims"). The assertion of any Waived Claims by Participant at the CPUC, FERC, State Court, Federal Court, or otherwise shall, to the extent that Participant's Bid has not already been disqualified, provide PG&E the right, and may result in PG&E electing, to reject such Bid or terminate the Solicitation.

By submitting a Bid, the Participant further agrees that the sole forum in which Participant may assert any challenge with respect to the conduct or results of the Solicitation is the CPUC. The Participant further agrees that the sole means of challenging the conduct or results of the Solicitation is a protest to PG&E's filing before the CPUC showing details of one or more agreements entered into as a result of the Solicitation. The Participant further agrees that the sole basis for any such protest shall be a challenge to the conduct or results of the Solicitation on the grounds that PG&E failed in a material respect to conduct the Solicitation in accordance with the Solicitation rules and procedures outlined in this document, and the exclusive remedy available to the Participant in the case of such a protest shall be an order of the CPUC that PG&E again conduct any portion of the Solicitation that the CPUC determines was not previously conducted in accordance with the Solicitation rules and procedures outlined in this document. The Participant expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs, and/or attorneys' fees. Unless PG&E elects to do otherwise in its sole discretion, during the pendency of such a protest 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 has elected to terminate the Solicitation.

The Participant agrees to indemnify and hold PG&E harmless from any and all claims by any other Participant asserted in response to the assertion of a Waived Claim by the

**2019 Multi-Year Resource Adequacy (RA) Solicitation Protocol – Phase 2**

Participant. Except as expressly provided in this Solicitation, 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.

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

PG&E 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 or anyone acting on PG&E'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 that, following evaluation of the Bids, there are no Bids that provide adequate ratepayer benefit.

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

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

PG&E will notify Participants by the close of the Solicitation if their Bids are not accepted. The Solicitation will terminate automatically on October 30, 2019 unless extended by PG&E.

## **XII. Participant's Representations and Warranties**

BREACH BY ANY PARTICIPANT OF THE REPRESENTATIONS AND WARRANTIES OF THE SOLICITATION OR ANY SOLICITATION DOCUMENTS IS, 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.

**MASTER POWER PURCHASE AND SALE AGREEMENT  
RESOURCE ADEQUACY CONFIRMATION LETTER  
BETWEEN  
[PARTY A NAME] (“PARTY A”)  
AND  
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between Party A and Party B, which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement or the Tariff (defined below), as applicable. Section references herein are to this Confirmation unless otherwise noted.

**ARTICLE 1  
TRANSACTION TERMS**

**Buyer:** Party B

**Seller:** Party A

**Product:** The Product is the Capacity Attributes of the Unit(s) as defined in Appendix B; provided that if Buyer does not specify the Local Capacity Area in Appendix B, when applicable, then Seller may provide Local RAR from any Local Capacity Area in the Seller’s local areas. The Product does not include any right to the energy or ancillary services of the Unit(s).

**Delivery Period:** [Begin Date] through [End Date], inclusive.

**Contract Quantity and Contract Price:** The Contract Quantity and Contract Price for each day of each Showing Month during the Delivery Period shall be set forth in Appendix B.

**ARTICLE 2  
DELIVERY OBLIGATIONS AND ADJUSTMENTS**

**2.1 Firm RA Product**

Seller’s obligation to deliver the Contract Quantity of Product for each day included in the Delivery Period is firm and will not be excused for any reason.

**2.2 Seller To Identify Shown Unit**

- (a) Seller shall identify the Shown Unit(s) that meet the Product characteristics and Contract Quantity specified in Appendix B by providing Buyer with the specific Unit information no later than:
  - (i) Fifteen (15) calendar days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, if the Confirmation Effective Date is at least fifteen (15) calendar days before such Compliance Showing deadline; or
  - (ii) One (1) business day from the Confirmation Effective Date if the Confirmation Effective Date is less than fifteen (15) calendar days from the Compliance Showing. Section 2.3 of this Confirmation does not apply when the Confirmation Effective Date is within fifteen (15) calendar days of the Compliance Showing.
- (b) The Shown Unit should not have characteristics that would trigger the need for Buyer or Seller to file an Advice Letter to the CPUC.
- (c) Seller's notice under this Section 2.2 shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within three (3) Business Days of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Shown Unit. If Buyer timely objects, Seller must identify another Shown Unit within five (5) Business Days. Provided such Shown Unit meets the requirements of this Confirmation, this second Shown Unit shall be deemed acceptable to and approved by Buyer upon receipt. This section does not apply if the Confirmation Effective Date is within fifteen (15) calendar days of the relevant Compliance Showing deadline.
- (d) Once the Shown Unit designated by Seller is approved or deemed approved in accordance with Section 2.2(c), then any such Shown Unit will be automatically deemed the Unit from which the Product is delivered for purposes of this Confirmation for the affected Showing Month.

**2.3 Seller To Provide Alternate Capacity**

- (a) If Seller desires to provide the Contract Quantity for any Showing Month during the Delivery Period from a different Unit other than the Shown Unit as designated in Section 2.2, then Seller may, at no additional cost to Buyer, provide Buyer with Product from one (1) or more Alternate Units in an amount such that the total amount of Product provided to Buyer from the Unit and Alternate Units for the Showing Month during the Delivery Period is equal to the Contract Quantity for the Delivery Period.
- (b) If Seller desires to provide Product from an Alternate Unit under Section 2.3(a), Seller must notify Buyer of its intent to provide Product from an Alternate Unit and identify the proposed Alternate Unit meeting the Product characteristics

specified in Appendix B no later than five (5) calendar days before the relevant deadlines for the submission of Compliance Showings related to the applicable Showing Month. Seller's notice under this Section 2.3(b) shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within one (1) Business Day of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Alternate Unit. If Buyer timely objects, Seller must identify another Alternate Unit within two (2) Business Days. Provided such Alternate Unit meets the requirements of a Shown Unit under this Confirmation, this second Alternate Unit is deemed acceptable to and approved by Buyer upon receipt.

- (c)** Once the Alternate Unit is approved or deemed approved in accordance with Section 2.3(b), then any such Alternate Unit will be automatically deemed the Unit from which Product is delivered for purposes of this Confirmation for the affected Showing Month.

## **2.4 Delivery of Product**

- (a)** Seller shall provide Buyer with the Contract Quantity of Product for each day during the Delivery Period consistent with the following:
- (i)** Seller shall, on a timely basis with respect to each applicable Showing Month, submit, or cause the Unit's Scheduling Coordinator to submit, Supply Plans in accordance with the Tariff to identify and confirm the Product provided to Buyer for each day of such Showing Month that is included in the Delivery Period so that the total amount of Product identified and confirmed for each such day of such Showing Month equals the Contract Quantity for such day of such Showing Month.
  - (ii)** Seller will be deemed to have delivered the Product on each day to the extent that Buyer receives credit from CAISO for such day for Product identified and confirmed in the Supply Plan submitted for the Unit.
  - (iii)** Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article 7 as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.
- (b)** In accordance with Sections 2.2 and 2.3 and subject to Article 7, Seller shall to the extent required by CAISO or the CPUC rules cause the information listed in Appendix B to be included in all applicable Supply Plans and shall cause all Supply Plans to be filed in conformance with the requirements of the CPUC Filing Guide and the Tariff. In addition, if during the Delivery Period, there are changes to the information included in Appendix B, the Parties agree to communicate such changes to each other promptly.

## **2.5 Damages for Failure to Provide Capacity**

If Seller fails to deliver to Buyer the Contract Quantity of Product for any day during the Delivery Period in accordance with Section 2.4 then with respect to each Showing Month, Seller is liable for damages pursuant to Section 4.1 of the Master Agreement, and provided that Buyer has prepaid for the Contract of Quantity in accordance with Section 3.1, Seller shall pay to Buyer the following:

For each applicable day during the Showing Month included in the Delivery Period in which the Buyer's Monthly Payment has been received by Seller in accordance with Section 3.1 of this Confirmation only, the amount equal to (w) the applicable Contract Price divided by (x) the number of days included in the Showing Month multiplied by (y) the amount of Contract Quantity not delivered by Seller on such day, multiplied by (z) 1,000 kW per MW.

## **2.6 Indemnities for Failure to Deliver Contract Quantity**

- (a)** Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or CAISO resulting from any of the following:
  - (i) Seller's failure to deliver any portion of the Contract Quantity of Product for any portion of the Delivery Period and such failure results in the imposition of penalties, fines or costs assessed against Buyer; or
  - (ii) A Unit's Scheduling Coordinator's failure to timely or accurately submit Supply Plans in accordance with the applicable Tariff that identify Buyer's right to the Contract Quantity purchased hereunder for each day of the Delivery Period.
- (b)** With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines, and costs.

## **2.7 Buyer's Re-Sale of Product**

- (a)** Buyer may re-sell all or a portion of the Product purchased under this Confirmation ("Resold Product"); provided that such re-sell right does not include the ability to offer any portion of Product into the CSP. If Buyer re-sells Product, Seller agrees, and agrees to cause the Unit's Scheduling Coordinator, to follow Buyer's instructions with respect to providing such Resold Product to subsequent purchasers of such Resold Product to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller further agrees, and agrees to cause the Unit's Scheduling Coordinator, to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs

any liability to any subsequent purchaser of such Resold Product due to the failure of Seller or the Unit's Scheduling Coordinator to comply with the terms of this Confirmation, then Seller shall be liable to Buyer for any liabilities Seller would have incurred under this Confirmation if Buyer had not resold the Product, including without limitation, pursuant to Sections 2.5 and 2.6.

- (b) If Buyer exercises its right to re-sell the Product, Buyer shall notify Seller in writing that such sale has occurred by providing to Seller the information described in Appendix C (“Re-sale Plan”). The Re-sale Plan shall be provided no later than three (3) Business Days before the deadline for the Compliance Showings applicable to the relevant Showing Month, except where Buyer exercises its rights under Article 7, then Buyer shall notify Seller in accordance with deadlines described in Article 7. Buyer shall notify Seller of any subsequent changes or further resale of the Resold Product, and such notice shall include all updates to the information in Appendix C in accordance with the deadlines described in this Section 2.7(b).

## **ARTICLE 3** **PAYMENT**

### **3.1 Monthly Payment**

Buyer shall make a payment (a “Monthly Payment”) to Seller, for the applicable Showing Month, as follows:

$$Monthly\ Payment = Q \times P \times CF$$

where:

- Q = The Contract Quantity of Product to be delivered by Seller to Buyer pursuant to Appendix B and consistent with Section 2.4 for the Showing Month  
P = The Contract Price for the Showing Month, expressed in dollars per kW-month, as stated in Appendix B  
CF = The conversion factor equal to 1,000 kW per MW

The Monthly Payment calculation shall be rounded to two decimal places.

If the Confirmation Effective Date is more than fifteen (15) calendar days prior to the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, payment shall be paid by Buyer and received by Seller no later than fifteen (15) calendar days prior to the deadlines for the corresponding Compliance Showings applicable to the Showing Month. If the Confirmation Effective Date is fifteen (15) calendar days or less from the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, the Monthly Payment shall be made by Buyer and received by Seller no later than five (5) Business days following the Confirmation Effective Date.

### **3.2 Allocation of Other Payments and Costs**

- (a) Seller is entitled to retain any revenues it may receive from, and shall pay all costs charged by, CAISO or any other third party with respect to the Unit for (i) start-up, shutdown, and minimum load costs, (ii) capacity revenue for ancillary services, (iii) energy sales, (iv) revenue for flexible ramping product, and (v) any revenues for black start or reactive power services. All Seller revenues described in this Section 3.2(a) and received by Buyer or a purchaser of Resold Product must be remitted to Seller and Buyer shall pay such revenues to Seller if received by Buyer or if a subsequent purchaser of Resold Product fails to remit those revenues to Seller.

If Buyer fails to pay such revenues to Seller, Seller may recoup any amounts owing to it for such revenues against any future amounts it may owe to Buyer.

Seller shall indemnify, defend and hold Buyer harmless from and against all liabilities, damages, claims, losses, costs or expenses (including, without limitation, attorneys' fees) incurred by or brought against Buyer in connection with Environmental Costs.

- (b) In order to verify the accuracy of such revenues, Buyer has the right, at its sole expense and during normal working hours after reasonable prior notice, to hire an independent third party reasonably acceptable to Seller to audit any documents, records or data of Seller associated with the Contract Quantity and in accordance with Section 3.1 of this Confirmation and Article Six of the Master Agreement.
- (c) If CAISO or CPUC develops a centralized capacity market, Buyer will have exclusive rights to tell the Seller or the Unit's Scheduling Coordinator to offer, bid, or otherwise submit the applicable Contract Quantity of Product for each day during the Delivery Period provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive all revenues from such re-sale.
- (d) Buyer and Seller agree that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the Tariff. Any Availability Incentive Payments or Non-Availability Charges are for the account, or are the responsibility of, the Seller, as applicable.

### **ARTICLE 4** **CAISO OFFER REQUIREMENTS**

Seller is responsible for, as applicable, scheduling or causing the applicable Unit's Scheduling Coordinator to schedule with, or make available to, CAISO the Product delivered to Buyer for each day during the Delivery Period in compliance with the Tariff, and performing all, or causing the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the Product sold hereunder. Buyer is not liable for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or

operator to comply with such Tariff provisions or any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator (unless Seller is the Scheduling Coordinator), owner, or operator for such noncompliance.

**ARTICLE 5**  
**OTHER BUYER AND SELLER COVENANTS**

**5.1 Seller's and Buyer's Duty to Take Action to Allow the Utilization of the Product**

Buyer and Seller shall, throughout the Delivery Period, take commercially reasonable actions (including the execution of documents or instruments) reasonably necessary to ensure Buyer's right to the use of the Contract Quantity on each day during the Delivery Period for the sole benefit of Buyer or any applicable subsequent purchaser pursuant to Section 2.7. The Parties shall make commercially reasonable changes to this Confirmation necessary to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, CAISO or other Governmental Body having jurisdiction to administer Compliance Obligations, with regard to the following proceedings: (a) the Resource Adequacy (RA) Order Instituting Rulemaking (OIR) (Rulemaking (R.)17-09-020) at the CPUC; (b) the RA Enhancements stakeholder initiative at the CAISO; (c) the Integrated Resource Plan OIR (R.16-02-007) at the CPUC; (d) the Power Charge Indifference Adjustment (PCIA) OIR (R.17-06-026) at the CPUC.

**5.2 Representations, Warranties and Covenants**

- (a) Seller represents and warrants to Buyer throughout the Delivery Period that:
- (i) no portion of the Contract Quantity for any day during the Delivery Period has been committed by Seller to any third party in order to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;
  - (ii) the Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;
  - (iii) each Unit's Scheduling Coordinator, owner and operator is obligated to comply with applicable laws, including the Tariff, relating to the Product;
  - (iv) if Seller is the owner of the Unit, the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned or transferred for the Unit for each day included in the Delivery Period does not exceed the Unit NQC and, if applicable, the Unit EFC, for that Unit; and
  - (v) Seller has notified either the Scheduling Coordinator of the Unit or the entity from which Seller purchased the Product of the fact that Seller has transferred the Contract Quantity for each day of the Delivery Period to Buyer, or, if applicable, to a subsequent purchaser.

- (b) Seller represents and warrants to Buyer as of the date of the relevant Compliance Showing, that Seller owns or has the exclusive right to the Product sold under this Confirmation from the Unit;
- (c) Seller covenants as follows:
  - (i) Seller shall not offer, and shall ensure that the Unit's Scheduling Coordinator does not offer, any portion of the Contract Quantity for any day during the Delivery Period to CAISO as CPM Capacity. However, if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall promptly notify Buyer, or shall cause the Unit's Scheduling Coordinator to promptly notify Buyer within one (1) Business Day of the time Seller receives notification from CAISO. If CAISO makes such a designation, Seller shall not accept, and shall ensure that the Unit's Scheduling Coordinator does not accept, any such designation by CAISO unless and until Buyer has agreed to accept such designation; and
  - (ii) Seller shall, upon request, furnish Buyer, CAISO, CPUC or other applicable Governmental Body evidence that its representation made in Section 5.2(c)(i) is true and correct
- (d) Each Party covenants to the other Party throughout the Delivery Period to comply with the Tariff, relating to the Product.
- (e) The Parties agree that the following sections of the Master Agreement between the Parties shall not be applicable to this Confirmation or Transactions hereunder until Party B's exit from the Chapter 11 Cases has occurred: Sections 5.1(d), 5.1(e), 5.1(f), 10.2(v), 10.2(vi), and 10.10. Notwithstanding anything to the contrary contained herein, with respect to Party B: Party A acknowledges and agrees that (i) representations and warranties under Section 10.2(x) of the Master Agreement are made subject to the provisions of the Bankruptcy Code and any order of the Bankruptcy Court; and (ii) until Party B's exit from the Chapter 11 Cases has occurred, the existence or continuation of Party B being Bankrupt is not an Event of Default with respect to Party B under this Agreement (including pursuant to Section 5.1(g) of the Master Agreement) and does not entitle Party A to terminate this Agreement solely because of such existence or continuation.

## **ARTICLE 6** **CONFIDENTIALITY**

Notwithstanding Section 10.11 of the Master Agreement, the Parties may disclose all terms and conditions of this Transaction to any Governmental Body, the CPUC, CAISO and the Procurement Review Group, and Seller may disclose the transfer of the Contract Quantity for each day during the Delivery Period under this Transaction to the Scheduling Coordinator of the Unit in order for such Scheduling Coordinator to timely submit accurate Supply Plans. Each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Body, CAISO, or Scheduling Coordinator to further disclose

information disclosed pursuant to this Article. In addition, if Buyer resells all or any portion of the Contract Quantity for any day during the Delivery Period to another party, Buyer shall be permitted to disclose to the purchaser of the Resold Product all such information necessary to effect such resale transaction, other than the Contract Price. **[Drafting Note: Parties to review confidentiality provision in Master Agreement and edit accordingly here]**

## **ARTICLE 7** **HOLD-BACK AND SUBSTITUTE CAPACITY**

No later than three (3) Business Days before the relevant deadline for the initial Compliance Showing with respect to a particular Showing Month, Buyer may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Buyer shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Buyer's request for Hold-Back Capacity, Buyer may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Buyer's use as Substitute Capacity only for Planned Outages within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day of the Planned Outage for which Buyer seeks to use such Substitute Capacity as required by the CAISO. The amount of Contract Quantity that is the subject of Buyer's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.4 for purposes of calculating a Monthly Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Section 2.5 or 2.6. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Buyer's request under this Article 7.

Notwithstanding anything to the contrary in Sections 2.6, Seller shall not be liable for any costs, penalties, or fines assessed against Buyer by the CAISO as a result of Seller's failure to make Substitute Capacity available to Buyer if Buyer did not timely comply with the notification requirements of this Article 7.

## **ARTICLE 8** **COLLATERAL REQUIREMENTS**

### **8.1      Buyer Collateral Requirements**

Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions to Section 8.1 of the Master Agreement do not apply to this Confirmation.

### **8.2      Seller Collateral Requirements**

Notwithstanding anything to the contrary contained in the Master Agreement, Seller shall, within five (5) Business Days following the Confirmation Effective Date, provide to, and maintain with, Buyer a Fixed Independent Amount as long as Seller or its Guarantor, if any, does not maintain Credit Ratings of at least BBB- from S&P and Baa3 from Moody's. The "Fixed Independent Amount" shall be 20% of the sum of the Monthly Payments for all unpaid months of the Delivery Period. **[For Masters with Collateral Annex insert:** For the purposes of calculating the

Collateral Requirement pursuant to Section 8.2 of the Master Agreement, entitled “Party B Credit Protection”, and all corresponding provisions to Section 8.2 of the Master Agreement, such Fixed Independent Amount for Seller shall be added to the Exposure Amount for Buyer and subtracted from the Exposure Amount for Seller.]

### **8.3     Current Mark-to-Market Value**

**[For Masters with Collateral Annex insert:]** For the purposes of calculating Exposure pursuant to the Collateral Annex, the Current Mark-to-Market Value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the Current Mark-to-Market Value for this Transaction, consequently affecting each Party's Exposure.

**[For Masters without Collateral Annex insert:]** For the purposes of calculating Termination Payment pursuant to Article 8 of the Master Agreement, the mark-to-market value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the mark-to-market value for this Transaction, consequently affecting each Party's Performance Assurance amount.

## **ARTICLE 9 ADDITIONAL MASTER AGREEMENT AMENDMENTS**

### **9.1     Declaration of an Early Termination Date and Calculation of Settlement Amounts**

The Parties shall determine the Settlement Amount for this Transaction in accordance with Section 5.2 of the Master Agreement using the defined terms contained in this Confirmation and with respect to this Transaction only, the following language is to be added at the end of Section 5.2 of the Master Agreement:

“If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from the CPUC, CAISO, or any Governmental Body having jurisdiction, because Buyer or a purchaser of Resold Product is not able to include the applicable Contract Quantity in any applicable Compliance Showing due to Seller’s Event of Default, then Buyer may, in good faith, estimate the amount of those penalties, fines or costs and include this estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer’s estimate exceeds the actual amount of penalties, fines or costs, Buyer shall promptly remit to Seller the excess amount. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of

this Transaction and continue until after those penalties, fines or costs are finally ascertained.”

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.**

[INSERT NAME OF SELLER]

**Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX A**  
**DEFINED TERMS**

For purposes of this Confirmation, the following terms have the following meanings:

“Advice Letter” means (1) an informal request by a CPUC jurisdictional entity for Commission approval, authorization, or other relief, including an informal request for approval to furnish service under rates, charges, terms or conditions other than those contained in the utility’s tariffs then in effect, and (2) a compliance filing by a load-serving entity pursuant to Public Utilities Code Section 380.

“Alternate Unit” means a generating unit designated by the Parties in accordance with Section 2.3 and which includes the Product characteristics, if any, as set forth in Appendix B.

“Bankruptcy Code” means title 11 of the United States Code, as amended from time to time, as applicable to the Chapter 11 Cases.

“Bankruptcy Court” means the United States Bankruptcy Court for the Northern District of California, having subject matter jurisdiction over the Chapter 11 Cases.

“CAISO” means the California Independent System Operator Corporation or any successor entity performing substantially the same functions.

“CAISO Controlled Grid” has the meaning set forth in the Tariff.

“Capacity Attributes” means, with respect to a generating unit, any and all of the following, in each case which are attributed to or associated with the generating unit at any time throughout the Delivery Period:

- (a) Resource Adequacy Capacity attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward RAR;
- (b) Resource Adequacy Capacity attributes or other locational attributes of the generating unit related to a Local Capacity Area, as may be identified from time to time by the CPUC, CAISO or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of the generating unit within the CAISO Control Area, that can be counted toward a Local RAR; and
- (c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs of the generating unit, howsoever entitled, including any accounting construct counted toward any Compliance Obligations;

provided that, notwithstanding the foregoing, Capacity Attributes exclude all certificates, tags, credits, or accounting constructs that are not counted toward any Compliance Obligations, howsoever entitled associated with the generating unit, as such characteristics, certificates, tags, credits, or accounting constructs are described in the CPUC Decisions and Tariff.

**“Capacity Procurement Mechanism”** or “CPM” has the meaning set forth in the Tariff.

**“Chapter 11 Cases”** means Party B’s Chapter 11 bankruptcy cases pending before the United States Bankruptcy Court for the Northern District of California, Case Nos. 19-30088 (DM) and 19- 30089 (DM), which are being jointly administered.

**“Competitive Solicitation Process”** or “CSP” has the meaning set forth in the Tariff.

**“Compliance Obligations”** means the RAR and Local RAR, and if applicable FCR.

**“Compliance Showings”** means the monthly, annual, or multi-year (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) if applicable, FCR compliance or advisory showings (or similar or successor showings), in each case, an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to CAISO) pursuant to the CPUC Decisions, to CAISO pursuant to the Tariff, or to any Governmental Body having jurisdiction.

**“Confirmation”** is defined in the introductory paragraph of this Confirmation.

**“Confirmation Effective Date”** is defined in the introductory paragraph of this Confirmation.

**“Contract Price”** means, for any period during the Delivery Period, the price, expressed in dollars per kW-month, specified for such period set forth in the Contract Price Table in Appendix B.

**“Contract Quantity”** means, with respect to any day during the Delivery Period, the amount of Product, expressed in MW, set forth in the Contract Quantity table in Appendix B for such day.

**“Control Area”** has the meaning set forth in the Tariff.

**“CPM Capacity”** has the meaning set forth in the Tariff.

**“CPUC”** means the California Public Utilities Commission.

**“CPUC Decisions”** means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-04, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-01-063, 15-06-063, 16-06-045, 17-06-027, and any other existing or subsequent decisions, resolutions, or rulings related to resource adequacy, including, without limitation, the CPUC Filing Guide, in each case as may be amended from time to time by the CPUC.

**“CPUC Filing Guide”** means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE’s to demonstrate compliance with the CPUC’s resource adequacy program.

**“Delivery Period”** is defined in Article 1 of this Confirmation.

**“Emission Reduction Credits”** or “ERC(s)” means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health

and Safety Code Sections 40709 and 40709.5, whereby such district has established a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

**“Environmental Costs”** means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, and the Product’s compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, all operating and maintenance costs for operation of pollution mitigation or control equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all Emission Reduction Credits or Marketable Emission Trading Credits (including any costs related to greenhouse gas emissions) required by any applicable environmental laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to the site, and the decontamination or remediation, on or off the site, necessitated by the introduction of such hazardous substances on the site.

**“FERC”** means the Federal Energy Regulatory Commission.

**“FCR”** means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by a Local Regulatory Authority or other Governmental Body having jurisdiction.

**“FCR Attributes”** means, with respect to a generating unit, any and all resource adequacy attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward an LSE’s FCR.

**“FCR Contract Quantity”** means, with respect to a day included in the Delivery Period, the amount of FCR Attributes, expressed in MW, equal to the Contract Quantity for such day.

**“Flexible Capacity Category”** has the meaning set forth in the Tariff.

**“Governmental Body”** means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal. This definition does not include “market participants” as defined in the CAISO’s Business Practice Manual for Definitions and Acronyms as published on the CAISO website.

**“Hold-Back Capacity”** is defined in Article 7 of this Confirmation.

**“Local Capacity Area”** has the meaning set forth in the Tariff.

**“Local RAR”** means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

**“LSE”** means “Load Serving Entity” as such term is defined in the Tariff.

**“Marketable Emission Trading Credits”** means without limitation, emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (see 42 U.S.C. § 7651b.(a) to (f)).

**“Master Agreement”** is defined in the introductory paragraph of this Confirmation.

**“Monthly Payment”** is defined in Section 3.1 of this Confirmation.

**“MW”** means megawatt.

**“Outage”** has the meaning set forth in the Tariff.

**“Path”** refers to the Path 26 transmission constraint which is surrounded by two zones; North of Path 26 (PG&E’s TAC) and South of Path 26 (SCE and SDG&E’s TACs), as identified by the Commission in D.07-06-029.

**“Planned Outage”** means any outage that was submitted to the CAISO for approval at least eight (8) calendar days prior to the outage start date.

**“Procurement Review Group”** has the meaning set forth in CPUC Decision D. 02-08-071.

**“Product”** is defined in Article 1 of this Confirmation.

**“RAR”** means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

**“Re-sale Plan”** is defined in Section 2.7(b) of this Confirmation.

**“Resold Product”** is defined in Section 2.7 of this Confirmation.

**“Resource Adequacy Capacity”** has the meaning set forth in the Tariff. **“Scheduling Coordinator”** has the meaning set forth in the Tariff.

**“SCID of Benefitting LSE”** means the Scheduling Coordinator ID Code (SCID) of the Load Serving Entity (LSE) that will be using the Product toward meeting their RAR in the given Showing Month.

**“Scheduling Coordinator ID Code (SCID)”** has the meaning set forth in the Tariff.

**“Showing Month”** means the calendar month that is the subject of the related Compliance Showing, as set forth in the CPUC Decisions and outlined in the Tariff. For illustrative purposes

only, pursuant to the Tariff and CPUC Decisions in effect as of the Confirmation Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

“Shown Unit” means a Unit specified by Seller in a Supply Plan, but not necessarily identified by Seller to Buyer on the Confirmation Effective Date.

“Substitute Capacity” means “RA Substitute Capacity” as defined in the Tariff.

“Supply Plan” has the meaning set forth in the Tariff.

“System RAR” means the system resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

“Tariff” means the Fifth Replacement FERC Electric Tariff and the associated CAISO protocol provisions, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

“Unit” means any generation unit provided by Seller pursuant to Section 2.2 and any Alternate Unit or Shown Unit.

“Unit EFC” means, with respect to a Unit on any date of determination, the lesser of the Effective Flexible Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

“Unit NQC” means, with respect to a Unit on any date of determination, the lesser of Net Qualifying Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

**APPENDIX B**  
**PRODUCT AND PRICE INFORMATION**

Product means Capacity Attributes with the following characteristics.

Showing Month and Year	Path (North, South)	System RAR Quantity (MW)	Local RAR Quantity (MW)	Local Capacity Area*	FCR Quantity, if any (MW)	Flexible Capacity Category (1,2,3)	Contract Price (\$/kW-month)	SCID of Benefitting LSE

\* Please specify: Bay Area, Humboldt, Sierra, Stockton, Fresno, Kern, North Coast/North Bay, LA Basin, Big Creek/Ventura

**APPENDIX C**  
**SUBSEQUENT SALE INFORMATION**

<b>Contract Key ID:</b>	
<b>Benefitting LSE SCID:</b>	
<b>Generic Volume (in MW):</b>	
<b>Local Volume (in MW and by local area):</b>	
<b>Flexible Volume (in MW):</b>	
<b>Term:</b>	

## **APPENDIX D** **NOTICE INFORMATION**

**Name:** [Buyer's Name] a [include place of formation and business type]

(“[Seller]” or “[Party A]”)  
All Notices:

Delivery Address:

Street:  
City:              State:              Zip:

Mail Address: (if different from above)

Attn:  
(email)  
Phone:

### **Invoices and Payments:**

Attn:  
(email)  
Phone:

### **Scheduling:**

Attn:  
(email)  
Phone:

### **Wire Transfer:**

BNK:  
ACCT Title:  
ABA:  
ACCT:  
DUNS:  
Federal Tax ID Number:

### **Credit and Collections:**

Attn:  
(email)  
Phone:

### **Contract Management**

Attn:  
(email)  
Phone:

### **With additional Notices of an Event of Default to Contract Manager:**

Attn:  
(email)  
Phone:

### **Supply Plan Contact:**

**Name:** Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions

(“[Buyer]” or “[Party B]”)  
All Notices:

Delivery Address:

77 Beale Street, Mail Code N12E  
San Francisco, CA 94105-1702

Mail Address:  
P.O. Box 770000, Mail Code N12E  
San Francisco, CA 94177

Attn: Candice Chan (candice.chan@pge.com)  
Director, Contract Mgmt & Settlements  
Phone: (415) 973-7780

### **Invoices and Payments:**

Attn: Tom Girlich (thomas.girlich@pge.com)  
Manager, Electric Settlements  
Phone: (415) 973-9381

### **Outages:**

Attn: Outage Coordinator  
(ESMOutageCoordinator@pge.com;  
RATransactionNotificationList@pge.com)  
Phone: (415) 973-1721

### **Wire Transfer:**

BNK: The Bank of NY Mellon  
ACC Title: PG&E  
ABA: 011001234  
ACCT: 059994  
DUNS: 556650034  
Federal Tax ID Number: 94-0742640

### **Credit and Collections:**

Attn: Credit Risk Management (PGERiskCredit@pge.com)  
Phone: (415) 972-5188

### **Contract Management**

Attn: Elizabeth Motley (elizabeth.motley@pge.com)  
Contract Management  
Phone: (415) 973-2368

### **With additional Notices of an Event of Default to Contract Manager:**

Attn: Ted Yura (ted.yura@pge.com)  
Senior Manager, Contract Management  
Phone: (415) 973-8660

### **Supply Plan and Hold-Back Request:**

EPP-RAFilingsMailbox@pge.com

APPENDIX E  
FORM OF LETTER OF CREDIT  
*Issuing Bank Letterhead and Address*

STANDBY LETTER OF CREDIT NO. XXXXXXXX

**Date:** [Insert issue date]

**Beneficiary:** [Insert Beneficiary name]  
[Insert Beneficiary address]

**Applicant:** [Insert Applicant name]  
[Insert Applicant address]

**Letter of Credit Amount:** [Insert amount]

**Expiry Date:** [Insert date that is one (1) year from offer date]

Ladies and Gentlemen:

By order of [Insert name of Applicant] (“Applicant”), we hereby issue in favor of [Insert name of Beneficiary] (the “Beneficiary”) our irrevocable standby letter of credit No. [Insert number of letter of credit] (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ [Insert amount in figures followed by (amount in words)] (“Letter of Credit Amount”). This Letter of Credit is available with [Insert name of issuing or paying bank, and the city and state in which it is located] by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on [Insert expiry date] (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents:

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. [Insert number] and stating the amount of the demand; and

2. One of the following statements signed by an authorized representative or officer of Beneficiary:

A. “The amount of the accompanying sight draft under Letter of Credit [Insert number of letter of credit] (the “Draft Amount”) is owed to [Insert name of Beneficiary] by [Insert name of Beneficiary’s counterparty under the RA Confirmation] (“Counterparty”) under Confirmation for Resource Adequacy Capacity Product for CAISO Resources dated [insert date of the Confirmation] between [Insert name of Beneficiary] and Counterparty, which entitles [Insert name of Beneficiary] to draw the Draft Amount under Letter of Credit No. [Insert number];” or

B. "Letter of Credit No. [Insert number] will expire in thirty (30) days or less and [Insert name of Beneficiary's counterparty under the RA Confirmation] has not provided replacement security acceptable to [Insert name of Beneficiary]."

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable;
4. A drawing for an amount greater than the Letter of Credit Amount is allowed, however, payment shall not exceed the Letter of Credit Amount; and
5. The Expiry Date of this Letter of Credit shall be automatically extended without amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to renew this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at [Insert bank's address for drawings].

All demands for payment shall be made either by presentation of originals or copies of documents, or by facsimile transmission of documents to [Insert fax number], Attention: [Insert name of bank's receiving department]. You may contact us at [Insert phone number] to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a facsimile presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the third (3rd) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at [Insert number and any other necessary details].

Very truly yours,

**[INSERT NAME OF ISSUING BANK]**

By: \_\_\_\_\_

Name: [Print or type name]

Title: [Print or type title]

**EXHIBIT A**  
**SIGHT DRAFT**

TO:  
**[INSERT NAME AND ADDRESS OF PAYING BANK]**

AMOUNT: \$ \_\_\_\_\_ DATE: \_\_\_\_\_

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC COMPANY THE AMOUNT OF U.S. \$ \_\_\_\_\_ (\_\_\_\_\_ U.S. DOLLARS)

DRAWN UNDER [INSERT NAME OF ISSUING BANK] LETTER OF CREDIT NO. [XXXXXX].

REMIT FUNDS AS FOLLOWS:

**[INSERT PAYMENT INSTRUCTIONS]**

DRAWER:

By: \_\_\_\_\_  
Name: **[Print or type name]**  
Title: **[Print or type title]**

**MASTER POWER PURCHASE AND SALE AGREEMENT  
RESOURCE ADEQUACY CONFIRMATION LETTER  
BETWEEN  
[PARTY A NAME] (“PARTY A”)  
AND  
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between Party A and Party B, which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement or the Tariff (defined below), as applicable. Section references herein are to this Confirmation unless otherwise noted.

**ARTICLE 1  
TRANSACTION TERMS**

**Buyer:** Party A

**Seller:** Party B

**Product:** The Product is the Capacity Attributes of the Unit(s) as defined in Appendix B; provided that if Buyer does not specify the Local Capacity Area in Appendix B, when applicable, then Seller may provide Local RAR from any Local Capacity Area in the Seller’s local areas. The Product does not include any right to the energy or ancillary services of the Unit(s).

**Delivery Period:** [Begin Date] through [End Date], inclusive.

**Contract Quantity and Contract Price:** The Contract Quantity and Contract Price for each day of each Showing Month during the Delivery Period shall be set forth in Appendix B.

**ARTICLE 2  
DELIVERY OBLIGATIONS AND ADJUSTMENTS**

**2.1 Firm RA Product**

Seller’s obligation to deliver the Contract Quantity of Product for each day included in the Delivery Period is firm and will not be excused for any reason.

**2.2 Seller To Identify Shown Unit**

- (a) Seller shall identify the Shown Unit(s) that meet the Product characteristics and Contract Quantity specified in Appendix B by providing Buyer with the specific Unit information no later than:
  - (i) Fifteen (15) calendar days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, if the Confirmation Effective Date is at least fifteen (15) calendar days before such Compliance Showing deadline; or
  - (ii) One (1) business day from the Confirmation Effective Date if the Confirmation Effective Date is less than fifteen (15) calendar days from the Compliance Showing. Section 2.3 of this Confirmation does not apply when the Confirmation Effective Date is within fifteen (15) calendar days of the Compliance Showing.
- (b) The Shown Unit should not have characteristics that would trigger the need for Buyer or Seller to file an Advice Letter to the CPUC.
- (c) Seller's notice under this Section 2.2 shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within three (3) Business Days of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Shown Unit. If Buyer timely objects, Seller must identify another Shown Unit within five (5) Business Days. Provided such Shown Unit meets the requirements of this Confirmation, this second Shown Unit shall be deemed acceptable to and approved by Buyer upon receipt. This section does not apply if the Confirmation Effective Date is within fifteen (15) calendar days of the relevant Compliance Showing deadline.
- (d) Once the Shown Unit designated by Seller is approved or deemed approved in accordance with Section 2.2(c), then any such Shown Unit will be automatically deemed the Unit from which the Product is delivered for purposes of this Confirmation for the affected Showing Month.

### **2.3 Seller To Provide Alternate Capacity**

- (a) If Seller desires to provide the Contract Quantity for any Showing Month during the Delivery Period from a different Unit other than the Shown Unit as designated in Section 2.2, then Seller may, at no additional cost to Buyer, provide Buyer with Product from one (1) or more Alternate Units in an amount such that the total amount of Product provided to Buyer from the Unit and Alternate Units for the Showing Month during the Delivery Period is equal to the Contract Quantity for the Delivery Period.
- (b) If Seller desires to provide Product from an Alternate Unit under Section 2.3(a), Seller must notify Buyer of its intent to provide Product from an Alternate Unit and identify the proposed Alternate Unit meeting the Product characteristics specified in Appendix B no later than five (5) calendar days before the relevant

deadlines for the submission of Compliance Showings related to the applicable Showing Month. Seller's notice under this Section 2.3(b) shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within one (1) Business Day of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Alternate Unit. If Buyer timely objects, Seller must identify another Alternate Unit within two (2) Business Days. Provided such Alternate Unit meets the requirements of a Shown Unit under this Confirmation, this second Alternate Unit is deemed acceptable to and approved by Buyer upon receipt.

- (c) Once the Alternate Unit is approved or deemed approved in accordance with Section 2.3(b), then any such Alternate Unit will be automatically deemed the Unit from which Product is delivered for purposes of this Confirmation for the affected Showing Month.

## **2.4 Delivery of Product**

- (a) Seller shall provide Buyer with the Contract Quantity of Product for each day during the Delivery Period consistent with the following:
  - (i) Seller shall, on a timely basis with respect to each applicable Showing Month, submit, or cause the Unit's Scheduling Coordinator to submit, Supply Plans in accordance with the Tariff to identify and confirm the Product provided to Buyer for each day of such Showing Month that is included in the Delivery Period so that the total amount of Product identified and confirmed for each such day of such Showing Month equals the Contract Quantity for such day of such Showing Month.
  - (ii) Seller will be deemed to have delivered the Product on each day to the extent that Buyer receives credit from CAISO for such day for Product identified and confirmed in the Supply Plan submitted for the Unit.
  - (iii) Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article 7 as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.
- (b) In accordance with Sections 2.2 and 2.3 and subject to Article 7, Seller shall to the extent required by CAISO or the CPUC rules cause the information listed in Appendix B to be included in all applicable Supply Plans and shall cause all Supply Plans to be filed in conformance with the requirements of the CPUC Filing Guide and the Tariff. In addition, if during the Delivery Period, there are changes to the information included in Appendix B, the Parties agree to communicate such changes to each other promptly.

## **2.5 Damages for Failure to Provide Capacity**

If Seller fails to deliver to Buyer the Contract Quantity of Product for any day during the Delivery Period in accordance with Section 2.4 then with respect to each Showing Month, Seller is liable for damages pursuant to Section 4.1 of the Master Agreement, and provided that Buyer has prepaid for the Contract of Quantity in accordance with Section 3.1, Seller shall pay to Buyer the following:

For each applicable day during the Showing Month included in the Delivery Period in which the Buyer's Monthly Payment has been received by Seller in accordance with Section 3.1 of this Confirmation only, the amount equal to (w) the applicable Contract Price divided by (x) the number of days included in the Showing Month multiplied by (y) the amount of Contract Quantity not delivered by Seller on such day, multiplied by (z) 1,000 kW per MW.

## **2.6 Indemnities for Failure to Deliver Contract Quantity**

- (a)** Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or CAISO resulting from any of the following:
  - (i) Seller's failure to deliver any portion of the Contract Quantity of Product for any portion of the Delivery Period and such failure results in the imposition of penalties, fines or costs assessed against Buyer; or
  - (ii) A Unit's Scheduling Coordinator's failure to timely or accurately submit Supply Plans in accordance with the applicable Tariff that identify Buyer's right to the Contract Quantity purchased hereunder for each day of the Delivery Period.
- (b)** With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines, and costs.

## **2.7 Buyer's Re-Sale of Product**

- (a)** Buyer may re-sell all or a portion of the Product purchased under this Confirmation ("Resold Product"); provided that such re-sell right does not include the ability to offer any portion of Product into the CSP. If Buyer re-sells Product, Seller agrees, and agrees to cause the Unit's Scheduling Coordinator, to follow Buyer's instructions with respect to providing such Resold Product to subsequent purchasers of such Resold Product to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller further agrees, and agrees to cause the Unit's Scheduling Coordinator, to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to any subsequent purchaser of such Resold Product due to the failure

of Seller or the Unit's Scheduling Coordinator to comply with the terms of this Confirmation, then Seller shall be liable to Buyer for any liabilities Seller would have incurred under this Confirmation if Buyer had not resold the Product, including without limitation, pursuant to Sections 2.5 and 2.6.

- (b) If Buyer exercises its right to re-sell the Product, Buyer shall notify Seller in writing that such sale has occurred by providing to Seller the information described in Appendix C (“Re-sale Plan”). The Re-sale Plan shall be provided no later than three (3) Business Days before the deadline for the Compliance Showings applicable to the relevant Showing Month, except where Buyer exercises its rights under Article 7, then Buyer shall notify Seller in accordance with deadlines described in Article 7. Buyer shall notify Seller of any subsequent changes or further resale of the Resold Product, and such notice shall include all updates to the information in Appendix C in accordance with the deadlines described in this Section 2.7(b).

## **ARTICLE 3 PAYMENT**

### **3.1 Monthly Payment**

Buyer shall make a payment (a “Monthly Payment”) to Seller, for the applicable Showing Month, as follows:

$$\text{Monthly Payment} = Q \times P \times CF$$

where:

- Q = The Contract Quantity of Product to be delivered by Seller to Buyer pursuant to Appendix B and consistent with Section 2.4 for the Showing Month
- P = The Contract Price for the Showing Month, expressed in dollars per kW-month, as stated in Appendix B
- CF = The conversion factor equal to 1,000 kW per MW

The Monthly Payment calculation shall be rounded to two decimal places.

If the Confirmation Effective Date is more than fifteen (15) calendar days prior to the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, payment shall be paid by Buyer and received by Seller no later than fifteen (15) calendar days prior to the deadlines for the corresponding Compliance Showings applicable to the Showing Month. If the Confirmation Effective Date is fifteen (15) calendar days or less from the deadline for the corresponding Compliance Showing applicable to the relevant Showing Month, the Monthly Payment shall be made by Buyer and received by Seller no later than five (5) Business days following the Confirmation Effective Date.

### **3.2 Allocation of Other Payments and Costs**

- (a) Seller is entitled to retain any revenues it may receive from, and shall pay all costs charged by, CAISO or any other third party with respect to the Unit for (i) start-up, shutdown, and minimum load costs, (ii) capacity revenue for ancillary services, (iii) energy sales, (iv) revenue for flexible ramping product, and (v) any revenues for black start or reactive power services. All Seller revenues described in this Section 3.2(a) and received by Buyer or a purchaser of Resold Product must be remitted to Seller and Buyer shall pay such revenues to Seller if received by Buyer or if a subsequent purchaser of Resold Product fails to remit those revenues to Seller.

If Buyer fails to pay such revenues to Seller, Seller may recoup any amounts owing to it for such revenues against any future amounts it may owe to Buyer.

Seller shall indemnify, defend and hold Buyer harmless from and against all liabilities, damages, claims, losses, costs or expenses (including, without limitation, attorneys' fees) incurred by or brought against Buyer in connection with Environmental Costs.

- (b) In order to verify the accuracy of such revenues, Buyer has the right, at its sole expense and during normal working hours after reasonable prior notice, to hire an independent third party reasonably acceptable to Seller to audit any documents, records or data of Seller associated with the Contract Quantity and in accordance with Section 3.1 of this Confirmation and Article Six of the Master Agreement.
- (c) If CAISO or CPUC develops a centralized capacity market, Buyer will have exclusive rights to tell the Seller or the Unit's Scheduling Coordinator to offer, bid, or otherwise submit the applicable Contract Quantity of Product for each day during the Delivery Period provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive all revenues from such re-sale.
- (d) Buyer and Seller agree that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the Tariff. Any Availability Incentive Payments or Non-Availability Charges are for the account, or are the responsibility of, the Seller, as applicable.

## **ARTICLE 4** **CAISO OFFER REQUIREMENTS**

Seller is responsible for, as applicable, scheduling or causing the applicable Unit's Scheduling Coordinator to schedule with, or make available to, CAISO the Product delivered to Buyer for each day during the Delivery Period in compliance with the Tariff, and performing all, or causing the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the Product sold hereunder. Buyer is not liable for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or

operator to comply with such Tariff provisions or any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator (unless Seller is the Scheduling Coordinator), owner, or operator for such noncompliance.

**ARTICLE 5**  
**OTHER BUYER AND SELLER COVENANTS**

**5.1 Seller's and Buyer's Duty to Take Action to Allow the Utilization of the Product**

Buyer and Seller shall, throughout the Delivery Period, take commercially reasonable actions (including the execution of documents or instruments) reasonably necessary to ensure Buyer's right to the use of the Contract Quantity on each day during the Delivery Period for the sole benefit of Buyer or any applicable subsequent purchaser pursuant to Section 2.7. The Parties shall make commercially reasonable changes to this Confirmation necessary to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, CAISO or other Governmental Body having jurisdiction to administer Compliance Obligations, with regard to the following proceedings: (a) the Resource Adequacy (RA) Order Instituting Rulemaking (OIR) (Rulemaking (R.)17-09-020) at the CPUC; (b) the RA Enhancements stakeholder initiative at the CAISO; (c) the Integrated Resource Plan OIR (R.16-02-007) at the CPUC; (d) the Power Charge Indifference Adjustment (PCIA) OIR (R.17-06-026) at the CPUC.

**5.2 Representations, Warranties and Covenants**

- (a) Seller represents and warrants to Buyer throughout the Delivery Period that:
- (i) no portion of the Contract Quantity for any day during the Delivery Period has been committed by Seller to any third party in order to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;
  - (ii) the Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;
  - (iii) each Unit's Scheduling Coordinator, owner and operator is obligated to comply with applicable laws, including the Tariff, relating to the Product;
  - (iv) if Seller is the owner of the Unit, the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned or transferred for the Unit for each day included in the Delivery Period does not exceed the Unit NQC and, if applicable, the Unit EFC, for that Unit; and
  - (v) Seller has notified either the Scheduling Coordinator of the Unit or the entity from which Seller purchased the Product of the fact that Seller has transferred the Contract Quantity for each day of the Delivery Period to Buyer, or, if applicable, to a subsequent purchaser.

- (b) Seller represents and warrants to Buyer as of the date of the relevant Compliance Showing, that Seller owns or has the exclusive right to the Product sold under this Confirmation from the Unit;
- (c) Seller covenants as follows:
  - (i) Seller shall not offer, and shall ensure that the Unit's Scheduling Coordinator does not offer, any portion of the Contract Quantity for any day during the Delivery Period to CAISO as CPM Capacity. However, if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall promptly notify Buyer, or shall cause the Unit's Scheduling Coordinator to promptly notify Buyer within one (1) Business Day of the time Seller receives notification from CAISO. If CAISO makes such a designation, Seller shall not accept, and shall ensure that the Unit's Scheduling Coordinator does not accept, any such designation by CAISO unless and until Buyer has agreed to accept such designation; and
  - (ii) Seller shall, upon request, furnish Buyer, CAISO, CPUC or other applicable Governmental Body evidence that its representation made in Section 5.2(c)(i) is true and correct
- (d) Each Party covenants to the other Party throughout the Delivery Period to comply with the Tariff, relating to the Product.
- (e) The Parties agree that the following sections of the Master Agreement between the Parties shall not be applicable to this Confirmation or Transactions hereunder until Party B's exit from the Chapter 11 Cases has occurred: Sections 5.1(d), 5.1(e), 5.1(f), 10.2(v), 10.2(vi), and 10.10. Notwithstanding anything to the contrary contained herein, with respect to Party B: Party A acknowledges and agrees that (i) representations and warranties under Section 10.2(x) of the Master Agreement are made subject to the provisions of the Bankruptcy Code and any order of the Bankruptcy Court; and (ii) until Party B's exit from the Chapter 11 Cases has occurred, the existence or continuation of Party B being Bankrupt is not an Event of Default with respect to Party B under this Agreement (including pursuant to Section 5.1(g) of the Master Agreement) and does not entitle Party A to terminate this Agreement solely because of such existence or continuation.

## **ARTICLE 6** **CONFIDENTIALITY**

Notwithstanding Section 10.11 of the Master Agreement, the Parties may disclose all terms and conditions of this Transaction to any Governmental Body, the CPUC, CAISO and the Procurement Review Group, and Seller may disclose the transfer of the Contract Quantity for each day during the Delivery Period under this Transaction to the Scheduling Coordinator of the Unit in order for such Scheduling Coordinator to timely submit accurate Supply Plans. Each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Body, CAISO, or Scheduling Coordinator to further disclose

information disclosed pursuant to this Article. In addition, if Buyer resells all or any portion of the Contract Quantity for any day during the Delivery Period to another party, Buyer shall be permitted to disclose to the purchaser of the Resold Product all such information necessary to effect such resale transaction, other than the Contract Price. *[Drafting Note: Parties to review confidentiality provision in Master Agreement and edit accordingly here]*

## **ARTICLE 7** **HOLD-BACK AND SUBSTITUTE CAPACITY**

No later than three (3) Business Days before the relevant deadline for the initial Compliance Showing with respect to a particular Showing Month, Buyer may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Buyer shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Buyer's request for Hold-Back Capacity, Buyer may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Buyer's use as Substitute Capacity only for Planned Outages within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day of the Planned Outage for which Buyer seeks to use such Substitute Capacity as required by the CAISO. The amount of Contract Quantity that is the subject of Buyer's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.4 for purposes of calculating a Monthly Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Section 2.5 or 2.6. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Buyer's request under this Article 7.

Notwithstanding anything to the contrary in Sections 2.6, Seller shall not be liable for any costs, penalties, or fines assessed against Buyer by the CAISO as a result of Seller's failure to make Substitute Capacity available to Buyer if Buyer did not timely comply with the notification requirements of this Article 7.

## **ARTICLE 8** **COLLATERAL REQUIREMENTS**

### **8.1    Buyer Collateral Requirements**

Notwithstanding anything to the contrary contained in the Master Agreement, Buyer shall, within five (5) Business Days following the Confirmation Effective Date, provide to, and maintain with, Seller a Fixed Independent Amount as long as Buyer or its Guarantor, if any, does not maintain Credit Ratings of at least BBB- from S&P and Baa3 from Moody's. The "Fixed Independent Amount" shall be 20% of the sum of the Monthly Payments for all unpaid months of the Delivery Period. **[For Masters with Collateral Annex insert:** For the purposes of calculating the Collateral Requirement pursuant to Section 8.2 of the Master Agreement, entitled "Party B Credit Protection", and all corresponding provisions to Section 8.2 of the Master Agreement, such Fixed Independent Amount for Buyer shall be added to the Exposure Amount for Seller and subtracted from the Exposure Amount for Buyer.]

## **8.2 Seller Collateral Requirements**

Section 8.1 of the Master Agreement, entitled “Party A Credit Protection”, and all corresponding provisions to Section 8.1 of the Master Agreement do not apply to this Confirmation. *[Drafting Note: Parties to review Collateral Requirements provision in Master Agreement and edit accordingly here]*

## **8.3 Current Mark-to-Market Value**

**[For Masters with Collateral Annex insert:]** For the purposes of calculating Exposure pursuant to the Collateral Annex, the Current Mark-to-Market Value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the Current Mark-to-Market Value for this Transaction, consequently affecting each Party's Exposure.

**[For Masters without Collateral Annex insert:]** For the purposes of calculating Termination Payment pursuant to Article 8 of the Master Agreement, the mark-to-market value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the mark-to-market value for this Transaction, consequently affecting each Party's Performance Assurance amount.

## **ARTICLE 9 ADDITIONAL MASTER AGREEMENT AMENDMENTS**

### **9.1 Declaration of an Early Termination Date and Calculation of Settlement Amounts**

The Parties shall determine the Settlement Amount for this Transaction in accordance with Section 5.2 of the Master Agreement using the defined terms contained in this Confirmation and with respect to this Transaction only, the following language is to be added at the end of Section 5.2 of the Master Agreement:

“If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from the CPUC, CAISO, or any Governmental Body having jurisdiction, because Buyer or a purchaser of Resold Product is not able to include the applicable Contract Quantity in any applicable Compliance Showing due to Seller’s Event of Default, then Buyer may, in good faith, estimate the amount of those penalties, fines or costs and include this estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer’s estimate exceeds the actual amount of penalties, fines or costs, Buyer shall promptly remit to Seller the excess amount. The rights and obligations with respect to determining and paying any Termination Payment, and

any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained.”

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.**

[INSERT NAME OF BUYER]

**Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX A**  
**DEFINED TERMS**

For purposes of this Confirmation, the following terms have the following meanings:

“Advice Letter” means (1) an informal request by a CPUC jurisdictional entity for Commission approval, authorization, or other relief, including an informal request for approval to furnish service under rates, charges, terms or conditions other than those contained in the utility’s tariffs then in effect, and (2) a compliance filing by a load-serving entity pursuant to Public Utilities Code Section 380.

“Alternate Unit” means a generating unit designated by the Parties in accordance with Section 2.3 and which includes the Product characteristics, if any, as set forth in Appendix B.

“Bankruptcy Code” means title 11 of the United States Code, as amended from time to time, as applicable to the Chapter 11 Cases.

“Bankruptcy Court” means the United States Bankruptcy Court for the Northern District of California, having subject matter jurisdiction over the Chapter 11 Cases.

“CAISO” means the California Independent System Operator Corporation or any successor entity performing substantially the same functions.

“CAISO Controlled Grid” has the meaning set forth in the Tariff.

“Capacity Attributes” means, with respect to a generating unit, any and all of the following, in each case which are attributed to or associated with the generating unit at any time throughout the Delivery Period:

- (a) Resource Adequacy Capacity attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward RAR;
- (b) Resource Adequacy Capacity attributes or other locational attributes of the generating unit related to a Local Capacity Area, as may be identified from time to time by the CPUC, CAISO or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of the generating unit within the CAISO Control Area, that can be counted toward a Local RAR; and
- (c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs of the generating unit, howsoever entitled, including any accounting construct counted toward any Compliance Obligations;

provided that, notwithstanding the foregoing, Capacity Attributes exclude all certificates, tags, credits, or accounting constructs that are not counted toward any Compliance Obligations, howsoever entitled associated with the generating unit, as such characteristics, certificates, tags, credits, or accounting constructs are described in the CPUC Decisions and Tariff.

**“Capacity Procurement Mechanism”** or “CPM” has the meaning set forth in the Tariff.

**“Chapter 11 Cases”** means Party B’s Chapter 11 bankruptcy cases pending before the United States Bankruptcy Court for the Northern District of California, Case Nos. 19-30088 (DM) and 19- 30089 (DM), which are being jointly administered.

**“Competitive Solicitation Process”** or “CSP” has the meaning set forth in the Tariff.

**“Compliance Obligations”** means the RAR and Local RAR, and if applicable FCR.

**“Compliance Showings”** means the monthly, annual, or multi-year (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) if applicable, FCR compliance or advisory showings (or similar or successor showings), in each case, an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to CAISO) pursuant to the CPUC Decisions, to CAISO pursuant to the Tariff, or to any Governmental Body having jurisdiction.

**“Confirmation”** is defined in the introductory paragraph of this Confirmation.

**“Confirmation Effective Date”** is defined in the introductory paragraph of this Confirmation.

**“Contract Price”** means, for any period during the Delivery Period, the price, expressed in dollars per kW-month, specified for such period set forth in the Contract Price Table in Appendix B.

**“Contract Quantity”** means, with respect to any day during the Delivery Period, the amount of Product, expressed in MW, set forth in the Contract Quantity table in Appendix B for such day.

**“Control Area”** has the meaning set forth in the Tariff.

**“CPM Capacity”** has the meaning set forth in the Tariff.

**“CPUC”** means the California Public Utilities Commission.

**“CPUC Decisions”** means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-04, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-01-063, 15-06-063, 16-06-045, 17-06-027, and any other existing or subsequent decisions, resolutions, or rulings related to resource adequacy, including, without limitation, the CPUC Filing Guide, in each case as may be amended from time to time by the CPUC.

**“CPUC Filing Guide”** means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE’s to demonstrate compliance with the CPUC’s resource adequacy program.

**“Delivery Period”** is defined in Article 1 of this Confirmation.

**“Emission Reduction Credits”** or “ERC(s)” means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health

and Safety Code Sections 40709 and 40709.5, whereby such district has established a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

**“Environmental Costs”** means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, and the Product’s compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, all operating and maintenance costs for operation of pollution mitigation or control equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all Emission Reduction Credits or Marketable Emission Trading Credits (including any costs related to greenhouse gas emissions) required by any applicable environmental laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to the site, and the decontamination or remediation, on or off the site, necessitated by the introduction of such hazardous substances on the site.

**“FERC”** means the Federal Energy Regulatory Commission.

**“FCR”** means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by a Local Regulatory Authority or other Governmental Body having jurisdiction.

**“FCR Attributes”** means, with respect to a generating unit, any and all resource adequacy attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward an LSE’s FCR.

**“FCR Contract Quantity”** means, with respect to a day included in the Delivery Period, the amount of FCR Attributes, expressed in MW, equal to the Contract Quantity for such day.

**“Flexible Capacity Category”** has the meaning set forth in the Tariff.

**“Governmental Body”** means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal. This definition does not include “market participants” as defined in the CAISO’s Business Practice Manual for Definitions and Acronyms as published on the CAISO website.

**“Hold-Back Capacity”** is defined in Article 7 of this Confirmation.

**“Local Capacity Area”** has the meaning set forth in the Tariff.

**“Local RAR”** means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

**“LSE”** means “Load Serving Entity” as such term is defined in the Tariff.

**“Marketable Emission Trading Credits”** means without limitation, emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (see 42 U.S.C. § 7651b.(a) to (f)).

**“Master Agreement”** is defined in the introductory paragraph of this Confirmation.

**“Monthly Payment”** is defined in Section 3.1 of this Confirmation.

**“MW”** means megawatt.

**“Outage”** has the meaning set forth in the Tariff.

**“Path”** refers to the Path 26 transmission constraint which is surrounded by two zones; North of Path 26 (PG&E’s TAC) and South of Path 26 (SCE and SDG&E’s TACs), as identified by the Commission in D.07-06-029.

**“Planned Outage”** means any outage that was submitted to the CAISO for approval at least eight (8) calendar days prior to the outage start date.

**“Procurement Review Group”** has the meaning set forth in CPUC Decision D. 02-08-071.

**“Product”** is defined in Article 1 of this Confirmation.

**“RAR”** means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

**“Re-sale Plan”** is defined in Section 2.7(b) of this Confirmation.

**“Resold Product”** is defined in Section 2.7 of this Confirmation.

**“Resource Adequacy Capacity”** has the meaning set forth in the Tariff. **“Scheduling Coordinator”** has the meaning set forth in the Tariff.

**“SCID of Benefitting LSE”** means the Scheduling Coordinator ID Code (SCID) of the Load Serving Entity (LSE) that will be using the Product toward meeting their RAR in the given Showing Month.

**“Scheduling Coordinator ID Code (SCID)”** has the meaning set forth in the Tariff.

**“Showing Month”** means the calendar month that is the subject of the related Compliance Showing, as set forth in the CPUC Decisions and outlined in the Tariff. For illustrative purposes

only, pursuant to the Tariff and CPUC Decisions in effect as of the Confirmation Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

“Shown Unit” means a Unit specified by Seller in a Supply Plan, but not necessarily identified by Seller to Buyer on the Confirmation Effective Date.

“Substitute Capacity” means “RA Substitute Capacity” as defined in the Tariff.

“Supply Plan” has the meaning set forth in the Tariff.

“System RAR” means the system resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

“Tariff” means the Fifth Replacement FERC Electric Tariff and the associated CAISO protocol provisions, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

“Unit” means any generation unit provided by Seller pursuant to Section 2.2 and any Alternate Unit or Shown Unit.

“Unit EFC” means, with respect to a Unit on any date of determination, the lesser of the Effective Flexible Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

“Unit NQC” means, with respect to a Unit on any date of determination, the lesser of Net Qualifying Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

**APPENDIX B**  
**PRODUCT AND PRICE INFORMATION**

Product means Capacity Attributes with the following characteristics.

<b>Showing Month and Year</b>	<b>Path (North, South)</b>	<b>System RAR Quantity (MW)</b>	<b>Local RAR Quantity (MW)</b>	<b>Local Capacity Area*</b>	<b>FCR Quantity, if any (MW)</b>	<b>Flexible Capacity Category (1,2,3)</b>	<b>Contract Price (\$/kW-month)</b>	<b>SCID of Benefitting LSE</b>

\* Please specify: Bay Area, Humboldt, Sierra, Stockton, Fresno, Kern, North Coast/North Bay, LA Basin, Big Creek/Ventura

**APPENDIX C**  
**SUBSEQUENT SALE INFORMATION**

<b>Contract Key ID:</b>	
<b>Benefitting LSE SCID:</b>	
<b>Generic Volume (in MW):</b>	
<b>Local Volume (in MW and by local area):</b>	
<b>Flexible Volume (in MW):</b>	
<b>Term:</b>	

## **APPENDIX D** **NOTICE INFORMATION**

**Name:** [Buyer's Name] a [include place of formation and business type]

(“[Buyer]” or “[Party A]”)  
All Notices:

Delivery Address:

Street:  
City:              State:              Zip:

Mail Address: (if different from above)

Attn:  
(email)  
Phone:

### **Invoices and Payments:**

Attn:  
(email)  
Phone:

### **Scheduling:**

Attn:  
(email)  
Phone:

### **Wire Transfer:**

BNK:  
ACCT Title:  
ABA:  
ACCT:  
DUNS:  
Federal Tax ID Number:

### **Credit and Collections:**

Attn:  
(email)  
Phone:

### **Contract Management**

Attn:  
(email)  
Phone:

### **With additional Notices of an Event of Default to Contract Manager:**

Attn:  
(email)  
Phone:

### **Supply Plan Contact:**

**Name:** Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions

(“[Seller]” or “[Party B]”)  
All Notices:

Delivery Address:

77 Beale Street, Mail Code N12E  
San Francisco, CA 94105-1702

Mail Address:  
P.O. Box 770000, Mail Code N12E  
San Francisco, CA 94177

Attn: Candice Chan (candice.chan@pge.com)  
Director, Contract Mgmt & Settlements  
Phone: (415) 973-7780

### **Invoices and Payments:**

Attn: Tom Girlich (thomas.girlich@pge.com)  
Manager, Electric Settlements  
Phone: (415) 973-9381

### **Outages:**

Attn: Outage Coordinator  
(ESMOutageCoordinator@pge.com;  
RATransactionNotificationList@pge.com)  
Phone: (415) 973-1721

### **Wire Transfer:**

BNK: The Bank of NY Mellon  
ACC Title: PG&E  
ABA: 011001234  
ACCT: 059994  
DUNS: 556650034  
Federal Tax ID Number: 94-0742640

### **Credit and Collections:**

Attn: Credit Risk Management (PGERiskCredit@pge.com)  
Phone: (415) 972-5188

### **Contract Management**

Attn: Elizabeth Motley (elizabeth.motley@pge.com)  
Contract Management  
Phone: (415) 973-2368

### **With additional Notices of an Event of Default to Contract Manager:**

Attn: Ted Yura (ted.yura@pge.com)  
Senior Manager, Contract Management  
Phone: (415) 973-8660

### **Supply Plan and Hold-Back Request:**

EPP-RAFilingsMailbox@pge.com

APPENDIX E  
FORM OF LETTER OF CREDIT  
*Issuing Bank Letterhead and Address*

STANDBY LETTER OF CREDIT NO. XXXXXXXX

**Date:** [Insert issue date]

**Beneficiary:** [Insert Beneficiary name]  
[Insert Beneficiary address]

**Applicant:** [Insert Applicant name]  
[Insert Applicant address]

**Letter of Credit Amount:** [Insert amount]

**Expiry Date:** [Insert date that is one (1) year from offer date]

Ladies and Gentlemen:

By order of [Insert name of Applicant] (“Applicant”), we hereby issue in favor of [Insert name of Beneficiary] (the “Beneficiary”) our irrevocable standby letter of credit No. [Insert number of letter of credit] (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ [Insert amount in figures followed by (amount in words)] (“Letter of Credit Amount”). This Letter of Credit is available with [Insert name of issuing or paying bank, and the city and state in which it is located] by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on [Insert expiry date] (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents:

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. [Insert number] and stating the amount of the demand; and
2. One of the following statements signed by an authorized representative or officer of Beneficiary:
  - A. “The amount of the accompanying sight draft under Letter of Credit [Insert number of letter of credit] (the “Draft Amount”) is owed to [Insert name of Beneficiary] by [Insert name of Beneficiary’s counterparty under the RA Confirmation] (“Counterparty”) under Confirmation for Resource Adequacy Capacity Product for CAISO Resources dated [insert date of the Confirmation] between [Insert name of Beneficiary] and Counterparty, which entitles [Insert name of Beneficiary] to draw the Draft Amount under Letter of Credit No. [Insert number];” or

B. "Letter of Credit No. [Insert number] will expire in thirty (30) days or less and [Insert name of Beneficiary's counterparty under the RA Confirmation] has not provided replacement security acceptable to [Insert name of Beneficiary]."

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable;
4. A drawing for an amount greater than the Letter of Credit Amount is allowed, however, payment shall not exceed the Letter of Credit Amount; and
5. The Expiry Date of this Letter of Credit shall be automatically extended without amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to renew this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at [Insert bank's address for drawings].

All demands for payment shall be made either by presentation of originals or copies of documents, or by facsimile transmission of documents to [Insert fax number], Attention: [Insert name of bank's receiving department]. You may contact us at [Insert phone number] to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a facsimile presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the third (3rd) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at [Insert number and any other necessary details].

Very truly yours,

**[INSERT NAME OF ISSUING BANK]**

By: \_\_\_\_\_

Name: [Print or type name]

Title: [Print or type title]

**EXHIBIT A**  
**SIGHT DRAFT**

TO:  
**[INSERT NAME AND ADDRESS OF PAYING BANK]**

AMOUNT: \$ \_\_\_\_\_ DATE: \_\_\_\_\_

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC COMPANY THE AMOUNT OF U.S. \$ \_\_\_\_\_ (\_\_\_\_\_ U.S. DOLLARS)

DRAWN UNDER [INSERT NAME OF ISSUING BANK] LETTER OF CREDIT NO. [XXXXXX].

REMIT FUNDS AS FOLLOWS:

**[INSERT PAYMENT INSTRUCTIONS]**

DRAWER:

By: \_\_\_\_\_  
Name: **[Print or type name]**  
Title: **[Print or type title]**

**CONFIRMATION LETTER FOR BILATERAL IMPORT CAPABILITY TRANSFER  
BETWEEN  
[PARTY A NAME] (“PARTY A”)  
AND  
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between Party A (“Buyer”) and Party B (“Seller”), which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Party B agrees to provide to Party A the right to the Product, as such term is defined in Section 3 of this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation have the meanings specified for such terms in the Master Agreement or the Tariff (defined below), as applicable. Section references herein are to this Confirmation unless otherwise noted.

**1. Definitions**

- 1.1     “Bankruptcy Code” means title 11 of the United States Code, as amended from time to time, as applicable to the Chapter 11 Cases.
- 1.2     “Bankruptcy Court” means the United States Bankruptcy Court for the Northern District of California, having subject matter jurisdiction over the Chapter 11 Cases.
- 1.3     “Bilateral Import Capability Transfer” is the transfer of Remaining Import Capability from one Market Participant to another, as defined and described in the Tariff.
- 1.4     “Buyer” has the meaning specified in the introductory paragraph.
- 1.5     “CAISO” means the California Independent System Operator Corporation, or any successor entity performing substantially the same functions.
- 1.6     “Chapter 11 Cases” means Party B’s Chapter 11 bankruptcy cases pending before the United States Bankruptcy Court for the Northern District of California, Case Nos. 19-30088 (DM) and 19- 30089 (DM), which are being jointly administered.
- 1.7     “CIRA” means the CAISO Customer Interface for Resource Adequacy.
- 1.8     “CIRA System Failure” means a disruption in transfer of Product caused solely by the CIRA System that is not within the control of, or the result of the negligence of, either Party and which could not have been avoided by the exercise of due diligence.
- 1.9     “Confirmation” has the meaning specified in the introductory paragraph.
- 1.10    “Confirmation Effective Date” has the meaning specified in the introductory paragraph of this Confirmation.

- 1.11 “Contract Month” has the meaning set forth in Section 3.3 of this Confirmation.
- 1.12 “Contract Price” means the price, expressed in dollars per kW-month, specified for each Contract Month as set forth in the Contract Price Table in Section 4.1.
- 1.13 “Contract Quantity” means, with respect to the Contract Month, the amount of Product, expressed in [MW] set forth in the Contract Quantity Table in Section 3.3.
- 1.14 “Contract Term” has the meaning set forth in Section 2.1.
- 1.15 “CPUC” means the California Public Utilities Commission.
- 1.16 “Governmental Body” means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal. This definition does not include “market participant” as defined in the CAISO’s Business Practice Manual for Definitions and Acronyms as published on the CAISO website.
- 1.17 “Master Agreement” has the meaning specified in the introductory paragraph of this Confirmation.
- 1.18 “One-Time Payment” has the meaning specified in Section 4.1 of this Confirmation.
- 1.19 [“Procurement Review Group” has the meaning set forth in CPUC Decision D. 02-08-071.] **[Drafting Note: If this definition is in Master, remove from here.]**
- 1.20 “Product” has the meaning specified in Section 3.1 of this Confirmation.
- 1.21 “Remaining Import Capability” means the quantity in MW of Total Import Capability assigned to a Load Serving Entity up to its Load Share Quantity after the assignment of Existing Contract Import Capability and Pre-RA Import Commitment Capability.
- 1.22 “Scheduling Coordinator” has the meaning set forth in the Tariff.
- 1.23 “Seller” has the meaning specified in the introductory paragraph of this Confirmation.
- 1.24 “Tariff” means the Fifth Replacement FERC Electric Tariff and the associated CAISO protocol provisions, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

## **2. Term**

### **2.1 Contract Term**

The “Contract Term” shall mean the period of time commencing upon the Confirmation Effective Date and continuing until the later of (a) the expiration of the last Contract Month or (b) the date the Parties’ obligations under the Agreement have been fulfilled.

**2.2 Binding Nature**

This Agreement shall be effective and binding as of the Confirmation Effective Date.

**3. Transaction**

**3.1 Product**

Seller shall transfer, in the manner set forth in Section 3.3, to Buyer the Remaining Import Capability (the “Product”) corresponding to the Contract Quantity, for each day in each Contract Month, and at the applicable Contract Price.

**3.2 Delivery Point**

<b>Branch Group</b>	<b>Bilateral Import Capability Transfer</b>
CAISO BG/MSL Name	(e.g., MALIN500)

**3.3 Delivery of Product**

Seller shall transfer to Buyer, within two (2) Business Days following receipt of the One Time Payment, the Product in the amount of the Contract Quantity for the Contract Month(s) by registering the transfer with the CAISO as a Bilateral Import Capability Transfer, and completing any other action or documentation required by the CAISO to effect such transfer.

Contract Quantity: Seller shall transfer the Contract Quantity for each of the following months (each a “Contract Month”):

**Contract Quantity Table**

<b>Contract Month Reference</b>	<b>Contract Month and Year</b>	<b>Contract Quantity (MW)</b>
1	MMMM YYYY	XX

**3.4 Buyer’s Re-Sale of Product**

Buyer may re-sell all or a portion of the Product.

**4. Payment**

**4.1 One-Time Payment**

Buyer shall make a One-Time Payment for the Product. The One Time Payment is to be received by Seller within five (5) Business Days following the Confirmation Effective Date. This “One Time Payment” is defined and calculated as follows:

$$\text{One-Time Payment} = \sum_{i=1}^k (A_i \times B_i \times 1,000)$$

where:  $A_i$  = Contract Price  $i$  (in \$/kW-month) for Contract Month  $i$

$B_i$  = Contract Quantity  $i$  (in MW) transferred by Seller for Contract Month  $i$

$k$  = Count of Contract Months

The One-Time Payment shall be rounded to two decimal places.

### CONTRACT PRICE TABLE

Contract Month and Year	Contract Price (\$/kW-month)
MMMM YYYY	\$X.XX

## 5. **CIRA System Failure**

- 5.1 If a Party is unable to transfer or receive Product due to a CIRA System Failure, the affected Party shall, within two (2) Business Days from its discovery of the CIRA System Failure, provide the other Party with Notice and full details identifying the cause of the CIRA System Failure. Each Party shall use reasonable efforts to cause transfer or receipt of the Product.
- 5.2 Neither Party's failure to transfer or receive Product due solely to a CIRA System Failure constitutes an Event of Default or failure to deliver Product. In no event shall Buyer be obligated to pay for Product that it does not receive, nor shall Seller be required to pay damages to Buyer pursuant to Section 6.1, due solely to a CIRA System Failure.

## 6. **Damages for Failure to Deliver Product**

If Seller fails to transfer to Buyer the Contract Quantity for any Contract Month in accordance with Section 3.3, then with respect to such Contract Month, Seller shall pay to Buyer damages in the amount of set forth in this Article Six as follows in lieu of damages specified in Section 4.1 of the Master Agreement:

For each Contract Month for which the Buyer has made a payment to Seller in accordance with Section 4.1 of this Confirmation, Seller shall pay to Buyer damages in the amount equal to (x) the applicable Contract Price multiplied by (y) the amount of Contract Quantity not delivered by Seller for that Contract Month, multiplied by (z) 1,000 kw/MW, for each Contract Month that Product was not transferred.

## 7. **Confidentiality**

Notwithstanding Section 10.11 of the Master Agreement, the Parties may disclose all terms and conditions of this Transaction to any Governmental Body, the CPUC, CAISO, and the Procurement Review Group; provided, that each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Body, CAISO, or Scheduling Coordinator to further disclose such information. Notwithstanding the foregoing, the Parties may disclose the terms of this Confirmation to the CAISO to effectuate Seller's delivery of product and the transfer of the Product

and the CAISO may publicly disclose the transfer of the Product from Seller to Buyer as indicated in the Tariff promptly following Seller's delivery of Product. In addition, if Buyer resells all or any portion of the Product, Buyer shall be permitted to disclose to the other party to such resale transaction all such information necessary to effect such resale transaction, other than the Contract Price.

**[Drafting Note: Parties to review confidentiality provision in Cover Sheet Master Agreement and edit accordingly here]**

**8. Seller Collateral Requirements**

Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions to Section 8.1 of the Master Agreement do not apply to this Confirmation.

**9. Representations, Warranties, and Covenants**

The Parties agree that the following sections of the Master Agreement between the Parties shall not be applicable to this Confirmation or Transactions hereunder until Party B's exit from the Chapter 11 Cases has occurred: Sections 5.1(d), 5.1(e), 5.1(f), 10.2(v), 10.2(vi), and 10.10. Notwithstanding anything to the contrary contained herein, with respect to Party B: Party A acknowledges and agrees that (i) representations and warranties under Section 10.2(x) of the Master Agreement are made subject to the provisions of the Bankruptcy Code and any order of the Bankruptcy Court; and (ii) until Party B's exit from the Chapter 11 Cases has occurred, the existence or continuation of Party B being Bankrupt is not an Event of Default with respect to Party B under this Agreement (including pursuant to Section 5.1(g) of the Master Agreement) and does not entitle Party A to terminate this Agreement solely because of such existence or continuation.

*[Signature page follows]*

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.**

**[INSERT NAME OF BUYER]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Pacific Gas and Electric Company, a California corporation, limited for all purposes hereunder to its Electric Procurement and Electric Fuels Functions**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



## 2019 Multi-Year Resource (RA) Solicitation

Version: RA1909 V1.0

### ENABLE MACROS OR THIS WORKBOOK WILL NOT FUNCTION PROPERLY.

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



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



Unless otherwise provided herein, all capitalized terms shall have the meaning ascribed to them in PG&E's 2019 Multi-Year Resource (RA) Solicitation dated September 18, 2019, or the applicable Agreement. Information submitted in this bid form must exactly match the contract terms of acceptance.

1. **Each counterparty should submit only one bid form.** Counterparties should contact PGERARFO@pge.com if submitting a number of bid variations that exceeds the number of rows allowed in a single bid form.
2. An "Instructions" button appears at the top of some tabs. Click that button and follow all instructions that are provided carefully.
3. Please submit this file in the **Microsoft Excel .xlsb format**. **Other versions will not be accepted.**
4. **Please save often.**
5. This workbook is configured to recalculate automatically; however, if for any reason it does not refresh automatically, please press F9 to recalculate.
6. The workbook functions best using **Microsoft Excel 2010 or later** on a **Windows XP or Windows 7 Operating System**.
7. A completed form must include values you have entered on the following required tabs:  
[Contact Information](#)  
[Final Bid Data and/or RA Import Rights from PGE](#)  
[Supply Chain Responsibility](#)

8. Every cell with a yellow background must be filled in. As you fill these fields in, the yellow background will disappear.

#### Version Log

Version Number	Release Date	Notes
RA1909 V1.0	9/18/2019	Release version.



30 required fields have not been populated

### 2019 Multi-Year Resource (RA) Solicitation: Contact Information

Company Name:	
Company Address:	
City:	
State:	
Zip:	
Authorized Contact #1:	
Title of Contact #1:	
Phone Number #1:	
Alt. Number (Cell) #1:	
Fax Number #1:	
Email Address #1:	
Authorized Contact #2:	
Title of Contact #2:	
Phone Number #2:	
Alt. Number (Cell) #2:	
Fax Number #2:	
Email Address #2:	

### Participant's Non-Disclosure Agreement (NDA)

By submitting an offer, Participant agrees to adhere and be bound by the confidentiality provisions described in the 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation Protocol and the Confidentiality Agreement included as Attachment C to the Solicitation Protocol.	
Title:	
Electronic Signature:	
Select "Yes" to certify that the typed name acts as your electronic signature.	

### Acknowledgement of Protocol

By selecting "Yes" Participant hereby agrees to the terms of the Solicitation Protocol. Participant acknowledges that any costs incurred to become eligible or remain eligible for the solicitation, and any costs incurred to prepare a bid for this solicitation are solely the responsibility of Participant.	
Title:	
Electronic Signature:	
Select "Yes" to certify that the typed name acts as your electronic signature.	

### Participant Authorization

By selecting "Yes" Participant hereby confirms that they are "a duly authorized representative of Participant."	
Title:	
Electronic Signature:	
Select "Yes" to certify that the typed name acts as your electronic signature.	

### Attestation

By providing the electronic signature below Participant hereby attests that all information provided in this Bid Package and in response to this 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation is true and correct to the best of Participant's knowledge as of the date such information is provided.	
Title:	
Electronic Signature:	
Select "Yes" to certify that the typed name acts as your electronic signature.	

### A File Name Must Be Generated

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

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

When you are ready to submit this form...

1) Click this button ►

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

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

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

## 2019 Multi-Year Resource (RA) Solicitation

## Bid Development Area

### INSTRUCTIONS

Information entered on this tab will be ignored during PG&E's review of this offer form. This tab is included as a work area where you can model bids that you will eventually copy to the "Final BID Data" tab using the large gray "Copy" buttons below on the right. Only values entered on the "Final BID Data" tab will be considered during PG&E's review.

**How to copy data into the "Final BID Data" tab:** To prevent validation mechanisms on the "Final BID Data" tab from being overwritten, that tab has been configured to allow input only by keying directly into that tab, OR by using the large gray "Copy" buttons on the right immediately below to copy data you develop on this tab to the "Final BID Data" tab. Two utilities described further on in this instruction area are included to facilitate data development. Please read the following descriptions of both utilities carefully.

The **Data Creator** utility can be used to automatically generate sequences of "Show Month and Year (Term)", "Transaction Type" and "Product to Buy" values. We strongly recommend that you experiment with this utility. You can use the utility to create term/type/product sequences, then transfer those sets to another spreadsheet (see next utility description) to take advantage of drag-and-drop and other standard Excel features.

The **Copy Data to New Workbook** utility can be used to copy data you have developed on this tab to a new workbook where you can exercise all Excel's usual functionality to refine your data, then copy it back to this tab for transfer to the "Final BID Data" tab using the large gray "Copy" buttons on the right immediately below.

The **Fix Data Grid Formats and/or Clear Data From This Tab** button can be used to delete all data in the grid below. If you wish to retain the data in the grid but reformat all the rows, first use the "Copy Data to New Workbook" utility to copy the data currently in the grid to a new workbook. Then click the "Clear Data From This Tab" button to clear all data from this tab and fix the grid row formatting. Then use paste-special-values to copy the values back into the grid below from the other workbook.

Showing Month and Year (Term)	Transaction Type	Product to Buy	BUY Bid Price (\$/kW-Month)	BUY Generic RA Volume (MW)	BUY Flexible RA Volume (MW)	Product to Sell	SELL Offer Price (\$/kW-Month)	SELL Generic RA Volume (MW)	SELL Flexible RA Volume (MW)	Mutually Exclusive Groups

Click "Format" to rebuild the default format for the row.

←Format  
←Format  
←Format

**2019 Multi-Year Resource (RA) Solicitation**

#### **Product 1 – Bids/Offers to Buy, Sell, or Buy-Sell RA from PG&E**

**INSTRUCTIONS**

**PG&E can only accept bids to buy RA from, or sell RA to, PG&E submitted on this tab in the table below.**

PG&E will reject any bid that has an error message in the Bid ID column.

Instructions for use of the "Mutually Exclusive Groups" column can be viewed by clicking the [?] button in the header of that column.

Please note that the "SELL Generic RA Volume" and "SELL Flexible RA Volume" columns are sometimes locked depending upon values entered in other columns. Consequently you cannot always copy a selection that includes the "SELL Generic RA Volume" and "SELL Flexible RA Volume" columns to another location. Instead you must copy values in the cells to the right and left of those columns separately. **To easily clear one or more rows** select any part of the row(s) and click the button on the right immediately below.

**This tab contains extensive validation mechanisms that are not present on the "Paste BID Data Here" tab.** When you copy data from the "Paste BID Data Here" tab to this tab you may be presented with red error messages in the Bid ID column. A full explanation of each error message will be displayed in the wide field immediately below this message when the red error message in the Bid ID column is clicked.

If an error message appears in red in the "Bid ID" column an explanation will be displayed here when the error message is clicked.

# **2019 Multi-Year Resource (RA) Solicitation**

## **Product 2 - Bids to BUY RA Import Rights from PG&E**

**Company Name:**



Appendix A - Version 2019.01

**Supply Chain Responsibility**  
There are 5 required fields that are not yet filled in.

## Supply Chain Responsibility

- 1) Is your company certified as a minority, woman, service disabled veteran-owned (DVBE) business, lesbian, gay, transgender (LGBT) business? (select only one):

<Choose>

- 2) Is your company a certified small business?

<Choose>

- 3) Does your company have specific programs designed to recruit and develop small, diverse suppliers/subcontractors (e.g. outreach, training, mentorship, etc.).

<Choose>

- 4) Does your company plan to subcontract any of the work pertaining to this solicitation to California CPUC-certified diverse firms?

<Choose>

- 5) Does your company have a Code of Conduct policy for its employees and suppliers?

<Choose>

**2019 Multi-Year Resource Adequacy (RA) Solicitation  
Confidentiality Agreement**

**CONFIDENTIALITY AGREEMENT**

This confidentiality agreement (“Confidentiality Agreement”) dated as of the last date of signature found at the signature block (“Execution Date”) is entered into by and between Pacific Gas and Electric Company, a California corporation, (“PG&E”) and \_\_\_\_\_ (“Participant”), *[Participant to insert type of entity]*, each of which may be referred to herein separately as a “Party” or together as the “Parties”. *[Note to Participants: If you have provided a Bid as part of a joint venture or partnership, please insert the names of all parties in interest as Participants.]*

Whereas, each Party (“Provider”) may have furnished and is furnishing to the other Party (“Recipient”) certain Confidential Information, as defined below, in order to assess Participant’s offer to purchase certain product from PG&E as submitted into PG&E’s 2019 Multi-Year RA Solicitation issued September 18, 2019 (“Solicitation”) in accordance to Appendix S - Sales Framework of PG&E’s Bundled Procurement Plan filed with the California Public Utilities Commission Decision and the negotiation of an agreement (“Agreement”) in connection with the Solicitation, if applicable;

Whereas, it is to the mutual benefit of each Party hereto to enter into this Confidentiality Agreement and provide for the procedure to exchange and protect Confidential Information, as defined below, pursuant to this Confidentiality Agreement;

NOW, THEREFORE, in consideration of Provider’s disclosure to Recipient of Confidential Information and other valuable consideration, the Parties agree as follows:

**1. Definition of Confidential Information**

The term “Confidential Information” shall mean all information that either Party has furnished or is furnishing to the other Party, which with respect to Participant as Provider must in addition be clearly marked “Confidential” (or promptly identified in writing as such when furnished to PG&E in intangible form), in connection with or pertaining to the Solicitation or any Agreement offer thereunder, whether furnished before or after the Execution Date of this Confidentiality Agreement, whether intangible or tangible, and in whatever form or medium provided, and regardless of whether owned by Provider, as well as all information generated by Recipient or its Representatives, as defined below, that contains, reflects, or is derived from such furnished information. “Confidential Information” shall also include information regarding the Parties’ bidding and negotiation process, including the status of such process, and potential commercial relationship concerning the Solicitation or any Agreement offer thereunder.

**2. Disclosure to Representatives**

Recipient agrees that it shall maintain the Confidential Information in strict confidence and that the Confidential Information shall not, without Provider’s prior written consent, be disclosed by Recipient or by its affiliates, or their respective officers, directors, partners, employees, agents, or representatives (collectively, “Representatives”) in any manner whatsoever, in whole or in part, and shall not be used by Recipient or by its Representatives other than in connection with the Solicitation and the evaluation or negotiation of the Agreement; provided that, PG&E may use Confidential Information, consolidated with other market information and not specifically attributed to the Provider, to analyze or forecast market conditions or prices, for its own internal use or in the context of regulatory or other proceedings. Moreover,

**2019 Multi-Year Resource Adequacy (RA) Solicitation  
Confidentiality Agreement**

Recipient agrees to transmit the Confidential Information only to such of its Representatives who need to know the Confidential Information for the sole purpose of assisting Recipient with such permitted uses, as applicable; provided that, Recipient shall inform its Representatives of this Confidentiality Agreement and secure their agreement to abide in all material respects by its terms. In any event, Recipient shall be fully liable for any breach of this Confidentiality Agreement by its Representatives as though committed by Recipient itself.

**3. Nondisclosure**

Recipient further agrees that it:

- (a) shall not disclose any Confidential Information provided to it by Provider to any third party for any purpose, except as provided in Section 5 below (or Section 2 above if a Representative is a third party);
- (b) shall not distribute all or any portion of Confidential Information to any Representative for any purpose other than as permitted by Section 2 above; and
- (c) shall destroy or return all such Confidential Information upon Provider's request; provided that, each Party shall have the right to retain one copy of Confidential Information for regulatory compliance or legal purposes, and neither Party shall be obligated to purge extra copies of Confidential Information from electronic media used solely for disaster recovery backup purposes.

**4. Exclusions to Confidential Information**

For purposes of this Confidentiality Agreement, Confidential Information does not include information that:

- (a) is in the public domain at the time of the disclosure by Provider or is subsequently made available to the general public through no violation of this Confidentiality Agreement by Recipient;
- (b) Recipient can demonstrate was at the time of disclosure by Provider already in Recipient's possession and was not acquired, directly or indirectly, from Provider on a confidential basis;
- (c) is independently developed by Recipient without use of or reference to the Confidential Information; or
- (d) is disclosed with the prior written consent of Provider.

**5. Required and Permitted Disclosure**

Recipient agrees not to introduce (in whole or in part) into evidence or otherwise voluntarily disclose in any administrative or judicial proceeding, any Confidential Information, except as required by law or as Recipient may be required to disclose to duly authorized governmental or regulatory agencies ("Required Disclosure"). In the event that Recipient or any of its Representatives becomes subject to a Required Disclosure, Recipient agrees:

**2019 Multi-Year Resource Adequacy (RA) Solicitation  
Confidentiality Agreement**

- (a) to the extent practicable, to use reasonable efforts to notify Provider prior to disclosure and to prevent or limit such disclosure; and
- (b) if disclosure of such Confidential Information is required to prevent Recipient from being held in contempt or subject to other legal detriment, to furnish only such portion of the Confidential Information as it is legally compelled to disclose and to exercise its reasonable efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to the disclosed Confidential Information.

After using such reasonable efforts, Recipient shall not be prohibited from complying with the Required Disclosure and shall not be liable to the other Party for monetary or other damages incurred in connection with the Required Disclosure.

In addition to the Required Disclosure, PG&E shall be permitted to disclose Confidential Information as follows: (i) to PG&E's Procurement Review Group ("PRG"), as defined in California Public Utilities Commission ("CPUC") Decision (D) 02-08-071 and subject to confidential treatment by PRG members; (ii) to the CPUC (including CPUC staff) under seal for purposes of review (if such seal is applicable to the nature of the Confidential Information), and (iii) to the Independent Evaluator, as defined and specified in the 2019 Multi-Year RA Solicitation Protocol ("Protocol"). PG&E shall also be permitted to disclose Participant's Confidential Information in order to comply with (A) any applicable law, regulation, or any exchange or control area rule, or (B) any applicable regulation, rule, or order of the CPUC, California Energy Commission, the California Air Resources Board, or the Federal Energy Regulatory Commission, including any mandatory discovery or data request issued by any of the foregoing entities.

**6. No License Rights**

This Confidentiality Agreement and any Confidential Information used or disclosed hereunder shall not be construed as granting, expressly or by implication, Recipient any rights by license or otherwise to such Confidential Information or to any invention, patent or patent application, or other intellectual property right, now or hereafter owned or controlled by Provider.

**7. Publicity**

Subject to Sections 4 and 5, neither Party will disclose any information or make any news release, advertisement, public communication, response to media inquiry or other public statement regarding this Confidentiality Agreement and the Confidential Information disclosed hereunder (including without limitation the potential commercial relationship between the Parties, the inclusion of a bid on PG&E's shortlist of bids, or the status of negotiations) or the performance hereunder or with respect to a bid, without the prior written consent of the other Party.

**8. No Future Contracts**

Entry into this Confidentiality Agreement and the disclosure of Confidential Information hereunder shall not constitute a bid or acceptance or promise of any future contract or amendment of any existing contract. Each Party shall retain such rights with respect to its own Confidential Information as it had prior to entering into this Confidentiality Agreement. Neither Party shall have any legal obligation with respect to any contemplated transaction because of this Confidentiality Agreement nor any other written or oral

**2019 Multi-Year Resource Adequacy (RA) Solicitation  
Confidentiality Agreement**

expression with respect to any transaction except, in the case of this Confidentiality Agreement, for the matters specifically agreed to herein.

**9. No Representation or Warranties**

Any Confidential Information exchanged under this Confidentiality Agreement shall carry no warranties or representations of any kind, either expressed or implied, unless specifically expressed per the terms of the Protocol. Recipient shall not rely on the Confidential Information for any purpose other than to make its own evaluation thereof or as provided in the Protocol.

**10. Injunctive Relief**

Recipient acknowledges and agrees that, in the event of any breach of this Confidentiality Agreement, Provider may be irreparably and immediately harmed and monetary damages may not be adequate to make Provider whole. Accordingly, it is agreed that, in addition to any other remedy to which it may be entitled in law or equity and, with respect to PG&E as Provider any remedy under the Protocol, Provider shall be entitled to an injunction or injunctions (without the posting of any bond and without proof of actual damages) to cease breaches or prevent threatened breaches of this Confidentiality Agreement and/or to compel specific performance of this Confidentiality Agreement, and that neither Recipient nor its Representatives will oppose the granting of such equitable relief if a court finds a breach or threatened breach. Each Party expressly agrees that it shall bear all costs and expenses, including attorneys' fees and costs that it may incur as Provider in enforcing the provisions of this Confidentiality Agreement.

**11. Term and Provisions Surviving Termination**

This term of this Confidentiality Agreement shall be two (2) years from the Execution Date; provided however, that either Party may earlier terminate this Confidentiality Agreement by giving the other Party thirty (30) days prior written notice of its intention to terminate this Confidentiality Agreement. Any such expiration or termination shall not abrogate either Party's obligations hereunder with respect to Confidential Information received prior to such expiration or termination nor those terms herein relating to the interpretation or enforcement of this Confidentiality Agreement relating to said obligations. Such obligations and terms shall survive for a period of three (3) years from said expiration or termination.

**12. No Waiver**

Any waiver of any provision of this Confidentiality Agreement, or a waiver of a breach hereof, must be in writing and signed by both Parties to be effective. Any waiver of a breach of this Confidentiality Agreement, whether express or implied, shall not constitute a waiver of a subsequent breach hereof.

**13. Binding Nature and Amendment**

This Confidentiality Agreement contains the entire understanding between the Parties with respect to Confidential Information received hereunder. No change or modification shall be effective unless made in writing and signed by an authorized representative of each Party. Any conflict between the language of any legend or stamp on any Confidential Information received hereunder, any provision of the Solicitation Protocol, or Agreement relating to Confidential Information provided during the term of this Agreement, on the one hand, and this Confidentiality Agreement, on the other hand, shall be resolved in favor of the language of this Confidentiality Agreement. This Confidentiality Agreement may not be amended or modified except by a written agreement executed by both Parties.

**2019 Multi-Year Resource Adequacy (RA) Solicitation  
Confidentiality Agreement**

**14. Governing Law and Jurisdiction**

THIS CONFIDENTIALITY AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA. THE PARTIES AGREE THAT ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATED IN ANY WAY TO THIS CONFIDENTIALITY AGREEMENT SHALL BE BROUGHT SOLELY IN A COURT OF COMPETENT JURISDICTION SITTING IN THE CITY AND COUNTY OF SAN FRANCISCO. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY ACTION OR PROCEEDING IN ANY SUCH COURT, ANY OBJECTION TO VENUE WITH RESPECT TO ANY SUCH ACTION OR PROCEEDING AND ANY RIGHT OF JURISDICTION ON ACCOUNT OF THE PLACE OF RESIDENCE OR DOMICILE OF ANY PARTY THERETO. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE THE RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY CLAIM ARISING OUT OF OR RELATED TO THIS CONFIDENTIALITY AGREEMENT.

**15. Severability**

If any provision hereof is unenforceable or invalid, it shall be given effect to the extent it may be enforceable or valid, and such unenforceability or invalidity shall not affect the enforceability or validity of any other provision of this Confidentiality Agreement.

**16. Counterparts**

This Confidentiality Agreement may be signed in counterparts, each of which shall be deemed an original. This Confidentiality Agreement may be executed and delivered by facsimile or PDF transmission and the Parties agree that such facsimile or PDF transmission execution and delivery shall have the same force and effect as delivery of an original document with original signatures.

**17. Notice**

Any notice given hereunder by either Party shall be made in writing and shall be effective once delivered, by any of the following means: (a) e-mail, with indication of complete electronic transmission thereof and receipt of a copy sent via certified U.S. Mail, return receipt requested, as evidenced by a signed delivery receipt; or (b) overnight delivery by a nationally recognized overnight delivery service, as verified by a delivery receipt or signature, addressed as follows:

To Participant: ***[TO BE COMPLETED BY EACH PARTICIPANT]***

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_

**PG&E**

**2019 Multi-Year Resource Adequacy (RA) Solicitation  
Confidentiality Agreement**

To PG&E:      Pacific Gas and Electric Company  
                  Electric Supply Department  
                  Attn: Multi-Year RA Manager  
                  77 Beale Street, (MC B25J)  
                  San Francisco, California 94105  
Email: [PGERARFO@pge.com](mailto:PGERARFO@pge.com)

Either Party may periodically change any address to which notice is to be given it by providing written notice of such change to the other Party.

IN WITNESS WHEREOF, each Party has caused this Confidentiality Agreement to be duly executed and delivered by its proper and duly authorized agent as of the date set forth below. *[Note to Participants:  
For joint Bids, please add signature blocks for each Participant involved.]*

**PACIFIC GAS AND ELECTRIC COMPANY**

**[PARTICIPANT NAME]**

---

Signature

---

Signature

---

Print Name

---

Print Name

---

Title

---

Title

---

Date

---

Date

**PACIFIC GAS AND ELECTRIC COMPANY**

**APPENDIX C**

**PG&E Market Notices**

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Market Participants,

In PG&E's Pre-Issuance Participants' Conference, PG&E noted that it is conducting its **2019 Multi-Year Resource Adequacy (RA) Sale Solicitation** for sale of Local, System, and Flexible RA, and Import Allocation Rights for the years 2020 through 2022 pursuant to a confirmation. As a reminder, the following transaction types will be considered in this solicitation.

- PG&E sells System RA (2020)
- PG&E sells Local RA (2020, 2021, 2022)
- PG&E sells Import Allocation Rights (2020)
- PG&E sells Local RA and receives System RA (2020)
- PG&E sells Local RA and receives Local RA (2020, 2021, 2022)

With respect to local, PG&E is particularly interested in receiving Local RA to address its position needs in certain months in the following local areas.

- Kern
- North Coast / North Bay
- Sierra
- Stockton

In light of the additional information, PG&E is extending its **deadline to submit bids** for the 2019 Multi-Year Resource Adequacy (RA) Sale Solicitation to **Tuesday, August 6**,

**2019 at 5 PM (PPT) via Power Advocate.** To review the solicitation schedule and all other solicitation materials, please visit the website at: [www.pge.com/rfo/ra-solicitation](http://www.pge.com/rfo/ra-solicitation).

PG&E will use the Power Advocate platform for the receipt of bids in this solicitation. The instructions for bid submittal are available on PG&E's website at the link above. All participants are required to pre-register through Power Advocate in order to submit a bid using the bid event link

at: <https://www.poweradvocate.com/pR.do?okey=94712&pubEvent=true> (Bid Event: 94712)

Any questions regarding this solicitation may be directed to: [PGERARFO@pge.com](mailto:PGERARFO@pge.com) with a copy to the Independent Evaluator, Charles Janecek at [Charles.Janecek@PAconsulting.com](mailto:Charles.Janecek@PAconsulting.com). We look forward to your participation.

Regards,  
PG&E

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**Our mailing address is:**

Pacific Gas & Electric Company  
77 Beale St.  
25th Floor, MC 25J  
San Francisco, CA 94105

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Market Participants,

PG&E has a need for local RA in 2020, 2021, and 2022 in the following areas: Kern, North Bay/North Coast, Sierra and Stockton and would like to engage with parties that may have availability in these areas. Please contact PG&E at your earliest convenience or by August 23, 2019 at [PGERARFO@pge.com](mailto:PGERARFO@pge.com) if interested. Discussions will run concurrent to PG&E's existing Multi-Year RA Sales Solicitation.

Regards,

PG&E

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**Our mailing address is:**

Pacific Gas & Electric Company  
77 Beale St.  
25th Floor, MC 25J  
San Francisco, CA 94105

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## Market Notice – CAISO Power Contracts Bulletin Board

August 29, 2019

### 2020 - 2022 Local RA

AVERY ARJOx4738 Posts: 1	PG&E requests indicative offers for capacity in the Sierra, Stockton, Kern, and/or North Coast North Bay local areas for delivery in 2020 – 2022. PG&E will evaluate calendar strip and monthly offers. Please contact <a href="mailto:PGERARFO@pge.com">PGERARFO@pge.com</a> or call Avery Arjo at 415-973-0117 or Mike Kowalewski at 415-972-5589 for further information. Thank you for your attention to this notice; we look forward to hearing from you.
8/29/2019	<i>Note: this notice does not constitute an offer to buy or sell and creates no obligation to execute any agreement or to enter into any transaction. Any transactions are subject to PG&amp;E management approval and the execution of final documents.</i>

# **PACIFIC GAS AND ELECTRIC COMPANY**

## **APPENDIX D**

### **PG&E's Shortfalls in Kern, Sierra, and Stockton Local Capacity Areas (LCAs)**

## Appendix D

### PG&E's Shortfalls in Kern, Sierra, and Stockton Local Capacity Areas (LCAs)

# **PACIFIC GAS AND ELECTRIC COMPANY**

## **APPENDIX E**

### **PG&E's Procurement Efforts in Kern, Sierra, and Stockton Local Capacity Areas (LCAs)**

## Appendix E

PG&E has determined that it will be unable to meet its annual CPUC Local Resource Adequacy compliance requirements in three local areas: Kern, Stockton and Sierra. The following is a summary of all activities PG&E has taken to-date to close its CPUC compliance position.

### **Background on Commercial Activities**

On August 5, prior to launching Phase 1 of its Multi-Year RA Sale Solicitation, PG&E issued a market notice indicating that the Utility had a need in four local capacity areas (LCAs): Kern, Stockton, Sierra and North Coast North Bay. Following bid submissions from Phase 1 of the solicitation, PG&E determined that there was still a need in these four local areas and issued a second market notice on August 16. In addition to the market notices, PG&E reached out to the broker market to determine if there was available capacity in these four local areas; however, it was apparent through these interactions with the broker market that there was either limited capacity or prices were well above \$51 per kW-year. Given this, PG&E decided to complete additional research to determine who might have capacity to close its short positions as described in the subsequent paragraph.

PG&E assessed all resources that have capacity in the LCAs where PG&E had a need. PG&E looked at Board of Directors Meeting Notes to understand what capacity Municipal Owned Utilities sold from particular Local RA resources as well as what capacity other LSEs purchased from particular Local RA resources. PG&E also reviewed Integrated Resource Plans to understand existing contractual relationships between generators and Municipal Owned Utilities and/or other LSEs with respect to resources in these LCAs. PG&E also researched the specific Local RA resources via web searches to determine whether any resources had long-term contracts with LSEs. Comparing this information to the information PG&E currently has about its own portfolio, as well as the total physical capacity in the LCAs, PG&E was able to ascertain which counterparties were likely to have capacity available to sell. PG&E was able to successfully close its position in North Coast North Bay for the Annual Compliance filing.

Below, PG&E summarizes communications and attaches supporting documentation, organized first as it applies to all three areas where PG&E remains short, and then by each LCA. For each section, evidence is organized into two categories, where PG&E received:

- No bids; or
- No bids for an unbundled RA capacity contract of under \$51 per kW-year (CPUC's Local RA waiver trigger price) or for a bundled capacity and energy product of under \$73 per kW-year. PG&E also compared prices against the CAISO Capacity Procurement Mechanism (CPM) soft-offer cap of \$75.72 per kW-year or \$6.31/kW-mo.

### **For All Three Local Areas where PG&E Remains Short**

1. PG&E contacted non-Commission-jurisdictional municipal utilities that own or contract with capacity in the Kern, Sierra and Stockton LCAs to inquire about purchasing local capacity in these areas. The entities PG&E contacted were El Dorado Irrigation District, Northern California Power Agency (NCPA), Silicon Valley Power (SVP), City of Palo Alto, Placer County Water Agency (PCWA), South Feather Water and Power Agency (SFWPA).

- No bids
  - i. Four of these entities [REDACTED] have been unresponsive to PG&E's outreach to date.
  - ii. [REDACTED]

Please see Attachments 1-5 for evidence of communications with the organizations described in this section.

2. CPUC-jurisdictional counterparties who own or have contracted with resources in the three identified LCAs who did not offer into any of PG&E's RA solicitations and entities who bid into PG&E's Multi-Year RA Solicitation.

- PG&E asked each entity if they had any MWs during the time periods where PG&E had not yet acquired the sufficient resources to meet its Local RA compliance requirements.
- No bids
  - i. [REDACTED]  
[REDACTED] all indicated that they did not have available MWs to help resolve PG&E's need. Please see Attachments 6-12 for examples of communications with the counterparties mentioned above.
  - No bids for an unbundled RA capacity contract of under \$51 per kW-year (CPUC's Local RA waiver trigger price) or for a bundled capacity and energy product of under \$73 per kW-year
    - ii. Other than the non-Commission-jurisdictional municipal utilities, six of 32 other potential counterparties indicated that they may have capacity to sell. PG&E entered into transactions with three of these counterparties. The remaining three counterparties: [REDACTED] offered to sell Local RA capacity to PG&E at prices well above the CPUC's Local RA waiver trigger price and the CAISO CPM soft-offer cap (offered prices ranged from [REDACTED]/kW-mo). Please see Attachments 13-15 for evidence of communications with these counterparties. PG&E describes the negotiations with [REDACTED] further below.

## **Kern**

- No bids for an unbundled RA capacity contract of under \$51 per kW-year (CPUC's Local RA waiver trigger price) or for a bundled capacity and energy product of under \$73 per kW-year
  - i. PG&E responded to the [REDACTED] [REDACTED] awarded PG&E MWs in the Kern LCA but not the amount of MWs required to fully close PG&E's compliance position, stating that they received bids higher than PG&E's bid of \$4.25/kW-month. (note: PG&E offered [REDACTED]  
[REDACTED] Please see Attachment 16 for evidence of communication with [REDACTED].
  - ii. PG&E received one offer for its e-Solicitation for Local RA 2020-2022 issued on June 28, 2019. The counterparty, [REDACTED], ultimately withdrew its offer as it received a better price from another counterparty. The original offer did not provide enough MWs for PG&E to meet the CPUC compliance requirement in the Kern Local RA and was greater than the CPUC's Local RA waiver trigger price of \$4.25/kW-month. Please see Attachment 17 as evidence of e-mail communication with this counterparty retracting its offer.
- No bids
  - i. When PG&E realized it had not met its CPUC compliance requirements in the Kern LCA, we reached out to the broker market. The broker was unable to locate any capacity available for sale. Please see Attachment 18 for evidence of communications with the broker.

## **Stockton**

- No bids
  - i. On September [REDACTED], 2019 and September [REDACTED], 2019, PG&E participated in solicitations launched by [REDACTED] and the [REDACTED]. PG&E did not bid for Stockton [REDACTED] MWs in these solicitations as PG&E's need for Stockton MWs in [REDACTED] did not occur until after final NQCs were adopted by the CAISO. Furthermore, neither entity was offering to sell Stockton MWs during the [REDACTED] timeframe. As [REDACTED] had significant Stockton MWs ([REDACTED] of total Stockton MWs<sup>2</sup>), PG&E inquired why [REDACTED] was not willing to make [REDACTED] Stockton MWs available. PG&E has yet to receive a response to this inquiry. Please see previously referenced Attachment 2 for evidence of

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<sup>2</sup> Based on August NQC on CAISO Final 2020 NQC List

- communications with [REDACTED] and Attachment 19 for evidence of communications with the [REDACTED]
- ii. In addition to [REDACTED], which, as mentioned, did not respond to PG&E's requests to bid for Stockton MWs, [REDACTED] initially responded to PG&E's request for a discussion but never followed up even after additional requests. Please see Attachment 20 for evidence of communications with [REDACTED]
  - iii. [REDACTED] responded to PG&E's August 16, 2019 market notice offering resources currently under development that could come online in Year 2 and Year 3 RA compliance periods. PG&E determined that it was not able to consider this offer as an option to meet PG&E's RA requirements for the year-end compliance filing due to existing rules related to resources that do not have an NQC. Please see Attachment 23 for evidence of communications with [REDACTED].
  - iv. [REDACTED] responded to PG&E's August 16, 2019 market notice by offering resources currently under development that could come online in Year 2 and Year 3 RA compliance periods. PG&E determined that it was not able to consider this offer as an option to meet PG&E's RA requirements for the year-end compliance filing, due to existing rules related to resources that do not have an NQC. Please see Attachment 24 for evidence of communications with [REDACTED]
  - v. PG&E reached out to the broker market to procure Stockton MWs in the months where PG&E had not met the CPUC compliance requirements in the Stockton LCA. The broker was unable to locate any capacity available for sale, although he had seen bids as high as [REDACTED]-mo. Please see Attachment 21 for evidence of communications with the broker.
- No bids for an unbundled RA capacity contract of under \$51 per kW-year (CPUC's Local RA waiver trigger price) or for a bundled capacity and energy product of under \$73 per kW-year
    - i. Following Phase 2 of PG&E's Multi-Year Sale Solicitation, [REDACTED] Renewables reached out to PG&E asking if PG&E would be willing to enter into a bilateral transaction purchase and sale transaction, where PG&E would purchase Stockton capacity from [REDACTED] and sell [REDACTED] Sierra capacity. The Stockton capacity offered at [REDACTED] kW-mo, which is well above the CPUC's Local RA waiver trigger price. Please see Attachment 22 for evidence of communications with [REDACTED]

## Sierra

- No bids
  - i. On September [REDACTED], 2019 and September [REDACTED], 2019, PG&E participated in solicitations launched by [REDACTED] & the [REDACTED]. PG&E did not bid for Sierra [REDACTED] MWs in these solicitations as PG&E's need for Sierra MWs in [REDACTED] did not occur until after final NQCs were adopted by the CAISO. Furthermore, neither organization was offering to sell Sierra MWs during the [REDACTED] timeframe. Please see previously referenced Attachments 2 and 19 for evidence of communications with [REDACTED] and the [REDACTED] respectively.

- ii. In addition to [REDACTED], and [REDACTED], which as mentioned, did not respond to PG&E's requests to bid on Sierra MWs, [REDACTED] did not respond to PG&E's request for a discussion. Please see Attachment 25 for evidence of communications with [REDACTED].
  - iii. Once final NQCs were adopted by the CAISO, PG&E reached back out to [REDACTED] indicated at this time that it had no additional MW to sell in [REDACTED]. Please see Attachment 26 for evidence of communication with [REDACTED].
  - iv. [REDACTED] responded to PG&E's August 16, 2019 market notice by offering resources currently under development that could come online in Year 2 and Year 3 RA compliance periods. PG&E determined that it was not able to consider this offer as an option to meet PG&E's RA requirements for the year-end compliance filing, due to existing rules related to resources that do not have an NQC. Please see previously referenced Attachment 23 for evidence of communications with [REDACTED]
- No bids for an unbundled RA capacity contract of under \$51 per kW-year (CPUC's Local RA waiver trigger price) or for a bundled capacity and energy product of under \$73 per kW-year
    - i. [REDACTED] responded to PG&E's August 16, 2019 market notice by offering a [REDACTED]. [REDACTED] indicated that in order for its facility to stay online, it required a price of [REDACTED] kW-month, which is well above the Local RA waiver trigger price of \$4.25/kW-mo and the CAISO CPM soft-offer cap of \$6.31/kW-mo, for at least three years. PG&E does not need [REDACTED], nor does it need the Sierra MWs [REDACTED]. PG&E offered to pay \$4.25/kW-month and [REDACTED] rejected that offer. Please see previously referenced Attachment 13 for evidence of communication with [REDACTED]
    - ii. PG&E reached out to the broker market to procure Sierra MWs in the months where PG&E had not met the CPUC compliance requirements in the Sierra LCA. The broker was only able to identify capacity at [REDACTED]/kW-mo, which is well above the CPUC's Local RA waiver trigger price of \$4.25/kW-mo. Please see Attachment 27 for evidence of communications with the broker.

---

**Subject:** FW: [REDACTED] Facilities in PG&E Local Areas

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**From:** [REDACTED] [@pge.com>](mailto:@pge.com)  
**Sent:** Monday, August 26, 2019 11:57 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED] [@pge.com>](mailto:@pge.com); [REDACTED] [@pge.com>](mailto:@pge.com)  
**Subject:** [REDACTED] Facilities in PG&E Local Areas

[REDACTED]

As you may have seen from market notices, PG&E is interested in purchasing RA capacity from the North Coast North Bay, Sierra, and Stockton Local RA Areas. I know that [REDACTED] owns facilities in these locations. Would [REDACTED] be willing to entertain a discussion about PG&E purchasing capacity from the [REDACTED] or [REDACTED] facilities, or facilitate a discussion between PG&E and [REDACTED] who own available capacity to sell?

Thanks,

[REDACTED]  
\_\_\_\_\_  
Structured Transactions  
Pacific Gas and Electric Company  
[REDACTED]

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---

**From:** [REDACTED]  
**Sent:** Monday, October 14, 2019 4:03 PM  
**To:** PGE RA RFO  
**Subject:** FW: [REDACTED] RFP for 2020 Resource Adequacy

---

**From:** [REDACTED]  
**Sent:** Friday, October 11, 2019 11:39 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
[REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] RFP for 2020 Resource Adequacy

[REDACTED]

Thanks for this response. We continue to be interested in Stockton volumes in 2021. The amounts we need for our Annual RA filing are [REDACTED]. Can you explain why [REDACTED] is not making [REDACTED] volumes available for sale?

Thanks again,

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Tuesday, October 08, 2019 5:09 PM  
**To:** [REDACTED] @pge.com>;  
**Cc:** [REDACTED]  
[REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] RFP for 2020 Resource Adequacy

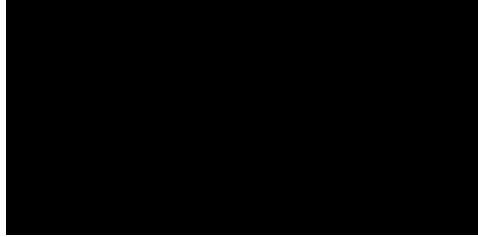
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H [REDACTED]

Thank you for responding to our RFO. We have just gotten through reviewing all of the proposals, however PG&E was outbid in all categories.

Best regards,

[REDACTED]



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**From:** [REDACTED] @pge.com]

**Sent:** Tuesday, October 08, 2019 3:59 PM

**To:** [REDACTED]

**Cc:** [REDACTED]

[REDACTED] @pge.com>

**Subject:** RE: [REDACTED] RFP for 2020 Resource Adequacy



We haven't heard back on the bids we submitted to you on 9/27. Should we assume that we were not awarded any capacity?

While the volumes we submitted on 9/27 remain our current bids, if [REDACTED] was not able to sell its full amount of Stockton RA in [REDACTED] in this solicitation, PG&E would be willing to entertain a bilateral transaction for those periods. If SVP is considering selling Stockton in [REDACTED], we would also be interested in discussing [REDACTED] willingness to sell in most months of [REDACTED]

Thanks,



---

**From:** [REDACTED]

**Sent:** Friday, September 27, 2019 11:26 AM

**To:** [REDACTED] @pge.com>

**Cc:** [REDACTED]

[REDACTED] @pge.com>

**Subject:** RE: [REDACTED] RFP for 2020 Resource Adequacy

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Hi [REDACTED]

Confirming receipt of PG&E bids. We will be in touch with candidates early next week.

Have a great weekend.

Best Regards,

[REDACTED]

---

**From:** [REDACTED] @pge.com]

**Sent:** Friday, September 27, 2019 11:20 AM

**To:** [REDACTED]

**Cc:** [REDACTED]

[REDACTED] @pge.com>; [REDACTED]

**Subject:** RE: [REDACTED] (SVP) RFP for 2020 Resource Adequacy

[REDACTED]

Please see the attached document with PG&E's bid. We encourage [REDACTED] bid into PG&E's RA solicitation to acquire the System and Local RA that you are seeking to purchase. We will be sending a market notice shortly to indicate when bids are due.

Thanks,

[REDACTED]

---

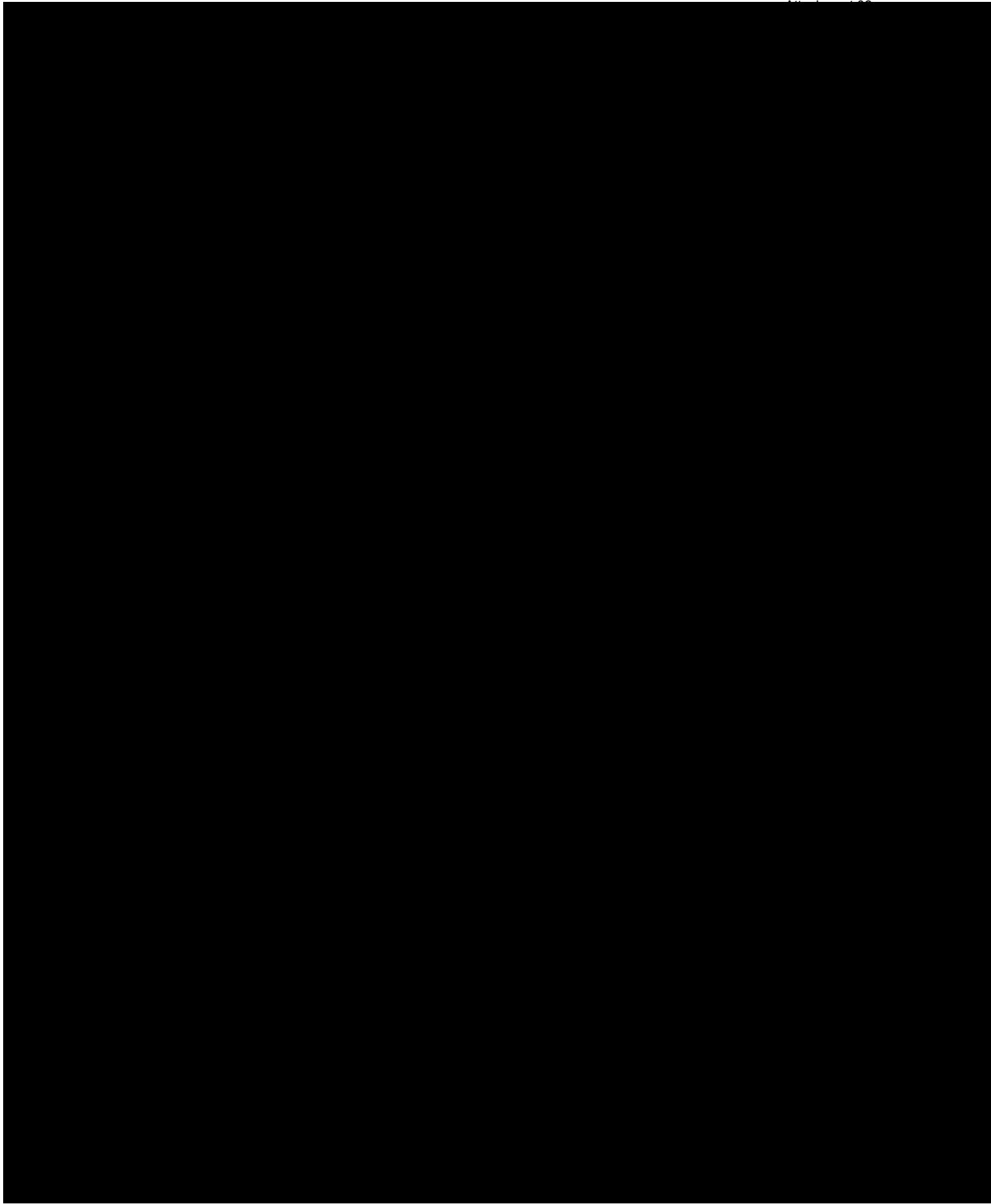
**From:** [REDACTED]

**Sent:** Friday, September 20, 2019 3:29 PM

**Cc:** [REDACTED]

[REDACTED] RFP for 2020 Resource Adequacy

[REDACTED]



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**From:** [REDACTED]  
**Sent:** Wednesday, October 23, 2019 5:49 PM  
**To:** PGE RA RFO  
**Subject:** Fwd: New contract opportunity for [REDACTED] facilities

---

**From:** [REDACTED]@pge.com>  
**Sent:** Wednesday, October 23, 2019 11:26:23 AM  
**To:** PGE RA RFO <PGERARFO@pge.com>  
**Cc:** [REDACTED]@pge.com>  
**Subject:** FW: New contract opportunity for [REDACTED] facilities

FYI

[REDACTED]  
PG&E, Energy Procurement [REDACTED]

---

**From:** [REDACTED]@pge.com>  
**Sent:** Wednesday, August 28, 2019 4:08 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]@pge.com>; [REDACTED]@pge.com>  
**Subject:** New contract opportunity for [REDACTED] facilities

[REDACTED]  
As you may have seen from recent market notices, PG&E is interested in purchasing RA capacity from the Sierra Local RA Area in years [REDACTED]. Would [REDACTED] be willing to entertain a discussion about PG&E purchasing RA from [REDACTED]? We are aware that [REDACTED] has sold some of its [REDACTED] capacity to [REDACTED] but PG&E would like to understand whether additional capacity is available for sale.

Our prospective deal would be for [REDACTED] to sign an EEI Master Agreement and RA confirm with PG&E for the period of [REDACTED]. The confirm we envision signing would be substantially similar to the agreement we posted for our Multi-Year RA Sale Solicitation (link [here](#)).

If [REDACTED] is interested in this type of transaction, please let me know when you are available for a conference call to discuss this opportunity.

Thanks,

[REDACTED]  
Structured Transactions  
Pacific Gas and Electric Company



[Alan.wecker@pge.com](mailto:Alan.wecker@pge.com)

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---

**From:** [REDACTED]  
**Sent:** Wednesday, October 23, 2019 11:25 AM  
**To:** [REDACTED] PGE RA RFO  
**Subject:** FW: New contract opportunity for [REDACTED] facilities

FYI

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED]

---

**From:** [REDACTED] @pge.com>  
**Sent:** Wednesday, August 28, 2019 4:00 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** New contract opportunity for [REDACTED] facilities

[REDACTED]

As you may have seen from recent market notices, PG&E is interested in purchasing RA capacity from the Sierra Local RA Area in years [REDACTED]. Would [REDACTED] be willing to entertain a discussion about PG&E purchasing RA from [REDACTED]  
[REDACTED] We are aware that [REDACTED] is having conversations with [REDACTED] about these facilities.

Our prospective deal would be for [REDACTED] to sign an EEI Master Agreement and RA confirm with PG&E for the period after [REDACTED] existing contract expires until the end of [REDACTED]. The confirm we envision signing would be substantially similar to the agreement we posted for our Multi-Year RA Sale Solicitation (link [here](#)).

If [REDACTED] is interested in this type of transaction, please let me know when you are available for a conference call to discuss this opportunity.

Thanks,

[REDACTED]  
\_\_\_\_\_  
Structured Transactions  
Pacific Gas and Electric Company  
Office: [REDACTED]

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---

**From:** [REDACTED]  
**Sent:** Monday, October 14, 2019 4:43 PM  
**To:** PGE RA RFO  
**Subject:** FW: [REDACTED] Facility in PG&E Local Area

---

**From:** [REDACTED]  
**Sent:** Tuesday, September 17, 2019 12:28 PM  
**To:** [REDACTED] @pge.com>  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] Facility in PG&E Local Area

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Hi [REDACTED]

Thanks for following up, and sorry for the slow response on my end. I've discussed your proposal with some colleagues and our attorneys and unfortunately we've come to the conclusion that it won't be feasible to put this transaction together and get it approved before the end of October. We have very lengthy lead time requirements here for things that would need [REDACTED] approval, in addition to the time it would take to negotiate terms. I hope you'll keep us in mind for things like this in future years though, when we have more time to work with.

Regards,

[REDACTED]

---

**From:** [REDACTED] @pge.com]  
**Sent:** Monday, September 16, 2019 1:00 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: [REDACTED] Facility in PG&E Local Area

Hey [REDACTED]

Do you have any updates on your end related to this transaction?

Thanks,

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Wednesday, September 04, 2019 11:59 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] Facility in PG&E Local Area

[REDACTED]

We have been doing a fair amount of work tracking down information we discussed related to this transaction. Are you available for a call tomorrow or Friday?

Thanks,

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Wednesday, August 28, 2019 8:25 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** Re: [REDACTED] Facility in PG&E Local Area

Tomorrow at 9 works great. I'll send an invite.

---

**From:** [REDACTED]  
**Sent:** Wednesday, August 28, 2019 8:14:34 AM  
**To:** [REDACTED] @pge.com>  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] Facility in PG&E Local Area

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Great. How about tomorrow at 9 or 10 am?

---

**From:** [REDACTED] @pge.com]  
**Sent:** Wednesday, August 28, 2019 6:31 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Re: [REDACTED] Facility in PG&E Local Area

[REDACTED]  
We certainly would consider a local for local transaction. Let's set up some time to talk. We are relatively free tomorrow and Friday. What time works best for you?

Thanks,

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Tuesday, August 27, 2019 10:25:53 PM  
**To:** [REDACTED] @pge.com>  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] Facility in PG&E Local Area

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Thanks for reaching out about [REDACTED] capacity. We'd certainly be willing to have a discussion about selling this capacity to PG&E. Currently we use [REDACTED] capacity to meet [REDACTED] local RA compliance needs, so our preference would be to swap this capacity for a similar amount of capacity from another local capacity area. Is that something that you would entertain? If not, swapping it for system RA would still be something we would consider, if the price premium is sufficient.

Let me know if you'd like to talk about this by phone, or if you have a proposal ready for us to consider.

Regards,

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

---

**From:** [REDACTED] @pge.com]  
**Sent:** Monday, August 26, 2019 2:03 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** [REDACTED] Facility in PG&E Local Area

**CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.**

---

As you may have seen from market notices, PG&E is interested in purchasing RA capacity from the Kern Local RA Area. I know that [REDACTED] owns the rights to the capacity of [REDACTED] facility in this location. Would [REDACTED] be willing to entertain a discussion about PG&E purchasing capacity from [REDACTED]

PG&E would be willing to sell [REDACTED] System RA MWs in exchange for the Kern Local RA MWs associated with [REDACTED] in [REDACTED] a price premium. PG&E is unable to sell System RA for [REDACTED] due to regulatory restrictions, so [REDACTED] would have to be an outright RA sale to PG&E.

Please let me know if you are interested in having a discussion on this topic or if there is any additional information you need to consider this offer.

Thanks,

[REDACTED]

---

Structured Transactions  
Pacific Gas and Electric Company  
[REDACTED]

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From: [REDACTED]  
Sent: Friday, August 23, 2019 3:16 PM  
To: PGE RA RFO  
Cc: [REDACTED] Charles.Janecek@PAConsulting.com  
Subject: [REDACTED] Notes - August 23, 2019

[REDACTED] call attendees: [REDACTED]  
PG&E call attendees: [REDACTED] [REDACTED]  
IE on the call: Charles Janecek

August 23, 2019

SUMMARY:

- [REDACTED] states it is relatively comfortable with changes made between the original and updated form agreements.  
[REDACTED] does have a question about changes in Section 2.5. [REDACTED] is concerned that the timeframe for when damages are paid is removed when reference to Section 6 is removed.
- PG&E answers that the changes are designed to point to the right place in the EEI Master Agreement. [REDACTED]  
[REDACTED] Will check and get back to PG&E shortly.

ACTION ITEMS/NEXT STEPS:

- [REDACTED] will be sending redlines to confirm after attorney review. PG&E will review Section 2.5 concerns internally.
- [REDACTED] will provide more information on potential sales to PG&E soon.

[REDACTED]  
Structured Transactions  
Pacific Gas and Electric Company  
Office: [REDACTED]  
[pge.com](http://pge.com)

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From: [REDACTED]  
Sent: Thursday, August 22, 2019 9:45 AM  
To: PGE RA RFO  
Cc: [REDACTED] Charles.Janecek@PAConsulting.com  
Subject: [REDACTED] all Notes, August 21, 2019

August 21, 2019

SUMMARY:

- Attendees:
  - [REDACTED]
  - PG&E: [REDACTED]
  - IE: Charles Janecek
- Summary of Call:
  - PG&E opened the call by explaining that this communication does not indicate that the counterparty has been shortlisted.
  - [REDACTED] walked through the changes to the form. They expressed concern with revised language in Section 2.5, and requested time for additional review. Similarly, they requested time for additional review of the edited bankruptcy language.
  - [REDACTED] asked PG&E when they would receive notification of a shortlist. PG&E said the plan was to send something out by August 22, but if things were delayed, a formal notice would be sent to counterparties.
- PG&E asked if [REDACTED] had any length in NC/NB, Kern, Sierra, Stockton.
  - [REDACTED] indicated that they did not have length in these areas at this time.

ACTION ITEMS/NEXT STEPS:

- [REDACTED] will revert back on 2.5 and 5.2 (e).

From: [REDACTED]  
Sent: Wednesday, August 21, 2019 4:20 PM  
To: PGE RA R [REDACTED]  
Cc: Charles.Janecek@PAConsulting.com  
Subject: [REDACTED] Notes - Aug. 21, 2019

[REDACTED] call attendees: [REDACTED] [REDACTED] and [REDACTED]

PG&E call attendees: [REDACTED] [REDACTED] [REDACTED] [REDACTED]

IE on the call: Jonathan Jacobs

August 21, 2019

SUMMARY:

- Clarification on Section 2.4 CPUC approval insert rejection – concern resolved
- Section 5.2 concern related to BK language
- No additional availability in local areas per Market Notice currently, will let PG&E know if length becomes available

ACTION ITEMS/NEXT STEPS:

- [REDACTED] to related Section 5.2 concerns/revisions to PG&E to be discussed with PG&E's commercial attorney and external BK counsel
- Potential call to discuss Section 5.2 to be scheduled afterwards

[REDACTED]  
PG&E Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [REDACTED] [pge.com](http://pge.com)

From: [REDACTED]  
Sent: Tuesday, August 27, 2019 11:31 AM  
To: PGE RA RFO  
Cc: [REDACTED] arles.Janecek@PAConsulting.com  
Subject: [REDACTED] all Notes - August 23, 2019

August 23, 2019

SUMMARY:

- Attendees:
  - [REDACTED] - [REDACTED] [REDACTED] [REDACTED]
  - PG&E: [REDACTED] [REDACTED] [REDACTED]
  - IE: Charles Janecek
- Summary of Call:
  - PG&E opened the call by explaining that this communication does not indicate that the counterparty has been shortlisted.
  - [REDACTED] flagged areas of concern regarding the form:
    - 5.1 – [REDACTED] would like to add language for future planned RA proceedings
    - 5.2 (e) – reiterate that section two applies for Chapter 11 bankruptcy
    - 5.2 (c) - language could imply unit could be offered into the CPM – need clarity
    - 8.1 (c) - strike part b (PG&E agreed)
    - 2.2 – data requests require additional work on [REDACTED] part. Could PG&E add more detail.
  - PG&E stated they would review the above, asked [REDACTED] to provide drafted language for 5.1.
  - [REDACTED] asked PG&E to confirm when the shortlist would be received. PG&E stated it would be early the week of august 26.
- PG&E asked if [REDACTED] had any length in NC/NB, Kern, Sierra, Stockton.
  - They said they have nothing to offer PG&E at this time.

NEXT STEPS:

[REDACTED] to provide language on section 5.1. PG&E to circle back to discuss form.

From: [REDACTED]  
Sent: Wednesday, August 21, 2019 9:20 AM  
To: [REDACTED]  
Cc: Charles.Janecek@PAConsulting.com; PGE RA R [REDACTED]  
Subject: RE: PG&E Multi-Year RA RF [REDACTED]

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Hi,

Sorry, I am not in a position to sell.

From: [REDACTED] <[REDACTED] pge.com>  
Sent: Tuesday, August 20, 2019 3:14 PM  
To: [REDACTED] <[REDACTED]>  
Cc: Charles.Janecek@PAConsulting.com; PGE RA RFO <PGERARFO@pge.com>; [REDACTED] <[REDACTED] pge.com>  
Subject: RE: PG&E Multi-Year RA RFO - [REDACTED]

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Hi [REDACTED]

Separate from the bid you have submitted into the Multi-Year RA RFO and consistent with the market notice we issued last Friday, I wanted to see if you have capacity in NC/NB, Kern, Stockton and Sierra for sale.

Thanks,

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [\[REDACTED\] pge.com](#)

From: [REDACTED] <[REDACTED]>  
Sent: Tuesday, August 20, 2019 2:58 PM  
To: [REDACTED] <[REDACTED] pge.com>  
Cc: [Charles.Janecek@PAConsulting.com](#); PGE RA RFO <PGERARFO@pge.com>; [REDACTED] <[REDACTED] pge.com>  
Subject: RE: PG&E Multi-Year RA RFO - [REDACTED]

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Hi,

[REDACTED] is out of the office, which is why it will be difficult, and he would be the most appropriate person to be included.

Is there anything you could express in email and I could float here for concurrence or feedback?

Thanks,

From: [REDACTED] <[REDACTED]@pge.com>  
Sent: Tuesday, August 20, 2019 9:56 AM  
To: [REDACTED] <[REDACTED]> <[REDACTED]> <[REDACTED]>  
Cc: Charles.Janecek@PAConsulting.com; PGE RA RFO <PGERARFO@pge.com>; [REDACTED] <[REDACTED]@pge.com>  
Subject: RE: PG&E Multi-Year RA RFO - [REDACTED]

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Thanks, [REDACTED]

Appreciate an expedited reply. I would still like to setup a quick call for a follow up, if possible today or tomorrow. Could you please let me know what works for you?

Thanks!

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [REDACTED] pge.com

From: [REDACTED] <[REDACTED]>  
Sent: Tuesday, August 20, 2019 9:39 AM  
To: [REDACTED] <[REDACTED]@pge.com>; [REDACTED] <[REDACTED]>  
Cc: Charles.Janecek@PAConsulting.com; PGE RA RFO <PGERARFO@pge.com>; [REDACTED] <[REDACTED]@pge.com>  
Subject: RE: PG&E Multi-Year RA RFO - [REDACTED]

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Hello,

We have looked over the edits to the confirm, and we do not believe we need to have a call to discuss the changes.

Thanks,

[REDACTED]

From: [REDACTED] <[REDACTED]@pge.com>  
Sent: Monday, August 19, 2019 5:31 PM  
To: [REDACTED] <[REDACTED]> <[REDACTED]> <[REDACTED]>  
Cc: Charles.Janecek@PAConsulting.com; PGE RA RFO <PGERARFO@pge.com>; [REDACTED] <[REDACTED]@pge.com>  
Subject: RE: PG&E Multi-Year RA RFO - [REDACTED]

.....**CAUTION: External email:** To report suspicious emails, click "Report Email" icon in Outlook. Mobile users should email [phishing@\[REDACTED\]](mailto:phishing@[REDACTED])

Dear [REDACTED]

Thank you for submitting bids into PG&E's Multi-year Resource Adequacy (RA) Sale Solicitation. We received feedback from a number of parties on the RA Confirmation, and as such, have made a few revisions to the Confirmation addressing participants' concerns. The revisions are summarized at a high level below:

- **Section 2.2/2.3: Identification of a second Shown/Alternate Unit** - Language has been added to clarify that second Shown Unit and Alternate Shown Unit meet the requirements of a Shown Unit under the RA Confirmation.
- **Section 5.2: Representations and Warranties** – Language has been updated to clarify that Representations and Warranties under Section 10.2 (x) of the Master Agreement are subject to Bankruptcy Code and any order of Bankruptcy Court as defined in the Confirmation.
- **Appendix A** – Definitions updated for the benefit of Section 5.2 and to delete unused terms.

For the sake of expediency and fairness, these updates, aside from counterparty specific credit and payment related terms, will apply to all prospective counterparties. We would like to schedule some time with your team to review these changes. For ease of review, PG&E has attached to this e-mail a Confirmation showing in redline these revisions compared to the mark-up you last provided PG&E. Please note that if PG&E has accepted any of your proposed revisions to the form, they will not appear in tracked changes.

Let us know your availability for: **Tuesday, 8/20/2019 and Wednesday 8/21/2019.**

Additionally, note that this communication and subsequent conversation does not indicate that your bids have been shortlisted in this solicitation.

Thanks,

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [REDACTED] [pge.com](http://pge.com)

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From: [REDACTED]  
Sent: Tuesday, August 20, 2019 3:19 PM  
To: PGE RA R [REDACTED]  
Subject: [REDACTED] all Notes - Aug. 20,2019

**FOR RECORD KEEPING ONLY:**

[REDACTED]  
PG&E: [REDACTED]

IE: Charles Janecek

August 20, 2019

**SUMMARY:**

- C/P is OK with the confirm changes
- No extra RA capacity to sell – always a buyer

**ACTION ITEMS/NEXT STEPS:**

- None

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [REDACTED] [pge.com](http://pge.com)

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Wednesday, August 21, 2019 3:09 PM  
**To:** PGE RA R [REDACTED]  
**Cc:** Charles.Janecek@PAConsulting.com  
**Subject:** [REDACTED] | Notes - Aug. 21, 2019

[REDACTED] call attendee: [REDACTED]

PG&E call attendees: [REDACTED] [REDACTED] [REDACTED] [REDACTED]

IE on the call: Charles Janecek

August 21, 2019

SUMMARY:

- [REDACTED] preference for payment in arrears
- No availability for local areas mentioned in the Market Notice

ACTION ITEMS/NEXT STEPS:

- N/A

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [\[REDACTED\]@pge.com](mailto:[REDACTED]@pge.com)

---

**From:** [REDACTED]  
**Sent:** Thursday, October 10, 2019 4:45 PM  
**To:** [REDACTED]; PGE RA RFO  
**Subject:** [REDACTED] Notes - Oct. 10, 2019

[REDACTED] call attendees: [REDACTED]  
PG&E call attendees: [REDACTED]

October 10, 2019

SUMMARY:

- PG&E offered [REDACTED] / kW-month for [REDACTED] capacity from [REDACTED]. PG&E may be interested in transacting at [REDACTED] / kW-month for [REDACTED] as well, but is not prepared to make an offer for [REDACTED] at this time.
- [REDACTED] expressed that this price would not cover the project's fixed costs.
- PG&E suggested that another avenue may be to buy system RA for only [REDACTED] months in [REDACTED] and [REDACTED], in which case they could look at a higher price. PG&E explained that this is not an offer; rather, a possibility to explore were [REDACTED] interested. The contracted volume would be [REDACTED] MW based on [REDACTED] Pmax.
- [REDACTED] responded that this scenario likely would not work for them economically.
- Discussion of timeline: a November execution would be fine for PG&E, since PG&E does not need this volume for its October year-ahead showing.

ACTION ITEMS/NEXT STEPS:

- PG&E to send [REDACTED] / kW-month [REDACTED] offer by email.
- [REDACTED] to indicate if they are interested in transacting at [REDACTED] for [REDACTED]; if so, PG&E will explore its [REDACTED] position need.

[REDACTED] | Energy Procurement  
Pronouns: she / her / hers  
Pacific Gas & Electric Company  
[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Wednesday, October 30, 2019 11:58 AM  
**To:** [REDACTED]  
**Subject:** Discussion about Sierra RA capacity

**From:** [REDACTED]  
**Sent:** Tuesday, September 24, 2019 4:38 PM  
**To:** [REDACTED] @pge.com>  
**Cc:** [REDACTED] >; PGE RA RFO  
<PGERARFO@pge.com>; Charles.Janecek@PACONSULTING.com; [REDACTED] @pge.com>;  
[REDACTED]  
**Subject:** RE: Discussion about [REDACTED] RA capacity  
[REDACTED]

Thanks again for speaking with us yesterday. We sharpened our pencils and reevaluated our needs for the [REDACTED] facility. We can reasonably lower our offer to [REDACTED] kw-mo for the term of [REDACTED]. Note that the aforementioned contingencies to the bid still apply.

As we discussed on the call yesterday, we would also like to confirm if [REDACTED] could be maintained as a [REDACTED] and potentially eliminate the need for the [REDACTED]. In that case, we could possibly start offering capacity even earlier than [REDACTED] which would be favorable to PG&E.

We also have a [REDACTED] facility [REDACTED] which is [REDACTED]. For [REDACTED] we would likely need at least the same price point we are offering for [REDACTED] but would need to do some additional work on this if PG&E is interested.

Thanks and let us know if you would like to discuss further.

Best,  
[REDACTED]

**From:** [REDACTED]  
**Sent:** Monday, September 09, 2019 9:05 AM  
**To:** [REDACTED]  
**Subject:** FW: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid

From: [REDACTED] <[REDACTED]>  
Sent: Thursday, August 29, 2019 10:49 AM  
To: [REDACTED] <pge.com>; [REDACTED] <[REDACTED]pge.com>  
Cc: [REDACTED] 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com';  
<[REDACTED]pge.com>; [REDACTED] <[REDACTED]pge.com>; [REDACTED]  
<[REDACTED]>  
Subject: RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --

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Good morning

Below is a table that proposes how we would arrange the local and system exchanges/transactions:

Basically, the exchange would be with the local for system, but at a greater premium (\$ [REDACTED] to PG&E's benefit. Then [REDACTED] would outright sell PG&E the equivalent [REDACTED] and [REDACTED] volumes (depending on year). Does that make sense? Ultimately, both entities receive the local that they are seeking and PG&E also receives the additional system volumes in order to backfill with CAISO during its planned outages.

Please let us know if you have any questions or would like to discuss in more detail over a quick call.

Best regards,

From: [REDACTED] <[REDACTED]@pge.com>  
Sent: Wednesday, August 28, 2019 5:28 PM  
To: [REDACTED] <[REDACTED]@pge.com>  
Cc: [REDACTED] 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED]  
<[REDACTED]@pge.com>; [REDACTED] <[REDACTED]@pge.com>; [REDACTED]  
<[REDACTED]@pge.com>  
Subject: RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
  
[REDACTED]

Thank you for the call earlier today. We will review your comments below on the confirm. Regarding the potential system for local swaps that we discussed, could you send us some details on this proposal by end of day tomorrow? We would like to see the months, volumes, and local areas that you are considering.

Thank you,

From: [REDACTED] <[REDACTED]>  
Sent: Wednesday, August 28, 2019 8:21 AM  
To: [REDACTED] <[REDACTED]@pge.com>  
Cc: [REDACTED] 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED]  
<[REDACTED]@pge.com>; [REDACTED] <[REDACTED]@pge.com>; [REDACTED] <[REDACTED]@pge.com>; [REDACTED]  
Subject: RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
  
[REDACTED]

\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\*

Good morning PG&E RA Team,

Attached is the bid spreadsheet filled in with [REDACTED] accepted volumes. Per our earlier discussion, [REDACTED] would appreciate the opportunity to sell-back system RA to PG&E in those months in which [REDACTED] requested volumes were adjusted downwards. Please also note that due to how [REDACTED] upstream RA contracts are structured as contingent firm, [REDACTED] would like to edit the confirmation so that any changes on the upstream side flow down on the downstream side. And [REDACTED] would make notification to PG&E of any changes due to planned outages or NQC/EFC reductions per the notification deadline.

Additionally, we'd also like to ensure that the confirmation payment terms align so that both parties have the right to setoff payments and the amounts owed under the confirmations (meaning the buy and sell would net to the \$ [REDACTED] premium payment each month). Lastly, shouldn't both legs of the exchanges be linked somehow so that if there is a failure to deliver under one, then the other is affected in the same manner – does that make sense?

We would also be open to a call to walk through some of these items.

Best regards,

[REDACTED]

---

From: [REDACTED] <[REDACTED]@pge.com>

Sent: Monday, August 26, 2019 8:24 PM

To: [REDACTED]

Cc: [REDACTED] 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED]

<[REDACTED]@pge.com>; [REDACTED] <[REDACTED]@pge.com>; [REDACTED] <[REDACTED]@pge.com>

Subject: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --

[REDACTED]  
Dear [REDACTED]

Please see the attached PDF document and corresponding Excel file for information regarding your bid.

Thank you,  
PG&E Bid Team

---

**From:** [REDACTED]  
**Sent:** Wednesday, September 4, 2019 2:09 PM  
**To:** [REDACTED]  
**Cc:** 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED]  
**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
[REDACTED]

[REDACTED]  
I think that 3:00 – 3:30 tomorrow should work for us. I've sent out an invite.

Kind regards,

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Wednesday, September 04, 2019 11:44 AM  
**To:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Cc:** 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
[REDACTED]

**\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\***

Anything outside of 1-2 works for me.

Best,

[REDACTED]  
Office: [REDACTED]  
Cell: [REDACTED]

---

**From:** [REDACTED] @pge.com>  
**Sent:** Wednesday, September 4, 2019 11:28 AM  
**To:** [REDACTED] @pacificea.com>; [REDACTED] @pge.com>  
**Cc:** 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
[REDACTED]

[REDACTED]  
Do you have any availability tomorrow afternoon for a call?

Kind regards,

**From:** [REDACTED]  
**Sent:** Wednesday, September 04, 2019 8:18 AM  
**To:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Cc:** 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --

\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\*

Good mornin [REDACTED]

Are we ready to have a follow-up call regarding our last discussion on the RA confirms?

Best,

[REDACTED]  
Office: [REDACTED]  
Cell: [REDACTED]

**From:** Arjo, Avery [REDACTED] >  
**Sent:** Thursday, August 29, 2019 3:42 PM  
**To:** Brian Goldstein [REDACTED] >; [REDACTED] @pge.com>  
**Cc:** [REDACTED]; 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --

Thanks for sending these details over, this is very helpful. Do you have some time tomorrow afternoon for a call to discuss the proposed changes to the confirm that you've described for the swaps?

Kind regards,

**From:** [REDACTED]  
**Sent:** Thursday, August 29, 2019 10:54 AM  
**To:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Cc:** 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
[REDACTED]\_RA1907\_0806094103

\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\*

Good morning [REDACTED]

Below is a table that proposes how we would arrange the local and system exchanges/transactions:

Category	Description	Value
Local	Local Volume	[REDACTED]
System	System Volume	[REDACTED]
Local	Local Volume	[REDACTED]
System	System Volume	[REDACTED]

Basically, the exchange would be with the local for system, but at a greater premium [REDACTED] to PG&E's benefit. Then [REDACTED] would outright sell PG&E the equivalent Sierra volumes. Does that make sense? Ultimately, both entities receive the local that they are seeking and PG&E also receives the additional system volumes in order to backfill with CAISO during its planned outages.

Please let us know if you have any questions or would like to discuss in more detail over a quick call.

Best regards,

[REDACTED]  
Office:  
Cell:  
[REDACTED]

---

**From:** [REDACTED] [@pge.com](#)>  
**Sent:** Wednesday, August 28, 2019 5:28 PM  
**To:** [REDACTED] [@pge.com](#)>  
**Cc:** [REDACTED] 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED] [@pge.com](#); [REDACTED] [@pge.com](#)>  
**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --

Thank you for the call earlier today. We will review your comments below on the confirm. Regarding the potential system for local swaps that we discussed, could you send us some details on this proposal by end of day tomorrow? We would like to see the months, volumes, and local areas that you are considering.

Thank you,

---

**From:** [REDACTED]  
**Sent:** Wednesday, August 28, 2019 8:21 AM  
**To:** [REDACTED] [@pge.com](#)>  
**Cc:** [REDACTED] 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; [REDACTED] [@pge.com](#)>; [REDACTED] [@pge.com](#)>; [REDACTED] [@pge.com](#)>

**Subject:** RE: PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
[REDACTED]

\*\*\*\*\***CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.**\*\*\*\*\*

Good morning PG&E RA Team,

Attached is the bid spreadsheet filled in with [REDACTED] accepted volumes. Per our earlier discussion, [REDACTED] would appreciate the opportunity to sell-back system RA to PG&E in those months in which [REDACTED] requested volumes were adjusted downwards. Please note that due to how [REDACTED]s upstream RA contracts are structured as contingent firm, [REDACTED] would like to edit the confirmation so that any changes on the upstream side flow down on the downstream side. And [REDACTED] would make notification to PG&E of any changes due to planned outages or NQC/EFC reductions per the notification deadline. Also, [REDACTED] is ready to contract for the [REDACTED] volumes, but do to a recent change on the upstream side, [REDACTED] can not contract for the [REDACTED] exchange until [REDACTED]. We hope this is not a problem, but if it is, then we will need to hold off on the [REDACTED] volumes.

Additionally, we'd also like to ensure that the confirmation payment terms align so that both parties have the right to setoff payments and the amounts owed under the confirmations (meaning the buy and sell would net to the [REDACTED] premium payment each month). Lastly, shouldn't both legs of the exchanges be linked somehow so that if there is a failure to deliver under one, then the other is affected in the same manner – does that make sense?

We would also be open to a call to walk through some of these items.

Best regards,

[REDACTED]  
Office:  
Cell:  
[REDACTED]

---

**From:** [REDACTED] [@pge.com>  
\*\*Sent:\*\* Monday, August 26, 2019 8:25 PM  
\*\*To:\*\* \[REDACTED\]  
\*\*Cc:\*\* 'PGERARFO@pge.com'; 'charles.janecek@paconsulting.com'; \[REDACTED\]  
\[REDACTED\] \[@pge.com>; \\[REDACTED\\] \\[@pge.com>; \\\[REDACTED\\\] \\\[@pge.com>  
\\\\*\\\\*Subject:\\\\*\\\\* PG&E | Important information regarding your Multi-Year RA Sale Solicitation Bid | --  
\\\\[REDACTED\\\\]\\\]\\\(mailto:@pge.com\\\)\\]\\(mailto:@pge.com\\)\]\(mailto:@pge.com\)](mailto:@pge.com)

Dear [REDACTED]

Please see the attached PDF document and corresponding Excel file for information regarding your bid.

Thank you,  
PG&E Bid Team

From: [REDACTED]  
Sent: Thursday, October 3, 2019 11:21 AM  
To: RFO; [REDACTED]  
Cc:  
Subject: [Email Award CORRECTION #2] Follow up to PG&E bid into [REDACTED] RA solicitation

\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\*

Revision 2 of 2. The communication below shall be used as the contingent award communication for PG&E and all others shall be disregarded.

.....

[REDACTED]

[REDACTED] has assessed the offers submitted within [REDACTED] [REDACTED] and would like to notify you of [REDACTED] contingent selection of the offers shown below. Final award shall be subject to successful credit and contracting, consultation with [REDACTED] [REDACTED] and final approval from [REDACTED] management team. The details of the contingently selected offer are as follows, with changes in red font. [REDACTED] shall be your primary point of contact for [REDACTED]. [REDACTED] Shall have no binding obligation until a contract is signed by both parties.

Product	Buy or Sale	Price (\$/kW-month)	Premium (\$/kW-month)	Delivery Period	Volume (MW)	RA Attributes
NCNB	[REDACTED]					





■ Sells Stockton Local

Counterparty	Product – Stockton	Buy or Sale	Price (\$/kW-month)	Delivery Period	Volume (MW)
PG&E					

From: [REDACTED]@pge.com>

Sent: Tuesday, October 1, 2019 3:02 PM

To:

Cc: [REDACTED]@pge.com>; [REDACTED]@pge.com>; [REDACTED]@pge.com>; [REDACTED]

[charles.janecek@paconsulting.com](mailto:charles.janecek@paconsulting.com); [REDACTED]

Subject: (External):RE: (External):Follow up to PG&E bid into [REDACTED] RA solicitation

[REDACTED], I have attached a revised offer form. Please feel free to reach out if you have any questions.

Thanks,

[REDACTED]

From: [REDACTED]

Sent: Tuesday, October 1, 2019 2:02 PM

To:

Cc: [REDACTED]@pge.com>

[REDACTED]@pge.com>; [REDACTED]

[REDACTED]@pge.com>; [REDACTED]

[charles.janecek@paconsulting.com](mailto:charles.janecek@paconsulting.com); [REDACTED]

Subject: RE: (External):Follow up to PG&E bid into [REDACTED] RA solicitation

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[REDACTED]

Thank you for the follow up notification. Please see my responses provided in red below. I ask that you address item #1 rather quickly. Let me know if you have any questions.

- 1) PG&E will be offering [REDACTED]  
[REDACTED] Please revise PG&E's offer workbook submitted to [REDACTED] in response to its solicitation. [REDACTED] expects clarifications on the IAR's to be included in the transaction(s) at [REDACTED]. Please also tie the requirement of #2 below. [REDACTED] requests the IARs included in these transactions be [REDACTED] from [REDACTED] & [REDACTED] from [REDACTED] for each month noted above.
- 2) The above assumes PG&E will receive full volumes for North Coast/North Bay at the price bid into the solicitation [REDACTED]-mo – assuming a spread of [REDACTED]). Understood
- 3) For Kern volumes, if [REDACTED] is unable to award full volumes at the price that PG&E bid into the solicitation, PG&E would like for [REDACTED] to consider including language in our final form of confirmation that states that PG&E is entitled to the full NQC of each Kern unit in each month. We believe this can be achieved by including a footnote in the Appendix of the confirm that would state something like – “Buyer is purchasing the full RA Attributes from the Units in this Local Area as identified in Appendix [REDACTED].” Note that this does not require any changes to the supply plan. The language in the confirmation would be used for PG&E’s annual compliance filing at the CPUC. Under consideration by [REDACTED]
- 4) PG&E will edit [REDACTED] form of confirmation and send for [REDACTED] review. [REDACTED] continues to assess all offers within its RA solicitation. [REDACTED] has not yet issued an award nor is [REDACTED] requesting PG&E provide edits to [REDACTED] at this time. [REDACTED] does not have enough information to close out the assessment for these transactions.

T. [REDACTED] | M. [REDACTED]

From: [REDACTED] [@pge.com>](mailto:@pge.com)

Sent: Tuesday, October 1, 2019 9:54AM

To:

Cc: [REDACTED] [@pge.com](mailto:@pge.com) [REDACTED] [@pge.co](mailto:@pge.co) [REDACTED]

>; [charles.janecek@paconsulting.com](mailto:charles.janecek@paconsulting.com); [REDACTED]

Subject: (External):Follow up to PG&E bid into [REDACTED] solicitation

Hi [REDACTED],

In follow up to our conversation yesterday, PG&E would like to clarify the following points regarding our bid into your solicitation:

- 1) PG&E will be offering [REDACTED]  
[REDACTED]

- 2) The above assumes PG&E will receive full volumes for North Coast/North Bay at the price bid into the solicitation [REDACTED]/kW-mo – assuming a spread of [REDACTED]/kW-mo).
- 3) For Kern volumes, if [REDACTED] is unable to award full volumes at the price that PG&E bid into the solicitation, PG&E would like for [REDACTED] to consider including language in our final form of confirmation that states that PG&E is entitled to the full NQC of each Kern unit in each month. We believe this can be achieved by including a footnote in the Appendix of the confirm that would state something like – “Buyer is purchasing the full RA Attributes from the Units in this Local Area as identified in Appendix [REDACTED].” Note that this does not require any changes to the supply plan. The language in the confirmation would be used for PG&E’s annual compliance filing at the CPUC.
- 4) PG&E will edit [REDACTED] form of confirmation and send for [REDACTED] review.

Please feel free to give me a call at [REDACTED] if you have any questions.

Thanks,

[REDACTED]

**From:** [REDACTED]  
**Sent:** Friday, September 06, 2019 9:43 AM  
**To:** [REDACTED]  
**Subject:** RE: Shortlist notification | PG&E E-Solicitation for Local RA 2020-2022

**From:** [REDACTED] <[REDACTED]>  
**Sent:** Monday, July 22, 2019 12:16 PM  
**To:** [REDACTED] <[REDACTED] pge.com>  
**Subject:** RE: Shortlist notification | PG&E E-Solicitation for Local RA 2020-2022

\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\*

Regards,

---

**From:** [REDACTED]  
**Sent:** Friday, October 25, 2019 1:52 PM  
**To:** [REDACTED]  
**Subject:** FW: 2020 - 2021 RA - Indicative Bids

Here is [REDACTED] response via ICE chat.

Friday, October 25, 2019

1:41:53 pm [REDACTED] This Instant Message (IM) is recorded and may be shared with regulators. If both parties agree to book out volumes originally intended for physical delivery, these IM records will serve as confirmation of your agreement to book out unless you indicate otherwise within 24 hours of scheduling.  
1:41:53 pm [REDACTED] hey [REDACTED]  
1:41:59 pm [REDACTED] sorry didnt respond to your email  
1:42:09 pm [REDACTED] i did and am trying to find your volumes, just striking out everywhere  
1:47:24 pm [REDACTED] no problem, I know that most of these areas and months are places where there hasn't been much supply for a while  
1:48:13 pm [REDACTED] yeah, its tough  
1:48:17 pm [REDACTED] everyone looking

---

**From:** [REDACTED]  
**Sent:** Friday, October 25, 2019 10:07 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** 2020 - 2021 RA - Indicative Bids

[REDACTED]

We're finalizing all of our RA transacting going into the annual filing, and I wanted to check if you knew of sellers for any of the following volumes. At this point we'd only be interested in a transaction in which we could buy the entire volume for the month. None of the months are contingent on any of the other months. We would also be willing to entertain swaps for any of these. Given our proximity to the filing deadline we'd need to have a match for these today.

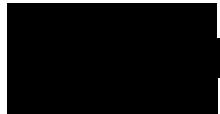
Kern

[REDACTED]

Sierra

[REDACTED]

**Stockton**



Thank you,

[REDACTED]  
*Portfolio Management*

*Pacific Gas and Electric Company*

[REDACTED] [@pge.com](mailto:@pge.com) | [REDACTED] | ICE Chat: [REDACTED]

---

**From:** [REDACTED]  
**Sent:** Monday, October 14, 2019 4:03 PM  
**To:** PGE RA RFO  
**Subject:** FW: [REDACTED] Solicitation - Request for Bids

Didn't bid in [REDACTED] they weren't offering. Could ask them for confirmation that they won't offer [REDACTED]

---

**From:** [REDACTED]  
**Sent:** Thursday, September 26, 2019 9:16 AM  
**To:** [REDACTED] @pge.com>  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] RA Solicitation - Request for Bids

\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\*

[REDACTED]  
Thank you for your response to our RFP. Your bids were outbid by other respondents.

I will let you know if anything else opens up in the future and will continue to include for any future RFPs.

Thank you again,

---

**From:** [REDACTED] @pge.com>  
**Sent:** Monday, September 23, 2019 1:58 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: [REDACTED] RA Solicitation - Request for Bids

**EXTERNAL:** This email originated from outside of the organization. Do not click on any links or open attachments unless you recognize the sender and know the content is safe.

[REDACTED]  
Please see the attached document with PG&E's bid.

Thanks,

---

**From:** [REDACTED]  
**Sent:** Monday, September 16, 2019 3:28 PM  
**To:** [REDACTED]

Cc: [REDACTED]  
Subject: [REDACTED] Solicitation - Request for Bids

\*\*\*\*\***CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.**\*\*\*\*\*

Good afternoon,

[REDACTED] is soliciting bids for Resource Adequacy (RA) capacity. The RA products and respective volumes are outlined in the tables below for Cal [REDACTED]

Responses are due to me via email by Monday, September 23rd, 2019, 3PM PPT. In the attached spreadsheet, please enter the monthly Bid Quantity (MW) and Bid Price (\$/kW-mo), and attach with your response.

Upon receipt of bids, [REDACTED] will evaluate and respond to notify if [REDACTED] will pursue a confirmation agreement to execute the transaction.

#### RA Product 1

[REDACTED] sells up to the following volumes (MW) of Local Capacity (NCNB area):

Resource IDs:

- [REDACTED]
- [REDACTED]
- [REDACTED]

#### RA Product 2

[REDACTED] sells up to the following volumes (MW) of Local Capacity (Sierra area):

Resource ID:

- [REDACTED]

#### RA Product 3

[REDACTED] sells up to the following volumes (MW) of Flexible RA Attribute only:

Resource ID:

- [REDACTED]

#### Disclaimer

[REDACTED], under its sole discretion, reserves the right to reject any bids received in this request, accept any bids received after the deadline specified in this request, or rescind this request at any time prior to a binding agreement.

Thank you for your participation in this request. Let me know if you have any questions.



---

**From:** [REDACTED]  
**Sent:** Wednesday, October 23, 2019 5:49 PM  
**To:** PGE RA RFO  
**Subject:** Fwd: New contractual opportunity for [REDACTED]

---

**From:** [REDACTED]  
**Sent:** Monday, October 14, 2019 4:33:30 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: New contractual opportunity for [REDACTED]

[REDACTED]  
Can you follow up to see if [REDACTED] is interested in this opportunity?

Thanks,

[REDACTED]  
**From:** [REDACTED]  
**Sent:** Friday, August 30, 2019 11:11 AM  
**To:** [REDACTED] @pge.com>  
**Cc:** [REDACTED] @pge.com>; [REDACTED] @pge.com>  
**Subject:** RE: New contractual opportunity for [REDACTED]

\*\*\*\*\***CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.**\*\*\*\*\*

[REDACTED]  
I did forward this email to the appropriate people.

Thanks,

[REDACTED]

---

**From:** [REDACTED] @pge.com]  
**Sent:** Friday, August 30, 2019 9:38 AM  
**To:** [REDACTED]

Cc: [REDACTED] pge.com>; [REDACTED] @pge.com>

Subject: New contractual opportunity for [REDACTED]

[REDACTED]  
You may not be the proper [REDACTED] contact for this email, but you are the most recent [REDACTED] contact PG&E has on file. Please forward to the proper contact in [REDACTED] for energy contract negotiations.

PG&E is interested in purchasing RA capacity from the Stockton Local RA Area in years [REDACTED]. Would [REDACTED] be willing to entertain a discussion about PG&E purchasing RA from [REDACTED]?

Our prospective deal would be for [REDACTED] to sign an EEI Master Agreement and RA confirm with PG&E. The confirm we envision signing would be substantially similar to the agreement we posted for our Multi-Year RA Sale Solicitation (link: [https://www.pge.com/en\\_US/for-our-business-partners/energy-supply/electric-rfo/wholesale-electric-power-procurement/ra-solicitation.page](https://www.pge.com/en_US/for-our-business-partners/energy-supply/electric-rfo/wholesale-electric-power-procurement/ra-solicitation.page)).

If [REDACTED] is interested in this type of transaction, please let me know when you are available for a conference call to discuss this opportunity.

Thanks,

---

**From:** [REDACTED]  
**Sent:** Friday, October 18, 2019 1:25 PM  
**To:** PGE RA RFO  
**Subject:** FW: RA Markets [REDACTED] 10-10-19

---

**From:** [REDACTED]  
**Sent:** Thursday, October 10, 2019 9:34 AM  
**Subject:** RA Markets Prebon 10-10-19

\*\*\*\*\***CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.**\*\*\*\*\*

Good Morning,

For a mark, [REDACTED] North System traded [REDACTED] on [REDACTED] yesterday, half with flex. Today's markets below, quite a few, so please read carefully and let me know if any interest/counters, or other markets of interest. Thanks.

**Markets**

San Diego offered [REDACTED]

PG&E Fresno [REDACTED]

PG&E Sierra [REDACTED] bid

System @ [REDACTED]

System [REDACTED] bid

PG&E Fresno @ [REDACTED]

LA Basin @ [REDACTED]

System @ [REDACTED]

System [REDACTED] bid

**Import Markets** (sellers do not have import rights, can consider other interties)

PV @ [REDACTED]

PV @ [REDACTED]

PV @ [REDACTED]

Malin @ [REDACTED]

Malin @ [REDACTED]

**2021 & 2022 Markets** (would do as strips or individual cals potentially)

North or South System [REDACTED] bid to start

PG&E Kern @ [REDACTED]

PG&E Sierra [REDACTED] bid

BCV [REDACTED] bid

PG&E Stockton [REDACTED] bid

LA Basin [REDACTED] bid, [REDACTED], could also consider [REDACTED]

LAB for NCNB Swap [REDACTED] bid (buy LAB, give back NCNB, net [REDACTED] exchanged)

LAB for System Swap [REDACTED] bid (buy LAB [REDACTED] strip, give back south system [REDACTED] strip, pay [REDACTED])

Best,

## Energy & Environmental Products

The information contained in this email is confidential and may also contain privileged information. Sender does not waive confidentiality or legal privilege. If you are not the intended recipient please notify the sender immediately; you should not retain this message or disclose its content to anyone.

Internet communications are not secure or error free and the sender does not accept any liability for the content of the email. Although emails are routinely screened for viruses, the sender does not accept responsibility for any damage caused. Replies to this email may be monitored.

Please visit [\[REDACTED\]](#) for further information.

---

**From:** [REDACTED]  
**Sent:** Wednesday, October 23, 2019 3:52 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Request for Bilateral RA Transactions  
**Attachments:** [REDACTED].xlsx

\*\*\*\*\*CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.\*\*\*\*\*

[REDACTED]  
Please see our proposal attached. I'll be out of the office Thurs-Mon, preferably I would like to indicatively agree on commercial terms today.

Feel free to give me a call to discuss.

Regards

[REDACTED]  
[REDACTED]  
Direct - [REDACTED]  
Main - [REDACTED]  
Fax - [REDACTED]  
[REDACTED]

[REDACTED]  
We respect the private and confidential nature of electronic communications with our partners and customers. This email is confidential and legally protected. If you are not the intended recipient, please contact the sender, and erase all copies of the original message.

---

**From:** [REDACTED] @pge.com>  
**Sent:** Wednesday, October 23, 2019 3:20 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED] @pge.com>  
**Subject:** RE: Request for Bilateral RA Transactions

Hi [REDACTED],

We are still finalizing our position, but based on preliminary analysis I think we could likely offer the Sierra you need in [REDACTED]. However, I do not anticipate us being able to offer in [REDACTED]. As mentioned we would like to pursue a swap in which we would receive small volumes in Stockton in certain months. Please let me know what Stockton amounts you could show.

Thanks,

[REDACTED]

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**From:** [REDACTED]  
**Sent:** Monday, October 21, 2019 5:06 PM  
**To:** [REDACTED] @pge.com>  
**Subject:** Request for Bilateral RA Transactions

\*\*\*\*\***CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.**\*\*\*\*\*

Hi [REDACTED]

Thanks for taking the time to chat, in regards to bilateral transactions we would have the following needs:

- o [REDACTED] of Sierra w/ Flex [REDACTED]
- o [REDACTED] of LA Basin [REDACTED]

Regards

[REDACTED]

[REDACTED]

Direct - [REDACTED]

Main - [REDACTED]

Fax - [REDACTED]

[REDACTED]

[REDACTED]

We respect the private and confidential nature of electronic communications with our partners and customers. This email is confidential and legally protected. If you are not the intended recipient, please contact the sender, and erase all copies of the original message.



From: [REDACTED]  
Sent: Wednesday, August 21, 2019 2:37 PM  
To: PGE RA R [REDACTED]  
Cc: Charles.Janecek@PACONSULTING.com  
Subject: [REDACTED] all Notes - Aug. 21, 2019

[REDACTED] call attendee: [REDACTED]

PG&E call attendees: [REDACTED] [REDACTED] [REDACTED]

IE on the call: Charles Janecek

August 21, 2019

SUMMARY:

- C/P has an ability to come online early
- [REDACTED] in [REDACTED] ( [REDACTED] MW no lower than \$ [REDACTED] - \$ [REDACTED] kW- month + [REDACTED] premium):
  - PG&E needs [REDACTED] and [REDACTED]
  - The resource comes online in [REDACTED] – potential to move up a month – c/p is interested
- [REDACTED] ( [REDACTED] MW) in [REDACTED] comes online in [REDACTED] – PG&E only interested in [REDACTED] months of [REDACTED]. C/P will entertain the request
- Executing party [REDACTED]

ACTION ITEMS/NEXT STEPS:

- PG&E will look at existing contract for overlap issues with [REDACTED] + [REDACTED]
- PG&E to send EEI Master agreement to C/P

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [\[REDACTED\]@pge.com](mailto:[REDACTED]@pge.com)

**From:** [REDACTED]  
**Sent:** Friday, August 23, 2019 3:25 PM  
**To:** PGE RA RFO  
**Cc:** [REDACTED] Charles.Janecek@PAConsulting.com  
**Subject:** [REDACTED] all Notes - August 23, 2019

[REDACTED] call attendees: [REDACTED] [REDACTED]

PG&E call attendees: [REDACTED] [REDACTED] [REDACTED]

IE on the call: Charles Janecek

August 23, 2019

**SUMMARY:**

- Proposal is for several [REDACTED] projects that are under development.
- One of the projects, [REDACTED] MW in [REDACTED] sub-area is being built without a off-take agreement. The project is slated to be online by [REDACTED]  
[REDACTED]
- [REDACTED] has another [REDACTED] MW [REDACTED] Project, and a [REDACTED] MW [REDACTED] project that are in the ISP process with an expected COD by [REDACTED]
- The final project is in [REDACTED] with an expected COD of [REDACTED]
- PG&E shared that we need to review the compliance rules to determine what stage of development a new project needs to be in so that PG&E can count the project as meeting its compliance obligations.
- PG&E shared information about the EEI master agreement and RA confirm.
- PG&E sent master agreement draft and pointed [REDACTED] to the public RA confirm.

**ACTION ITEMS/NEXT STEPS:**

- PG&E to review RA rules related to new projects.
- [REDACTED] to review EEI Master Agreement/RA confirm and indicate any concerns with the transaction.

[REDACTED]  
Structured Transactions  
Pacific Gas and Electric Company  
Office: [REDACTED]  
[pge.com](http://pge.com)

*This correspondence is for discussion purposes only. It is not an offer to buy or sell. Any agreements between the parties are subject to PG&E senior management approval and the prior execution of definitive documents.*

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**From:** [REDACTED]  
**Sent:** Thursday, October 24, 2019 12:55 PM  
**To:** PGE RA RFO  
**Subject:** FW: New contract opportunity for [REDACTED]

FYI

[REDACTED]  
PG&E, Energy Procurement  
Office: [REDACTED] | Cell: [REDACTED] | [REDACTED]

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**From:** [REDACTED]@pge.com>  
**Sent:** Wednesday, August 28, 2019 3:46 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]@pge.com>; [REDACTED]@pge.com>  
**Subject:** New contract opportunity for [REDACTED]

[REDACTED]  
As you may have seen from recent market notices, PG&E is interested in purchasing RA capacity from the Sierra Local RA Area in [REDACTED]. Would [REDACTED] be willing to entertain a discussion about PG&E purchasing RA from [REDACTED]?

Our prospective deal would be for [REDACTED] to sign an RA confirm with PG&E through our existing EEI agreement for the period after [REDACTED] existing contract expires until [REDACTED]. The confirm we envision signing would be substantially similar to the agreement we posted for our Multi-Year RA Sale Solicitation (link [here](#)).

If [REDACTED] is interested in this type of transaction, please let me know when you are available for a conference call to discuss this opportunity.

Thanks,

[REDACTED]  
Structured Transactions  
Pacific Gas and Electric Company  
Office: [REDACTED]  
[@pge.com](mailto:[REDACTED]@pge.com)

*This correspondence is for discussion purposes only. It is not an offer to buy or sell. Any agreements between the parties are subject to PG&E senior management approval and the prior execution of definitive documents.*

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**From:** [REDACTED]  
**Sent:** Wednesday, October 23, 2019 1:37 PM  
**To:** PGE RA RFO  
**Subject:** Fwd: Quick question - Sierra

Get [Outlook for iOS](#)

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**From:** [REDACTED]  
**Sent:** Monday, October 21, 2019 1:50:13 PM  
**To:** [REDACTED]@pge.com>  
**Subject:** RE: Quick question - Sierra

\*\*\*\*\***CAUTION: This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.**\*\*\*\*\*

Hi [REDACTED]

Unfortunately I do not have any remaining volume for [REDACTED] Sierra. The [REDACTED] that PG&E originally bought cleaned out my position for that month.

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**From:** [REDACTED]@pge.com>  
**Sent:** Monday, October 21, 2019 1:47 PM  
**To:** [REDACTED]  
**Subject:** Quick question - Sierra

[REDACTED]  
I know per our last discussion you did not have any additional MW in Sierra for 2021. We are still looking for 3 MW in Sierra for [REDACTED]. Any chance things have changed in the last few weeks?

Thanks,

[REDACTED]

---

Companies within the [REDACTED] business may monitor and record communications for legal, regulatory and/or business purposes. Such communications will be controlled by [REDACTED] on behalf of all [REDACTED] entities within the United States and by [REDACTED] [REDACTED] for all other [REDACTED] entities. Personal data is handled and protected in accordance with applicable data protection laws and relevant [REDACTED] policies and rules. Personal data may be disclosed to other [REDACTED] companies and to third party organizations providing services to the relevant [REDACTED] or as required by law.

10/9/19 11:34:17 AM : [REDACTED] : This Instant Message (IM) is recorded and may be shared with regulators. If both parties agree to book out volumes originally intended for physical delivery, these IM records will serve as confirmation of your agreement to book out unless you indicate otherwise within 24 hours of scheduling.

10/9/19 11:34:17 AM : [REDACTED] : Hi [REDACTED], we're looking for some RA in Sierra and Stockton in 2021, wanted to see if you knew of any supply currently out there and what price it was offered at

10/9/19 11:34:55 AM : [REDACTED] : hello [REDACTED]

10/9/19 11:36:10 AM : [REDACTED] : yes, we had a [REDACTED] sierra offer, although high

10/9/19 11:36:24 AM : [REDACTED] : [REDACTED] for about [REDACTED] of [REDACTED]

10/9/19 11:36:51 AM : [REDACTED] : stockton, have not seen

10/9/19 11:37:01 AM : [REDACTED] : i also had kern for [REDACTED] @ [REDACTED]

10/9/19 11:37:12 AM : [REDACTED] : and my sierra and kern offers could also include [REDACTED]

10/9/19 11:41:43 AM : [REDACTED] : do you know if the Sierra seller would be willing to offer a small volume, e.g. [REDACTED] in [REDACTED]?

10/9/19 11:44:14 AM : [REDACTED] : unfortunately, i beleive they were looking to do an all or none type of situtation

10/9/19 11:44:18 AM : [REDACTED] : but i can certinaly ask

10/9/19 11:44:36 AM : [REDACTED] : do we have a bid for [REDACTED] pg&e sierra on [REDACTED]?

10/9/19 11:45:39 AM : [REDACTED] : We can show an indicative bid at [REDACTED] for now, but could probably do better if they could get us the small volume we needed

10/9/19 11:45:58 AM : [REDACTED] : understood, tyvm

10/9/19 11:46:28 AM : [REDACTED] : anything we show is contingent on us coming to credit and contracting terms with the seller

10/9/19 11:46:40 AM : [REDACTED] : right

10/9/19 11:46:54 AM : [REDACTED] : we always work bilateral deals contingent on contract and credit between counterparties

10/9/19 11:47:39 AM : [REDACTED] : I think we will also be able to come pretty close to the price offered for Kern if we can get a shape that closely matches our needs

10/9/19 11:47:48 AM : [REDACTED] : do you know what volume is offered for Kern [REDACTED] and [REDACTED]

10/9/19 12:05:03 PM : [REDACTED] : [REDACTED] was about [REDACTED] and [REDACTED]

10/9/19 12:05:07 PM : [REDACTED] : sorry was tied up

10/9/19 12:05:14 PM : [REDACTED] : i think they could do a shape, but not 100%

10/9/19 12:05:22 PM : [REDACTED] : depends on the shape

10/9/19 12:15:49 PM : [REDACTED] : do you have the shape?

10/9/19 12:18:11 PM : [REDACTED] : Yes, the volumes probably don't quite meet our needs in some months, so I need to look at another potential avenue that we're working to see how we want to proceed. If we went forward with this one we'd be looking at less than the full [REDACTED] for [REDACTED], as low as [REDACTED]

10/9/19 12:18:52 PM : [REDACTED] : for [REDACTED] we'd only need [REDACTED], around [REDACTED] for [REDACTED] close to the full [REDACTED] the [REDACTED]

10/9/19 12:19:50 PM : [REDACTED] : sorry, i got a little confisuised here

10/9/19 12:20:50 PM : [REDACTED] : do you have an email or spreadhseet that lists each month and volume needed, ill run it by them

10/9/19 12:21:03 PM : [REDACTED] : or if you want to type it here

10/9/19 12:21:18 PM : [REDACTED] : I can draft up a table and send via email

10/9/19 12:21:27 PM : [REDACTED] : sorry, I realize it is sort of confusing how I described it

10/9/19 12:21:42 PM : [REDACTED] : ha, all good, the whole RA market is confusing

10/9/19 12:22:00 PM : [REDACTED] : yes, appreciated, if i can take a look at your shape and schedule, ill run it by my seller

10/9/19 12:22:49 PM : [REDACTED] : if they can do your shape for the kern, [REDACTED] you think you could get close to the [REDACTED] level? - not holding you to it, ill work it indictaively, but just so i know

10/9/19 12:22:56 PM : [REDACTED] : will help me get them to agree to it

10/9/19 12:23:10 PM : [REDACTED] : I think we could get pretty close

10/9/19 12:23:18 PM : [REDACTED] : understood, ty

10/9/19 12:33:37 PM : [REDACTED] : I just sent you the shape we're looking for

10/9/19 12:33:46 PM : [REDACTED] : I need to step off the desk, but will be back in about an hour

10/9/19 12:34:16 PM : [REDACTED] : sorry there's so much uncertainty in our needs, trying to work several angles at once and

with us this close to the compliance filing we have a lot in the air

Attachment 27

10/9/19 12:37:47 PM : [REDACTED] : right understood

10/9/19 12:37:48 PM : [REDACTED] : all good

10/9/19 12:37:50 PM : [REDACTED] : many people are

10/9/19 12:39:10 PM : [REDACTED] : okay, so we could potentially do more than i have available, but will take the max on those days

10/9/19 1:21:03 PM : [REDACTED] : i know were still in the meeting, got a little feedback n [REDACTED] kern

10/9/19 1:21:03 PM : [REDACTED] : Away

10/9/19 1:46:19 PM : [REDACTED] : Hi, back now

10/9/19 1:46:49 PM : [REDACTED] : one sec ill be right over to you

10/9/19 1:47:42 PM : [REDACTED] : you have time for a quick call?

10/9/19 1:47:48 PM : [REDACTED] : Sure

**PG&E Gas and Electric  
Advice Submittal List  
General Order 96-B, Section IV**

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Praxair
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	
	Energy Management Service	
Alta Power Group, LLC	Engineers and Scientists of California	Redwood Coast Energy Authority
Anderson & Poole	Evaluation + Strategy for Social	Regulatory & Cogeneration Service, Inc.
	Innovation	SCD Energy Solutions
Atlas ReFuel	GenOn Energy, Inc.	SCE
BART	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
	Green Charge Networks	SPURR
Barkovich & Yap, Inc.	Green Power Institute	San Francisco Water Power and Sewer
P.C. CalCom Solar	Hanna & Morton	Seattle City Light
California Cotton Ginners & Growers Assn	ICF	Sempra Utilities
California Energy Commission	International Power Technology	Southern California Edison Company
California Public Utilities Commission	Intestate Gas Services, Inc.	Southern California Gas Company
California State Association of Counties	Kelly Group	Spark Energy
Calpine	Ken Bohn Consulting	Sun Light & Power
	Keyes & Fox LLP	Sunshine Design
Cameron-Daniel, P.C.	Leviton Manufacturing Co., Inc. Linde	Tecogen, Inc.
Casner, Steve	Los Angeles County Integrated Waste	TerraVerde Renewable Partners
Cenergy Power	Management Task Force	Tiger Natural Gas, Inc.
Center for Biological Diversity	Los Angeles Dept of Water & Power	
	MRW & Associates	TransCanada
Chevron Pipeline and Power	Manatt Phelps Phillips	Troutman Sanders LLP
City of Palo Alto	Marin Energy Authority	Utility Cost Management
	McKenzie & Associates	Utility Power Solutions
City of San Jose	Modesto Irrigation District	Utility Specialists
Clean Power Research	Morgan Stanley	
Coast Economic Consulting	NLine Energy, Inc.	Verizon
Commercial Energy	NRG Solar	Water and Energy Consulting Wellhead
County of Tehama - Department of Public	Office of Ratepayer Advocates	Electric Company
Works	OnGrid Solar	Western Manufactured Housing
Crossborder Energy	Pacific Gas and Electric Company	Communities Association (WMA)
Crown Road Energy, LLC	Peninsula Clean Energy	Yep Energy
Davis Wright Tremaine LLP		
Day Carter Murphy		
Dept of General Services		
Don Pickett & Associates, Inc.		
Douglass & Liddell		