

## Local Resource Solicitation Q&A (Updated 6/24/21)

- 1. What is the desired size (MWs) of a resource that SCP will consider? Is there a minimum size threshold? Is there a maximum? Does Sonoma Clean Power prefer CAISO interconnection or PG&E interconnection?**

Due to efficiencies of scale and the high overhead burden of small projects, SCP retains a preference for projects that are larger than 1 MW and have a CAISO interconnection. However, SCP will consider smaller projects with competitive pricing that have other favorable characteristics. Although this solicitation seeks to fill the demand of our EverGreen customers, SCP will consider larger projects that are competitive for our larger portfolio.

- 2. Has SCP set a maximum price per MWh for this solicitation?**

No, SCP has not set a maximum price. This is a competitive solicitation that will weigh the best pricing versus other evaluation criteria.

- 3. Is this an RFP or an RFI ?**

This is a Request for Proposals (RFP). SCP expects to be able to contract resources with terms consistent with the responses in this solicitation.

- 4. What is the COD expectancy?**

We intentionally did not list a COD requirement. We recognize what is going on with the current cluster study of the CAISO and the challenges that are occurring with supply chain issues with COVID, and the transmission upgrade requirements of PG&E. This makes it difficult for SCP to demand a specific target to be online. We may be willing to wait for the right project that fits within our needs.

- 5. How will the contract payment be structured?**

SCP anticipates responses with a fixed \$/MWh and if applicable, \$/kw-month payment structure.

- 6. What types of technology are you considering for projects?**

SCP is technologically agnostic in this solicitation. The only provision is that we are not considering biomass or fossil-fueled resources for this solicitation.

- 7. Will you consider storage options outside of Sonoma or Mendocino County if they were in NP15?**

No, all resources must be located within Sonoma and Mendocino Counties. Resources in adjacent counties, including Lake, will not be considered for this Local Resource Solicitation.

- 8. Can Sonoma Clean Power share an 8760 load profile which we can work with to design our products?**

SCP encourages respondents to review the Local Resource Plan to assess the required shaping characteristics. We also want to note that we are looking for resources that shape relative to our

current EverGreen supply, which includes 6 MW of solar. SCP will consider providing an 8760 profile of EverGreen load and current supply / open position with an NDA.

**9. What offer requirements does SCP have to public works bidding? Is there a prevailing wage requirement or DIR registration?**

SCP requires the payment of prevailing wages and registration with the Department of Industrial Relations (DIR) on all projects in this RFO. Compliance will be an obligation of the contractor. Contractors should be registered with DIR prior to submittal of the proposal.

**10. Do you require labor unions to conduct the work or a PLA?**

No. SCP does not require workers employed on the project to be union members and does not require the project to be conducted under a Project Labor Agreement (PLA). However, SCP encourages the use of skilled and trained local workers.

**11. SCP wishes to emphasize that any proposed site must meet the applicable City or County zoning and permit requirements, which may include restrictions on minimum setbacks, height, use of undergrounding for electrical, glare effects, farmland protections, scenic and biotic resource protections, system maintenance obligations, end-of-life disposal requirements and possibly other requirements. SCP encourages respondents to review the applicable City or County requirements before submitting a proposal.**

**12. Will you consider stand-alone storage projects (without solar or any other type of clean on-site generation), where the storage charges from the grid at non-peak times, and is available for dispatch during peak?**

Yes, provided the project(s) is within our service territory.

**13. GHG contribution. What is valuation method?**

The GHG emissions mitigation is estimated by comparing the supply or shaping profile of proposed resources against a CAISO hourly emissions profile in 2030 created by the CPUC. Additional detail on this methodology is available in the Local Resource Plan.

**14. BES may be valued to capture excessive PV generation. What is the value for over or under demand?**

SCP will be evaluating BESS resources by looking at their ability to charge during periods of low grid emissions and discharge during periods of high grid emissions. The carbon emissions mitigated by this capability will be compared to the supply profile and resulting emissions mitigated by generation technologies.

**15. Resiliency valued during peak demand periods, PSPS, rolling outages, etc. What are the critical load requirements and how do we serve with back up / microgrid capability?**

SCP will not be identifying specific critical loads or potential microgrids for respondents. If a resource provides resiliency benefit, SCP encourages respondents to provide detail on that capability in proposals.

**16. Who will be the Scheduling Coordinator?**

SCP or its contracted Scheduling Coordinator will be the SC for resources procured in this solicitation. SCP's current SC is NCPA.

**17. What will be the term?**

SCP desires a term of at least 10 years to meet long-term RPS and capacity requirements by the CPUC.

**18. What are the interconnection requirements to submit a bid? For example, submitted interconnection request, executed interconnection agreement, etc.**

SCP values the progress of a project and will review each offer to determine its feasibility. At this time we don't have any specific requirements as we understand the current CAISO cluster study process. However, we do need to consider the feasibility of a project and the progress in which a project has made to date is often used in understanding the feasibility of such project.

**19. For technologies that could support multiple Sonoma Clean Power goals - such as supporting the EverGreen program while also mitigating PSPS shut off risks - would Sonoma Clean Power be open to working with the provider to identify suitable sites or provide other support?**

SCP is not planning on providing respondents with specific sites with PSPS resiliency benefits. SCP encourages respondents to review publicly available information about anticipated PSPS risk in our territory from PG&E, including the [2021 Wildfire Mitigation Plan](#) and scope of the [2021 Temporary Generation](#) program to identify areas with increased resiliency benefit from new resources in our territory.

**20. Does SCP own or lease the land that you want these projects developed on?**

No, SCP does not own or lease any land for development. However, in August we do plan to release an RFI to our commercial, agricultural, industrial, and municipal customers who may be open for development on their property. Depending on that level of interest, SCP may issue an RFP to developers with identified sites.

**21. Do we need to supply RA in addition to energy for this RFO?**

SCP seeks to procure all the associated benefits, including any provided capacity, from resources in this solicitation.

**22. Can you please discuss desired pricing models and levels?**

SCP anticipates responses with a fixed \$/MWh and if applicable, \$/kw-month payment structure.

**23. Are you seeking a flat contracted cost per kw with storage requirements?**

Yes, SCP desires a flat contracted cost per kw-month for storage resources.

**24. Are you considering dynamic pricing for peak and off peak?**

No, SCP desires a flat contracted pricing in proposals for this solicitation. The varying hourly and seasonal value of energy from contracted resources will be evaluated by SCP after reviewing proposals.

**25. How do you plan to build a contracted price model with the flexibility to change to meet dynamic needs when a supplier needs to be able to make sufficient cash flow to cover debt & ongoing expenses?**

SCP will be an off-taker with a fixed contract price for the term. The cashflow and financing requirements for a project should be incorporated into the fixed pricing offered by respondents.

**26. How will you evaluate the offers?**

SCP encourages respondents to review the Local Resource Plan to understand the criteria that will be used to evaluate offers.

**27. What are the site control requirements to submit a bid, if any?**

SCP does not plan to be the owner or operator to control the site. The developer should meet all the proper permitting requirements regarding site control.

**28. What are your expected duration requirements? Is 10-100 hours a good range?**

Storage resources are expected to have at least 4 hours of duration.

**29. Shaped supply: Are you expecting people to bid shaped supply, or are you looking to manage storage capacity so that you can shape supply?**

SCP expected to have full charging and discharging rights of a storage resource and will shape supply. Respondents should not bid shaped supply, but rather solar and storage resources that SCP can manage for serving EverGreen customers.

**30. Does Sonoma Clean Power require projects to go through the FCDS study process?**

We do not require projects to go through FCDS, but we do strongly prefer it be done and if FCDS is not offered, the pricing should reflect the need to procure capacity elsewhere to meet procurement orders and RA obligations. Please let us know if you have any other questions.

**31. It is mentioned on the attached RFO document that the SCP has set a priority for the EverGreen premium rate to be at or below the current rate of 2.5 cents per kWh. Is this for informational purposes or does this need to be incorporated into our bid price?**

The EverGreen price is more for informational purposes, that is just an internal benchmark we will be incorporating in our analysis of offers.

**32. It [the RFO release] references resiliency/reliability, how do you propose we demonstrate resiliency in our application?**

SCP encourages respondents to review publicly available information about anticipated PSPS risk in our territory from PG&E, including the 2021 Wildfire Mitigation Plan and scope of the 2021 Temporary Generation program to identify areas with increased resiliency benefit from new resources in our territory.

**33. Will the winning bid price be made available?**

No, any contract that is requested through a Public Records Request will be redacted with financial terms redacted. As with the IOUs, after the contract has been COD for 3 years, we may release pricing information if requested.

**34. The RFO is non-binding but would then be binding once exclusivity is agreed. Is this correct?**

The RFO is non-binding, if a project is short-listed we would ask to execute an Exclusivity Agreement.

**35. Is there a fee that accompanies the application?**

There is no fee for the application, but if a project is shortlisted there would be a required deposit of \$3.00/kW for the project to secure the Exclusivity Agreement.

**36. Regarding the solar and storage example presented by Ryan in the [Participant's] webinar and am interested in seeing how the hourly graph for that scenario was simulated?**

The graph in the webinar is meant to be illustrative. It was developed by taking the energy produced by 15 MW of solar (6 MW existing + 9 MW new) and using a 4-hr battery to charge during the day and dispatch at night to shrink EverGreen's hourly open position. SCP will use a more rigorous model of storage dispatch in evaluating responses for the LRP that incorporates expected hourly energy prices. SCP expects to retain the control of storage dispatch and does not expect respondents to specify the dispatch or define the shaping capability of their proposal.

**37. Will you consider extending the deadline for the RFO?**

At this time, we are not extending the deadline. However, we will evaluate all offers, regardless of completeness, and should you have additional information you believe to be pertinent to the offer(s) you submitted, and would like to send updated information, we may consider that information to the original offer submitted.

**38. What are the terms and conditions of the exclusivity agreement?**

We do not plan on sharing the exclusivity agreement except for those projects that we short-list. We fully expect that the language will be considered industry standard.