



SOUTHERN CALIFORNIA
EDISON[®]

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2022 DISTRIBUTION INVESTMENT DEFERRAL FRAMEWORK REQUEST FOR OFFERS

Participant Instructions
Version 2
September 15, 2022

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IMPORTANT – QUALIFICATION CRITERIA:

Offerors must adhere to the eligibility criteria as set forth in these Distribution Investment Deferral Framework (“DIDF”) Request for Offers (“RFO”) participant instructions (“RFO Instructions”) in order to be considered for selection pursuant to this RFO.

IMPORTANT – COMMUNICATIONS:

All Offers (as defined below) for this RFO must be submitted electronically through the PowerAdvocate® (“Power Advocate”) website at:

<https://www.poweradvocate.com/pR.do?okey=135956&pubEvent=true> (the “Website”).

All participants interested in submitting Offers into the RFO will need to pre-register with Power Advocate. Participants who do not yet have an existing Power Advocate account, must first register to create a username and password with Power Advocate to receive access to the event (event code 111036). Users with an existing Power Advocate account may request access using the Website.

For additional information on registering on Power Advocate, please visit:

https://www.poweradvocate.com/WebHelp_Sourcing_Intel_Supplier/Content/Resources/Sourcing_Intel_Supplier_Guide.pdf. Power Advocate functions in most browsers; however, it may not work as well in browsers older than Internet Explorer version 8.

SCE strongly encourages participants to register with Power Advocate well before Offers are due. Power Advocate registrants should be listed under the parent company of the entity submitting the Offer, not its contractors, subcontracts, consultants, or agents.

Each Offer should be uploaded as a “Commercial” and “Administrative” document type in Power Advocate and should be in a separate zip file. The zip file must contain all of the project materials for the applicable Offer. Please make sure that file names for your submittals do not contain any special characters, such as *&#, and utilize the following naming convention: OfferorName_ProjectName_FileName. For example:

“ABCSolar_ProjectRose_Generation_profile.xlsx.”

SCE may, in its sole discretion, decline to respond to any email or other inquiry about the RFO without liability or responsibility.

Given the size of the need at the targeted locations, SCE has a *strong preference* for Offers that can meet all of the need at each targeted location assuming they are the most competitive.

IMPORTANT – INDEPENDENT EVALUATOR:

In accordance with the requirements set forth in California Public Utilities Commission (“CPUC”) Decision (“D.”) 10-12-048, SCE has engaged an independent evaluator to

evaluate and report on the RFO (“Independent Evaluator”), including the evaluation, selection, and negotiation process for the RFO. The Independent Evaluator will review all Offers and will have the opportunity to review all communications between SCE and Offerors.

Merrimack Energy Group, Inc. is the Independent Evaluator for the RFO. The principal contacts are Keith Oliver and Wayne Oliver, who can be reached at MerrimackIE@merrimackenergy.com.

ARTICLE ONE. GENERAL INFORMATION.

1. Introduction.

Southern California Edison (“SCE”) is issuing this RFO to solicit offers (“Offers”) from all owners (“Offerors” or “Sellers”) of the Products (as defined in Section 3.1(4) below), regardless of the form of ownership (e.g., utility-owned, third-party owned, customer-owned, joint ownership) of the Products, which include new or otherwise incremental in-front-of-the-meter (“IFOM”) and behind-the-meter (“BTM”) Distributed Energy Resources (“DERs”) listed in Article Three and further explained in the “Attachments” portion of these RFO Instructions. SCE is soliciting new or otherwise incremental eligible resources to provide Renewable Energy, Energy Storage, Capacity, Load Reduction, Resource Adequacy, Ancillary Services and/or Green Attributes (as applicable for each Product), with the exception of resources that utilize natural gas and/or biofuel, for purposes of deferring upgrades to SCE’s distribution network. More information, including minimum deferral requirements and eligibility, can be found in Article Three and Attachments A and C. SCE may procure beyond the minimum deferral requirement for risk mitigation.

These RFO Instructions set forth the procedures an Offeror must follow in order to participate in the RFO and the manner in which Offers will be evaluated and selected.

SCE **strongly encourages** Offerors, prior to the Offer submittal deadline, to contact SCE with any questions they may have on the specifics of their project and/or Offer; in particular, with respect to incrementality clarifications.

Capitalized terms used in these RFO Instructions but not otherwise defined herein, have the meanings set forth in the pro forma purchase and sale agreement (“PSA”). All clock times specified below are in Pacific Prevailing Time (“PPT”).

2. PSA.

The objective of this RFO is to execute contracts that are substantially the same in form and substance as the PSA. All final agreements will be made on the terms and conditions set forth in the PSA reflecting negotiated provisions, if any, acceptable to SCE and selected Offerors.

The PSA does not include provisions for the Renewable Distributed Generation paired with Energy Storage – IFOM, Permanent Load Shift – Battery, or Permanent Load Shift – Thermal Products. These Products are described in separate term sheets attached to these RFO Instructions as well as posted to the Website. Offerors should refer to these term sheets when developing Offers, and in the event an Offer is selected for the shortlist, the Offeror and SCE will work together to modify the PSA using the applicable term sheet as a basis for revisions.

In submitting Offers into this RFO, Offerors’ pricing, credit/collateral terms, and project specifications must conform to, or otherwise take into account, the provisions in the PSA for the respective Product.

SCE may desire to change provisions specifically related to the Inflation Reduction Act standalone storage investment tax credit, should this occur SCE will reach out to any shortlisted Offerors.

It is Offeror’s responsibility to thoroughly review all respective provisions of the PSA and all requirements of this RFO process and to understand all anticipated costs that should be factored into the Offer price.

3. Document Conflicts.

In the event of any conflict between terms contained in any of the PSA, these RFO Instructions, or the Website, the conflict will be resolved by the following priority of documents:

- (1) The PSA (as posted on the Website)
- (2) These RFO Instructions
- (3) The Website

Any PSA executed and delivered by SCE and an Offeror as a result of this RFO is a “Final Agreement.” The Final Agreement between SCE and Offeror will have precedence over the RFO materials listed above.

4. SCE Affiliates.

SCE affiliates are permitted to participate in the RFO. An Offeror must disclose whether or not it is an SCE affiliate by filling out the information on the Offer form available on the Website when Offeror begins the Offer submittal process.

*** *End of ARTICLE ONE* ***

ARTICLE TWO. DIVERSE BUSINESS ENTERPRISES.

SCE encourages Women-Owned, Minority-Owned, Service Disabled Veteran-Owned, Lesbian-, Gay-, Bisexual-, and/or Transgender-Owned Business Enterprises (“Diverse Business Enterprises” or “DBEs”) to participate in the RFO. For Offerors interested in participating as a DBE, additional provisions will be incorporated into the PSA to ensure DBE status is maintained throughout the Term.

Information on SCE’s Supplier Diversity Program can be found on the following SCE website: www.sce.com/sd and www.sce.com/energyprocurement.

CPUC General Order (“GO”) 156 (<http://www.cpuc.ca.gov/generalorders/>) sets the rules governing, among other things, goals, annual reporting and annual planning in the development of programs to increase participation of DBEs in procurement of contracts from utilities as required by the California Public Utilities Code.

Offerors can help SCE achieve its GO 156 goals in the following ways:

- (1) For qualified DBE Sellers (Tier 1 – direct contracting with SCE), ensure you are certified by one of the following agencies accepted by the CPUC.¹
 - a. The Supplier Clearinghouse (www.thesupplierclearinghouse.com)
 - b. The Department of General Services – www.dgs.ca.gov
 - c. Small Business Administration for 8(a) certificates
- (2) Require that any qualified Tier 2 DBE (subcontractors to a Tier 1 Seller or directly to the project under contract with SCE) that perform work or deliver materials related to a project that will ultimately be under contract with SCE, be certified by, or certification is accepted through the certifying agencies listed above.

Furthermore, as provided in Section 6.3 of GO 156, SCE’s Supplier Diversity efforts include encouraging its Sellers to develop plans to utilize DBE subcontractors. SCE can help with identifying DBEs for subcontracting opportunities. In addition, the PSA in this RFO includes a requirement to report payments made to any DBE that has supplied goods or services as subcontractors.

A sample list of potential products and services that may be available through DBE subcontractors is provided in the table below. This table is not intended to serve as a comprehensive list of all of the subcontracting opportunities that may be available.

¹ Pursuant to Public Utilities Code section 8283(e)(2), Disabled Veteran Owned Business Enterprises in California are verified/certified by the California State Department of General Services, Office of Small Business and Disabled Veterans Business Enterprise Services (www.dgs.ca.gov/), and The Supplier Clearinghouse shall accept the verifications/certifications. Lesbian-, Gay-, Bisexual-, Transgender-Owned Business Enterprises seeking verification/certification of its DBE status may seek verification/certification through The Supplier Clearinghouse process.

PRIOR TO – Project Online Date		UPON AND AFTER – Project Online Date	
Products	Services	Products	Services
Environmental Impact Studies MRO (Balance of Plant: wiring, conduit, steel, concrete, etc.) Panels Technology	Construction Consulting Engineering (Interconnection design, roads/grading, SWPPP, Arc Flash Study, Geotechnical reports, environmental monitoring, etc.) EPC Contractor Installation Land Acquisition Legal Services Permitting Research and Development (R&D) Site Prep Transportation	IT Equipment (Hardware & Software) Tools & Equipment Cables Wires Chemicals Oils Gases Equipment (i.e., transformers, switches, poles, etc.)	Engineering (Fire Protection and Telecommunication) Facilities Management IT Support (Hardware & Software) Large Equipment Rentals and Operator Legal Services Panel Cleaning Plant Maintenance Plant Security Regulatory Reporting Services Specialty/Admin Staffing Water Treatment & Testing Accounting Services Billing Services Settlement Services

*** End of ARTICLE TWO ***

ARTICLE THREE. PROCESS AND REQUIREMENTS.

1. General Project Eligibility

Refer to the Attachments for specific project and Offer requirements.

- (1) Vintage – New build (not existing or repowered) or otherwise incremental to existing installations.
- (2) Technology – Proven, commercially available technology that is scalable to the project size (not in experimental, research, demonstration, or development stages), as determined in SCE’s sole discretion.
- (3) Incrementality - Incremental Offers consistent with the principles adopted by the CPUC in D.16-12-036 and D.21-02-006, including ensuring that customers do not pay twice for the same service and recognizing that a BTM DER is eligible to provide multiple incremental services.

A BTM Offer will be categorized as either Wholly Incremental, Partially Incremental, or Not Incremental (see Attachment D for the Incrementality Matrix providing examples of what Offers would be considered Wholly Incremental, Partially Incremental, or Not Incremental). Please be aware that Offerors must provide a feasible method of measuring and quantifying the incremental value of partially incremental Offers.

- (4) Products – below is a list of products that are eligible for this RFO (each a “Product” and collectively the “Products”):
 - Demand Response BTM (“DR”) (*100 kW minimum*)
 - Renewable Distributed Generation (“DG”)
 - BTM (*100 kW minimum*)
 - IFOM (*250 kW minimum*)
 - Energy Storage (*500 kW minimum*)
 - IFOM (RA Only)
 - IFOM (RA with Energy Put Option)
 - Renewable Distributed Generation paired with Energy Storage
 - BTM (*100 kW minimum*)
 - IFOM (*250 kW minimum*)
 - Permanent Load Shift (*100 kW minimum*)
 - Energy Efficiency BTM (*100 kW minimum*)

- (5) Project Start Dates – the Expected Initial Delivery Date for each Offer must occur:
- No earlier than December 1, 2025, but no later than March 1, 2026 for Offers to defer the Triton Project (as defined below)

2. Interconnection and Location Eligibility.

Projects must be located within SCE’s service territory, specifically connecting to a load circuit, or lower voltage substation in SCE’s distribution system that electrically connects to the following substations or circuits:

Triton (the “Triton Project”) (Temecula, CA)
Seawolf 12kV circuit out of the Triton 115/12 kV substation

SCE is launching its 2022 Distribution Investment Deferral Framework (DIDF) Request for Offers (RFO) to procure DERs for one location: Triton (Temecula).

- (1) SCE has made available an interactive map for Offerors' use called the Distribution Resources Plan External Portal (“DRPEP”), which includes the locations of SCE distribution circuits, substations, system voltage, available capacity, and customer information. DRPEP is located at <https://ltmdrpep.sce.com/drpep/>
- (2) Solely for the purpose of this RFO, upon Offeror’s execution of an NDA (as defined in Section 4.5(2)), SCE will share with the Offerors a list of addresses that are served by the distribution network assets needing upgrades, for which SCE is seeking deferral.
- (3) Customer composition information for each of the qualifying substations and circuits can be found in the Market Awareness Webinar presentation. The presentation can be found in the “Download Documents” tab on the PowerAdvocate Event Website.

3. Development Security and Performance Assurance.

The PSA requires collateral to be posted for Development Security (“DS”) and Performance Assurance (“PA”) in accordance with the table below. The collateral must be in the form of cash or a Letter of Credit. One-half of the DS is required within five (5) Business Days following the Effective Date of a Final Agreement and the second half is due within five (5) Business Days after CPUC Approval of a Final Agreement. PA is required to be posted on or before the Initial Delivery Date and is to be maintained throughout the Delivery Period and until Seller has satisfied all monetary obligations that survive termination of a Final Agreement. The DS will be held until the PA is received.

To determine the DS and PA amounts, SCE will multiply the DS Rate or PA Rate, as applicable from the table below, by the PSA’s maximum monthly or maximum annual, as applicable, kW capacity amount. The capacity amount to be used in this calculation is specified under the “Defined Term” column in the table below for each of the respective Products (e.g. Expected Capacity Savings). For purposes of calculating the PA amounts, if a PSA’s delivery term is not one of Delivery Term values listed in the table below (e.g. 10, 15,

20 years), the delivery term will be rounded up to the next higher value as listed in the table (e.g. a 12 year delivery term will be rounded up to 15 years for calculating the PA amount).

Product	Defined Term	Delivery Term (Years)	DS Rate (\$ per kW)	PA Rate (\$ per kW)
Energy Efficiency	Expected Capacity Savings	5	\$100	\$25
DR	Contract Capacity	10	\$100	\$35
		15		\$50
DG – BTM	Expected Capacity Savings	10	\$100	\$35
		15		\$50
DG – IFOM	Contract Capacity	10	\$100	\$35
		15		\$50
		20		\$65
Energy Storage – IFOM (Resource Adequacy Only) and Energy Storage – IFOM (Resource Adequacy with Energy Put Option)	Contract Capacity	10	\$100	\$35
		15		\$50
		20		\$65
Renewable Distributed Generation paired with Energy Storage – BTM	Expected Capacity Savings	10	\$100	\$35
		15		\$50
Renewable Distributed Generation paired with Energy Storage – IFOM	Expected Deferral Savings	10	\$100	\$35
		15		\$50
		20		\$65
Permanent Load Shift	Contract Capacity	10	\$100	\$35
		15		\$50

The rationale for requesting DS and PA is to incentivize an Offeror who is awarded a contract to complete its project on time and at the contracted level of performance, to maintain the level of project performance over the term of the agreement, and to mitigate the consequences to SCE’s customers in the event the Offeror fails to deliver the project in the size and for the time period needed. Projects have the highest risk of failure during the construction period, so the amount of development security, which covers the construction period, is typically higher than the amount of performance assurance, which covers the Delivery Period after the project achieves commercial operation.

SCE assesses the risks described above in all of its procurement solicitations and determines the

amount of DS and PA required based on the objectives of the procurement. The objective of this RFO is to procure DERs to defer distribution upgrades that SCE would ordinarily undertake with a traditional wires solution. Failure of a DER project to achieve the Initial Delivery Date by the Initial Delivery Deadline introduces two risks in this RFO: (1) the potential for impaired grid reliability; and (2) the potential need to implement a traditional wires solution as a replacement for the lost DER Products. The required DS in this RFO is \$100/kW. The required PA ranges from \$25/kW to \$65/kW depending on the Product and Delivery Term and are consistent with other SCE solicitations.

4. RFO Schedule

Event*	Date
RFO Launch	September 15, 2022
RFO Bidders' Conference	September 30, 2022
Offer Submittal Deadline	November 30, 2022 12:00 PM (Noon) PPT
CAM Group Consultation on 2022 DIDF RFO – Final Selection	By January 11, 2023
Final Selection Notification	By January 13, 2023
PSA Negotiations Concluded/Executable PSA Provided	By March 2, 2023
Contract Execution	March 9, 2023
Close of RFO/Informational Only Notification	March 15, 2023

*Based on the operational needs for the 2022 DIDF deferral projects during the RFO, SCE may file an extension request to the CPUC's Energy Division for the RFO schedule pursuant to R.14-08-013, Reform No. 43. SCE will inform Respondents, as soon as reasonably practicable, of any change to the schedule.

SCE reserves the right to add, remove, or revise any RFO event date or any submittal requirement.

5. RFO Process

(1) RFO Launch

RFO documents available on the Website and potential Offerors can register to participate via the Website.

(2) RFO Bidders' Conference

SCE will host an online conference for potential Offerors (“RFO Bidders’ Conference”) to discuss the RFO process and key Offer submittal requirements with interested parties. A recording of the conference will be uploaded to the Website afterwards for potential Offerors that were unable to attend.

(3) Offer Submittal Deadline

Submittal Timing

Each complete Offer, conforming exactly to these RFO Instructions, must be submitted (including all supporting documents) via the Website on or before the date and time of the Offer Submittal Deadline.

SCE will consider only those submissions that, as of the Offer Submittal Deadline, constitute complete and conforming Offers. This includes submittal of all documents and completion of all forms described herein and on the Website.

At SCE’s sole discretion, SCE may allow an Offeror to cure any non-conforming information or uploaded documents **provided** that an Offer has been timely submitted. If cures are allowed, SCE will notify Offeror and will provide Offeror with the deadline to complete the cure.

Please note: Offers provided after the Offer Submittal Deadline will not be reviewed, even if the Offer submittal process had begun prior to the Offer Submittal Deadline. SCE encourages Offerors to allot sufficient time to complete the submittal process.

SCE desires to have a termination right in any Final Agreement if the distribution system needs change and SCE determines that the project is no longer necessary. For specific language, please see Section 10.05(b) of the PSA entitled “**SCE Termination Right – Changing Deferral Need**”. Each Offer Workbook contains an input field titled “**Changing Deferral Need Cost**”. In this field, Offerors must provide the total cost to SCE and the date(s) by which SCE must exercise such early termination for each project Offered; provided, however, that the early termination right shall not be earlier than 12 months after the Effective Date of a Final Agreement. Offeror may provide multiple termination dates throughout the course of Delivery Term.

Offer Inclusivity and Exclusivity

An Offeror can submit a single or multiple Offers. For IFOM Offers, an Offeror can submit up to ten (10) Offers for a single project. For BTM Offers, an Offeror can submit up to ten (10) Offers for each Product per substation and circuit. Collectively, an Offeror can submit up to fifty (50) Offers for this RFO.

Offers can be mutually inclusive of other Offers that meet the same defined substation deferral need (i.e., only within each deferral project).

Offers can be mutually exclusive of each other (i.e., a group of Offers where SCE can only select one from the set; common when submitting multiple Offers from a single project).

To designate Offers as either mutually inclusive or mutually exclusive, Offeror must first submit each individual Offer. **Offeror must indicate if Offers are mutually inclusive, mutually exclusive, or neither, in their Proposal Letter.**

SCE **strongly encourages** Offers that ramp up in capacity over time to meet needs. Such Offers could potentially better match deferral needs that increase annually. Should an Offeror wish to submit such an Offer, the appropriate way to do so would be to submit an increasing capacity within the workbooks for the following Products:

IFOM Energy Storage
IFOM Energy Storage Hybrid
Demand Responarchnse

For all other Products types, to submit an Offer with increasing capacity, the appropriate way to do so would be to create multiple Offer Workbooks, each with a staggered start date, and indicate that these Offer Workbooks are mutually inclusive and are the same project with increasing capacity over time. If this strategy is used:

1. All of the end dates must be the same for all of the mutually inclusive Offer Workbooks (capacity may “ramp up”, but there cannot be a subsequent “ramp down” towards the end of the term).
2. For purposes of the limitation on the number of Offers explained earlier in this section, such a mutually inclusive grouping will be considered one Offer.

SCE has a **preference for BTM projects that can provide resiliency in the case of Public Safety Power Shutoffs (“PSPS”)**. SCE encourages bidders to take advantage of any incentive programs available to support this preference and incorporate such incentives into their Offer pricing. One such incentive program is the Self-Generation Incentive Program (SGIP) Equity Resiliency Budget, detailed in CPUC Decision 19-09-027 (“D.19-09-027”). SCE encourages Offers that aggregate customers in areas that have a high likelihood of being impacted by PSPS to participate in the SGIP Equity Resiliency Budget. Any projects need to be able to be completely disconnected from the grid in the event of PSPS. The project and aggregated customers would need to be located in Tier 2 or Tier 3 High Fire-Threat Districts (HFTD’s) listed on the CPUC’s Fire Threat Map (<https://ia.cpuc.ca.gov/firemap/>). For other specific eligibility criteria, please see D. 19-09-027.

Online Offer Form

In order to have a complete and conforming Offer, an Offeror must register with the Website and complete and submit several online Offer forms, accessible by clicking the “Commercial” tab on the main navigation bar of the Website.

All information submitted via the Offer form must be consistent with information contained in the required upload documents. All required upload documents are included in the “Download Documents” section of the Website.

Required Upload Documents

As briefly described above, Offeror is required to download, fill out and upload several documents—all accessible via the Website by clicking: Download Documents >> Bid. In addition to an Offer Workbook in Excel format that contains pricing information and must be submitted with each Offer, each proposal must be accompanied by:

A Seller Proposal Letter

An executed Consent for Release of Interconnection Related Information

An executed Developer Experience Attestation

A partially executed NDA

A completed MUA Services Questionnaire

Additional Information

SCE may request additional information (not included in these RFO Instructions or on the Website) from Offerors at any time during the RFO.

(4) Target Date for Final Selection Notification

The RFO Schedule provides the date upon which SCE intends to notify each Offeror as to whether or not its Offers have been selected. Those Offers selected will enter into PSA negotiations. As noted in Article 3, Section 4 above, SCE reserves the right to revise any RFO event date, including the date for Final Selection Notification.

(5) Negotiation Period

SCE has established a date certain for concluding PSA negotiations. To the extent SCE and Offeror are not in agreement on one or more PSA provisions by the date/time set forth in the RFO Schedule, the applicable Offers will not be considered for an executable PSA.

(6) Target Date for Execution of PSAs

SCE has set a target date within the RFO Schedule upon which SCE will provide executable PSAs for each selected Offer to review and sign (“Awarded Offerors”). **Offerors are encouraged to carefully review the executable PSAs for any errors.**

6. Offer Screening

(1) Screening of Offers

In order to be considered for selection in this RFO, the Offer must:

- a) Meet the eligibility criteria set forth in these RFO Instructions;
- b) Adhere to the RFO Schedule and other submittal requirements set forth in Article Three of these RFO Instructions; and

- c) Adhere to, input and upload all information as required by or instructed per the online Offer form.

SCE will screen Offers on a “pass-fail” basis against these criteria and requirements.

In addition, any Offer or combination of Offers that SCE determines do not meet the deferral need (see Attachment C) or is not cost-effective will be rejected.

- (2) Initial Screen

After the Offer Submittal Deadline, SCE begins an initial review of all Offers received for completeness and conformity. This review includes an initial screen for required submission criteria such as a conforming location, minimum project size, and the submission of completed submittal package elements. Sellers lacking any of these items may be allowed a reasonable cure period to remedy any deficiencies. SCE works directly with Sellers to resolve any issues and ensure the Offers are ready for evaluation.

7. Valuation and Selection

- (1) Deliverability/Resource Adequacy Valuation

With respect to any Product that requires interconnection to SCE’s distribution grid:

SCE will perform a deliverability/Resource Adequacy (“RA”) assessment.

Please note that the PSA will require Offerors to seek deliverability allocation, including participating in the CAISO’s Distributed Generation Deliverability Assignment Process, in order to be qualified to receive Resource Adequacy Benefits and Capacity Attributes.

Offerors that have applied or intend to apply for interconnection through the cluster study process and have requested or intend to request Full Capacity Deliverability Status² (“FCDS”) will receive capacity benefit consideration in the Offer valuation.³ For clarity, energy-only Offers submitted pursuant to this RFO will not receive any Resource Adequacy Benefit in SCE’s evaluation unless or until that date that the Offeror commits to achieving FCDS.

- (2) Evaluation of Offers.

- a) Least-Cost, Best-Fit Evaluation Methodology.

SCE employs an NPV analysis when it evaluates Offers. This methodology is consistent with evaluations performed by SCE in other solicitations. The quantitative component of the evaluation entails forecasting (1) the value of benefits

² As such term is defined in the CAISO Tariff and/or Transmission Provider’s Wholesale Distribution Access Tariff.

³ Information on CAISO’s Queue Cluster Study and CAISO’s Distributed Generation Deliverability Assignment Processes is available on SCE’s website at <http://www.sce.com/AboutSCE/Regulatory/openaccess/default.htm>.

and (2) the value of costs. Once all of the valuation elements are calculated, they are discounted to a present value using an annual discount rate. SCE then subtracts the present value of expected costs from the present value of expected benefits to determine the expected NPV of the Offer.

In addition to the quantitative NPV analysis, SCE also considers each Offer's non-quantifiable characteristics of each Offer by conducting an analysis of each project's qualitative attributes. Both the quantitative and qualitative components are considered when determining which Offers to select.

The elements used in the quantitative evaluation are described below.

- Benefits

- *Energy and Ancillary Service Benefits*

For must-take and baseload resources, SCE calculates the energy benefits of an Offer based on the Offer's expected generation delivery profile and the forecasted value of energy.

For dispatchable resources, SCE forecasts the operations of the resource based on the Offer's operating costs (e.g., storage efficiency, VOM, VARC, energy rate, etc.), operating parameters (e.g., available hours, charge rates, etc.) and market service offered (e.g., energy and/or Ancillary Services). SCE uses the economic dispatch principle, wherein a unit is dispatched if the Offer's forecasted energy and/or Ancillary Services benefits exceed its costs, i.e., if it is "in the money."

For BTM Offers, energy benefits will be based on the validated energy reduction estimates contained in the Offer (i.e., avoided energy costs).

- *Resource Adequacy Capacity Benefits*

RA capacity benefits are derived by first estimating the amount of RA the Offer is capable of delivering. SCE will establish the amount of RA capacity (including system, local and potentially flexible) attributed to each resource under the guidance of the current NQC counting rules of the CPUC's Qualifying Capacity Methodology Manual ("Manual"). If a resource's operational capabilities generally fall under a category described in the Manual, the rules will be applied directly. EE, Permanent Load Shift, and most types of BTM Offer types are typically considered load adjustments rather than supply-side resources. SCE will consider the effective load reduction during the RA assessment hours as equivalent to RA capacity for valuation and selection purposes.

The quantity of RA is then multiplied by a forecast of expected forward RA prices to forecast the RA value provided by the Offer.

- *Deferral Benefit*

The capital expenditure estimates of traditional distribution upgrades are converted into deferral value (\$) using a real economic carrying charge

method. This methodology is also called an economic deferral method and is consistent with the method used by SCE for converting capital investments into annual costs for General Rate Case (“GRC”) purposes. The deferral value is calculated for a deferral period of one year to the maximum number of distribution planning years.

Deferral value is attributed to a portfolio (one or more Offers) if and only if the power and energy needs are fully met for a deferral project.

- Costs

- *Energy Costs*

- For dispatchable resources, energy costs can include variable costs for DR dispatch events, costs incurred while charging energy storage devices, or other contractual costs associated with the production or discharge of energy.

- *Capacity Payments*

- Capacity payments represent the total fixed contract payments SCE is expected to make under the contract for delivery of resource benefits.

- *Debt Equivalence*

- Debt equivalence is the term used by credit rating agencies to describe the fixed financial obligation resulting from long-term purchased power contracts. Pursuant to D.04-12-048, the Commission allows Investor Owned Utilities (“IOUs”) to recognize costs associated with the effect debt equivalence has on the utilities’ credit quality and cost of borrowing in their valuation process. D.08-11-008 was issued in November 2008 and, authorized the IOUs to continue recognizing the balance sheet impact of debt equivalence when valuing power purchase agreements. Given the confirmation of the use of debt equivalence for valuation purposes, SCE considers debt equivalence in its valuation process.

- *Transmission and Distribution Network Upgrade Cost*

- For projects that do not have an existing interconnection to the electric system, or have an existing interconnection but not for a proposed expansion of an existing facility, system transmission upgrade costs are based on a Phase 1 Interconnection Study (as defined in the CAISO Tariff) (or equivalent study), or later study for generator interconnection procedures (“GIP”) applications. For projects with no interconnection study, but with an Offer providing SCE the right to terminate if system transmission upgrade costs exceed a specified amount, system transmission upgrade costs are based on this specified amount. SCE uses the reimbursable part of these costs in the NPV calculation of the Offers.

- *Renewable Integration Cost*

- Renewable resources integration requires flexible resources that the utility and/or the CAISO can control to manage and firm-up intermittent output.

For Offers with intermittent generation where renewable integration cost is applicable, the Renewable Integration Cost Adder (“RICA”) methodology from the RPS proceedings is generally employed.

- Other Quantitative Considerations

- *Nodal energy congestion costs/benefits* may be considered and could affect an Offer’s energy benefits. If nodal congestion is not considered in the quantitative evaluation, it is considered as a qualitative component.
- *Avoided transmission and distribution losses and RA reserve margin requirements* may be applied to Offers that act as load reducers and may therefore receive adjustments to their energy and RA quantity benefits to reflect both.
- Additionally, if SCE can reasonably calculate estimates of other costs and/or benefits that are directly attributable to an Offer, then these estimates will be included in the quantitative valuation, and ultimately, in the Offer’s NPV.

- Qualitative Components

Some elements that are considered in the qualitative assessment may include but are not limited to:

- Project viability
 - The project viability assessment includes factors such as developer experience, O&M experience (proven track record), commercial technology, reasonableness of delivery date, and interconnection progress.
- Interconnection viability
 - Voltage and other power quality services
 - Permitting and interconnection
- Pre-development milestones
 - Project financing status
 - Project development experience
- Development milestones
 - Site control
 - Large equipment status
 - Reasonableness of commercial operation date
- Modifications to PSA
- Contributions towards other SCE procurement targets
- Congestion, negative price, and curtailment considerations not captured in the quantitative valuation

- Portfolio fit of energy, capacity, deliverability, and contract term
- Offeror concentration
- Technology concentration
- Dispatchability and curtailability

*** *End of ARTICLE THREE* ***

ARTICLE FOUR. APPLICANT’S ACKNOWLEDGEMENTS; WAIVERS AND RESERVATION OF RIGHTS; REPRESENTATIONS, WARRANTIES AND COVENANTS.

By submitting an Offer to SCE pursuant to the RFO, the Offeror acknowledges the following:

1. SCE’s Rights.

SCE reserves the right to modify any dates and terms specified in these RFO Instructions and the PSA, in its sole discretion and at any time without notice and without assigning any reasons and without liability of Edison International, SCE, or any of their respective subsidiaries, affiliates, or representatives. SCE also reserves the right to select no Offers as an outcome of: (i) this RFO and/or (ii) an evaluation of any circuit or substation described herein.

2. SCE’s Acceptance of Offers.

SCE will not be deemed to have accepted any Offer, and will not be bound by any term thereof, unless and until authorized representatives of SCE and Seller execute and deliver a Final Agreement and other required agreements.

3. Expenses.

Each participant will be responsible for all expenses incurred as a result of its participation in this RFO. In the event the RFO is terminated by SCE for any reason, each participant will remain responsible for all expenses incurred by such participant as a result of its participation in the RFO.

SCE does not provide any assurance that incentive programs will be available. This requirement is further described in the Attachments section of these RFO Instructions for each affected Product (as defined below).

4. Waived Claims.

By submitting an Offer, Offeror knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert any claim, complaint or other challenge in any regulatory, judicial or other forum, including without limitation, the CPUC (except as expressly provided below), the Federal Energy Regulatory Commission (“FERC”), the Superior Court of the State of California (“State Court”) or any United States District Court (“Federal Court”) concerning or related in any way to this RFO or these RFO Instructions, including all documents incorporated by reference therein and exhibits, attachments, and appendices attached thereto (“Waived Claims”).

Offeror further expressly acknowledges and consents that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, to the extent that Offeror’s Offer has not already been disqualified, SCE is entitled to automatically disqualify any such Offer from further consideration in the RFO or otherwise, and further, SCE may elect to terminate the RFO.

By submitting an Offer, Offeror further agrees that the sole forum in which Offeror may assert any challenge with respect to the conduct or results of the RFO is at the CPUC.

Offeror further agrees that:

The sole means of challenging the conduct or results of the RFO is a complaint filed under Article 3, Complaints and Commission Investigations, of Title 20, Public Utilities and Energy, of the California Code of Regulations;

The sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the RFO generally consistent with these RFO Instructions; and

The exclusive remedy available to Offeror in the case of such a protest shall be an order of the CPUC that SCE's conduct for any portion of the RFO was not conducted in accordance with these RFO Instructions (including all documents incorporated by reference therein and exhibits, attachments, and appendices attached thereto).

Offeror 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 SCE elects to do otherwise in its sole discretion, during the pendency of such a protest, the RFO and any related regulatory proceedings related to the RFO will continue as if the protest had not been filed, unless the CPUC issues an order suspending the RFO or SCE has elected to terminate the RFO.

Offeror further acknowledges and agrees that if Offeror asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Offeror's claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this section and that Offeror will not challenge or oppose such a request for dismissal.

Offeror further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Offeror shall pay SCE's full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys' fees.

5. Offeror's Representations, Warranties and Covenants.

(1) By submitting an Offer, Offeror agrees to be bound by the conditions of the RFO, and makes the following representations, warranties, and covenants to SCE, which representations, warranties, and covenants shall be deemed to be incorporated in their entirety into each of Offeror's Offers:

- Offeror has read, understands and agrees to be bound by all terms, conditions and other provisions of these RFO Instructions;
- Offeror has had the opportunity to seek independent legal and financial advice of its own choosing with respect to the RFO and these RFO Instructions, including the submittal forms and documents listed in these RFO Instructions which are posted on the Website;
- Offeror warrants that the Product price includes all Offeror's costs of adhering to the provisions of the PSA or term sheet;

- Offeror has obtained all necessary authorizations, approvals and waivers, if any, required by Offeror to submit its Offer pursuant to the terms of these RFO Instructions and to enter into a Final Agreement with SCE;
- Offeror’s Offer complies with all Applicable Laws;
- Offeror has not engaged, and covenants that it will not engage, in any communications with any other actual or potential Offeror in the RFO concerning this solicitation, price terms in Offeror’s Offer, or related matters and has not engaged in collusion or other unlawful or unfair business practices in connection with the RFO;
- Any Offer submitted by Offeror is subject only to SCE’s acceptance, in SCE’s sole discretion; and
- The information submitted by Offeror to SCE in connection with the RFO and all information submitted as part of any Offer is true and accurate as of the date of Offeror’s submission. Offeror also covenants that it will promptly update such information upon any material change thereto.

(2) By submitting an Offer, Offeror acknowledges and agrees:

- That SCE may rely on any or all of Offeror’s representations, warranties, and covenants in the RFO (including any Offer submitted by Offeror);
- To the non-disclosure terms and obligations in the RFO Non-Disclosure Agreement (“NDA”) posted on the Website;
- That SCE may disclose information as set forth in Section 4.6 of these RFO Instructions and the NDA;
- That in SCE’s evaluation of Offers pursuant to the RFO, SCE has the right to disqualify an Offeror that is unwilling or unable to meet any other requirement of the RFO, as determined by SCE in its sole discretion.

(3) BY SUBMITTING AN OFFER, OFFEROR HEREBY ACKNOWLEDGES AND AGREES THAT ANY BREACH BY OFFEROR OF ANY OF THE REPRESENTATIONS, WARRANTIES AND COVENANTS IN THESE RFO INSTRUCTIONS SHALL CONSTITUTE GROUNDS FOR IMMEDIATE DISQUALIFICATION OF SUCH OFFEROR, IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO SCE UNDER APPLICABLE LAW, AND DEPENDING ON THE NATURE OF THE BREACH, MAY ALSO BE GROUNDS FOR TERMINATING THE RFO IN ITS ENTIRETY.

6. Reporting and Public Disclosure of Information.

By participating in the RFO, each Offeror acknowledges and expressly authorizes SCE to publicly disclose the following information as required by the CPUC:

Names of the sponsor companies that submitted Offers into the RFO;
Number of Offers received from each sponsor company;
Number of Offers received and selected by SCE;
Project sizes;
Participating technologies;
The number of projects that passed the project viability screens;
Location of Offers by county level shown in a map format; and

The progression of each Final Agreement's project development milestones.

7. Good Faith Dealings.

It is expected that the Parties will act in good faith in their dealings with each other with respect to this RFO.

8. Disclaimer.

SCE AND ITS REPRESENTATIVES (INCLUDING THE INDEPENDENT EVALUATOR) DISCLAIM ANY AND ALL LIABILITY TO AN OFFEROR FOR DAMAGES OF ANY KIND RESULTING FROM DISCLOSURE OF ANY OF OFFEROR'S INFORMATION.

*** *End of ARTICLE FOUR* ***

ATTACHMENT A-1

Energy Efficiency – Meter-Based Approach

Energy Efficiency – Customized Calculated Approach

PRODUCT DESCRIPTION

The Energy Efficiency (“EE”) Product is a mechanism by which Offeror reduces electrical consumption (load) through the installation of load reducing measures such as replacing old equipment with new equipment that consumes less energy.

The EE Product is a non-dispatchable resource.

REQUIREMENTS

- (1) Project must meet Wholly Incremental or Partially Incremental requirements as described in Attachment D. For example, one approach could include new marketing and/or delivery strategies that result in a greater volume of participation or accelerated adoption of existing downstream programs. Any such program theories should be convincing and must include a reliable verification methodology to ensure capture of claimed savings and evidence that demonstrates customers were influenced by the new marketing and/or delivery strategy efforts such as a method for determining a baseline adoption rate for the measure(s) offered by the downstream program. Offerors shall include a robust methodology to verify claimable (incremental) savings and avoid any possible “double dipping,” (i.e., the application for multiple rebates in multiple programs for the same program measure).
- (2) Offers should also provide a cost assessment methodology reflecting all embedded costs of the existing programs being leveraged in the Offer.
- (3) Project must utilize proven, commercialized technology that is scalable to the project size (not in experimental, research, demonstration, or development stages).
- (3) Project must be installed at one or more SCE customer locations (residential, commercial, or industrial customers), with an active service account, that directly connects to one of the substations or circuits listed in Attachment C. A single Offer that is comprised of SCE customers across more than one substation or circuit will not be considered.
- (4) All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.
- (5) Delivery period of five (5) years.
- (6) The program will be delivered in a manner consistent with SCE’s calculated and deemed programs and in compliance with CPUC Resolution E-4818 which adopts modifications to state EE policy toward an existing conditions baseline per AB802 and D.16-08-019. Applicable only to bids that leverage current EE programs.

- (7) Minimum Expected Capacity Savings of 100 kW.
- (8) Delivery months must include at least 1 (one) delivery month within the deferral time period specified in Attachment C.
- (9) Delivery hours must include at least 1 (one) hour within the deferral time period specified in Attachment C.
- (10) The Meter-Based Approach must be used, unless SCE determines (a) there is no reference for an existing condition baseline (e.g. new construction/capacity expansion or added load), or (b) where consumption patterns are primarily driven by unpredictable or unmeasurable factors, or (c) the likelihood of substantial non-routine events exists.

CRITICAL PATH DEVELOPMENT MILESTONES

- (1) SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.
- (2) Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

PREFERENCES

The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.

SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.

ATTACHMENT A-2

Demand Response

PRODUCT DESCRIPTION

Demand Response is a Product that, in response to SCE notification, reduces the consumption of energy from the electrical grid. This dispatchable resource can reduce the consumption of energy from the electrical grid by turning off equipment that consumes electricity. Load reduction may be achieved through behavioral changes, energy storage, other types of load reducing technologies, or a combination thereof.

Please note that a low energy rate may result in frequent dispatches of the project.

REQUIREMENTS

Project must meet Wholly Incremental or Partially Incremental requirements as described in Attachment D.

Project must utilize proven, commercialized technology that is scalable to the project size (not in experimental, research, demonstration, or development stages).

Project must be comprised of one or more SCE customers (residential, commercial, or industrial customers), with an active service account, that directly connects to one of the substations or circuits listed in Attachment C. A single Offer that is comprised of SCE customers across more than one substation or circuit will not be considered.

All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.

Delivery period not to exceed fifteen (15) years; if Seller offers a delivery period greater than 10 years, Seller must submit a mutually exclusive Offer with a 10 year delivery period.

Minimum Contract Capacity of 100 kW.

Maximum dispatch response time: 15 minutes.

Delivery months must include at least 1 (one) delivery month within the deferral time period specified in Attachment C.

Delivery Hours must include at least 1 (one) hour within the deferral time period specified in Attachment C.

Offerors shall not, and shall ensure that all of the Participating Accounts do not, during the Delivery Period, obtain benefits under SCE's Automated Demand Response Program, or any other similar program that exists now or during the Term.

CRITICAL PATH DEVELOPMENT MILESTONES

SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.

Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

DEFERRAL PAYMENT STRUCTURE

- (1) Price shapes will be utilized to incentivize delivery of the project to meet distribution deferral needs.
- (2) The following price shape will be used to shape the Capacity Rate of the project when such Products are offered for an entire calendar year. With respect to any partial year Offers, the price shape will be normalized and allocated across the applicable months for any partial year included in the Delivery Period.

Month	Full Calendar Year Price Shape (<i>Summer Only</i>)	Partial year Offers
Jan	75%	Partial year Offer price shapes can be determined as set forth above. Please contact an SCE representative prior to submitting final binding Offers to confirm price shapes.
Feb	75%	
Mar	75%	
Apr	75%	
May	75%	
Jun	135%	
Jul	135%	
Aug	135%	
Sep	135%	
Oct	135%	
Nov	75%	
Dec	75%	

- (3) Please contact SCE prior to submitting final binding Offers to confirm price shapes with respect to any Offer.

PREFERENCES

The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.

Offerors may propose any contract term up to fifteen (15) years, but SCE's preference is for Offers that do not exceed a ten (10) year term.

SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.

BTM projects that can provide resiliency in the case of Public Safety Power Shutoffs (“PSPS”).
The project and aggregated customers would need to be located in Tier 2 or Tier 3 High Fire-Threat Districts (HFTD’s) listed on the CPUC’s Fire Threat Map (<https://ia.cpuc.ca.gov/firemap/>)

INELIGIBLE

- (1) Non-renewable resources generators (e.g., natural gas-fired generators), whether permitted as back-up or stationary source generation.
- (2) Seller shall ensure that Prohibited Resources are not used to reduce load during any Dispatch under this Agreement, with limited exceptions (refer to the PSA for detail). Prohibited Resources includes distributed generation technologies using diesel, natural gas, gasoline, propane or liquefied petroleum gas, in topping cycle CHP or non-CHP configuration.

*** *End of ATTACHMENT A-2* ***

ATTACHMENT A-3(a)
Renewable Distributed Generation (“Renewable DG”) – BTM

PRODUCT DESCRIPTION

BTM Renewable DG is on-site generation that offsets customer demand. Distributed generation is a non-dispatchable resource and reduces customer consumption of electricity from the electrical grid.

REQUIREMENTS

Project must meet Wholly Incremental or Partially Incremental requirements as described in Attachment D.

Project must utilize proven, commercialized technology that is scalable to the project size (not in experimental, research, demonstration, or development stages).

Project must be installed at one or more SCE customer locations (residential, commercial, agricultural, or industrial customers), with an active service account, that directly connects to one of the substations or circuits listed in Attachment C. A single Offer that is comprised of SCE customers across more than one substation or circuit will not be considered.

All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.

Delivery period not to exceed fifteen (15) years; if Seller offers a delivery period greater than 10 years, Seller must submit a mutually exclusive Offer with a 10-year delivery period.

Minimum Contract Capacity of 100 kW.

CRITICAL PATH DEVELOPMENT MILESTONES

- (1) SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.
- (2) Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

PREFERENCES

- (1) The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.

- (2) Offerors may propose any contract term up to fifteen (15) years, but SCE's preference is for Offers that do not exceed a ten (10) year term.
- (3) SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.

INELIGIBLE

- (1) Fuel cell facilities that use fossil fuel or biofuel resources.

*** *End of ATTACHMENT A-3(a)* ***

ATTACHMENT A-3(b)

Renewable Distributed Generation (“Renewable DG”) – IFOM

PRODUCT DESCRIPTION

IFOM Renewable DG is a generating facility that is an ERR and is directly connected to a circuit or lower voltage substation and delivers at least a portion of its energy output onto SCE’s distribution network. Distributed generation is typically a non-dispatchable resource.

REQUIREMENTS

- (1) Must be new (not existing nor repowered).
- (2) The project qualifies as an ERR as such term is defined in Public Utilities Code Section 399.12.⁴
- (3) The project qualifies under the RPS Portfolio Content Category 1 (“PCC 1”) as such term is defined in Public Utilities Code Section 399.16.
- (4) Project consists of proven, commercialized technology that is scalable to the project size (not in experimental, research, demonstration, or development stages).
- (5) For solar PV, facilities mounted on rooftops, carports, and ground are eligible.
- (6) All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.
- (7) Contract terms not to be longer than 20 years from the project’s online date.
- (8) Project size must be at least 250 kW, no maximum project size restriction.
- (9) Selected projects ranging from 250 kW_{AC} to 499 kW_{AC} will be required to be grouped with other like-projects under one “Resource ID” (as such term is defined in the CAISO tariff) for the purpose of scheduling the energy of those resources in the CAISO market.
- (10) Projects that are at least 500 kW in size may provide certain Resource Adequacy benefits. To the extent those benefits materialize SCE will take them into account during the valuation and selection process.
- (11) Offeror, as the transmission customer or representative of the transmission customer, must sign and upload the “Consent for Release of Interconnection-Related Information” document (posted on the Website) by the Offer Submittal Deadline whereby Offeror, as the transmission customer or representative of the Transmission Customer, consents to and authorizes the disclosure of its confidential, Non-Public Transmission Customer Information to any SCE

⁴ Eligibility requirements for ERRs are set for in the CEC RPS Eligibility Guidebook:
<http://www.energy.ca.gov/2015publications/CEC-300-2015-001/CEC-300-2015-001-ED8-CMF.pdf>.

employee, including SCE's Marketing Function Employees (as such term is defined pursuant to the FERC Standards of Conduct), who needs to know such information in connection with the Offer(s) being submitted in this RFO.

- (12) Site Control – By the PSA Effective Date, Offerors must have control of the project site and relevant structures through direct ownership, a lease, or an option to purchase or acquire a leasehold interest in said project site and relevant structures.
- (13) For projects with completed Interconnection Studies or having “passed” the Fast Track Screens prior to this RFO Launch date, Offeror shall submit one of the following as part of a complete and conforming Offer submittal:
 - Fast Track Review report demonstrating the project has “passed” the respective Fast Track screens or that the project may otherwise be interconnected consistent with SCE’s safety, reliability, and power quality standards;
 - Completed System Impact Study or Facilities Study;
 - Completed Phase I Interconnection Study;
 - Completed Phase II Interconnection Study; or,A signed Generator Interconnection Agreement.
- (14) If Seller offers a contract term greater than ten (10) years, Seller must submit a mutually exclusive Offer with a ten (10) year contract term.

CRITICAL PATH DEVELOPMENT MILESTONES

- (1) SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.
- (2) Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

PREFERENCES

- (1) The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.
- (2) Offerors may propose any contract term up to twenty (20) years, but SCE’s preference is for Offers that do not exceed a ten (10) year term.
- (3) By Initial Delivery Date, projects demonstrate that Full Capacity Deliverability Status (“FCDS”) has been acquired.
- (4) SCE encourages Offerors to seek “pre-certification” as an ERR by the California Energy Commission (“CEC”) prior to submittal of Offers.

- (5) SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.

POTENTIAL FUNDING FOR DEVELOPMENT SECURITY

Offers associated with the Hopi Tribe and/or Navajo Nation that qualify under the requirements of D.13-02-004 may be entitled to use available funds from the Mohave SO2 Revolving Fund to meet the Development Security obligations under the PSA, subject to the provision of the necessary documentation and assurances in the Final Agreement.

INELIGIBLE

- (1) Offers delivering any Portfolio Content Category 2, as defined in Public Utilities Code Section 399.16(b)(2) and D.11-12-052, products, such as firmed and shaped products.
- (2) Offers delivering Portfolio Content Category 3, as defined in Public Utilities Code Section 399.16(b)(3) and D.11-12-052, products, such as Renewable Energy Credit-only transactions.
- (3) Fuel cell facilities that use fossil fuel or biofuel resources.

*** *End of ATTACHMENT A-3(b)* ***

ATTACHMENT A-4

Energy Storage – In Front of the Meter (RA Only) *Energy Storage – In Front of the Meter (RA with Energy Put Option)*

PRODUCT DESCRIPTION

The energy storage Product shall be an in-front-of-the-meter installation (i.e., connected directly to SCE's distribution system as further described below) and shall consist of technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy.

REQUIREMENTS

Must be new (not existing nor repowered).

Notwithstanding the requirements set forth in these RFO Instructions, must meet all the criteria set forth in Public Utilities Code Section 2835.

Must consist of commercially available mechanical, chemical or thermal storage technology that is scalable to the project size (i.e., not in experimental, research, demonstration, or development stages).

Must interconnect directly to SCE's distribution system to one of the substations or a qualifying segment of its corresponding circuits listed in Attachment C.

All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.

Contract terms must not to be longer than twenty (20) years from the project's online date.

Project size must be at least 500 kW, no maximum project size restriction.

Must be available to reduce load during at least 3 consecutive days.

Delivery months must include at least 1 (one) delivery month within the deferral time period specified in Attachment C.

Delivery Hours must be at least 4 hours where at least (i) two (2) of the 4 hours are consecutive, and (ii) one (1) of the 4 hours must be within the deferral time period specified in Attachment C.

No grid supply charging for the deferral time period specified in Attachment C during "Local Resource Constraint Days" (i.e., approximately 15 days; Local Resource Constraint Days to be

ATTACHMENT A-4

Energy Storage – In Front of the Meter (RA Only) *Energy Storage – In Front of the Meter (RA with Energy Put Option)*

defined in the PSA for the Energy Storage Product).

Offeror, as the transmission customer or representative of the transmission customer, must sign and upload the “Consent for Release of Interconnection-Related Information” document (posted on the Website) by the Offer Submittal Deadline whereby Offeror, as the transmission customer or representative of the Transmission Customer, consents to and authorizes the disclosure of its confidential, Non-Public Transmission Customer Information to any SCE employee, including SCE’s Marketing Function Employees (as such term is defined pursuant to the FERC Standards of Conduct), who needs to know such information in connection with the Offer(s) being submitted in this RFO.

Site Control – By the PSA Effective Date, Offerors must have control of the project site and relevant structures through direct ownership, a lease, or an option to purchase or acquire a leasehold interest in said project site and relevant structures.

For projects with completed Interconnection Studies or having “passed” the Fast Track Screens prior to this RFO Launch date, Offeror shall submit one of the following as part of a complete and conforming Offer submittal:

- Fast Track Review report demonstrating the project has “passed” the respective Fast Track screens or that the project may otherwise be interconnected consistent with SCE’s safety, reliability, and power quality standards;
- Completed System Impact Study or Facilities Study;
- Completed Phase I Interconnection Study;
- Completed Phase II Interconnection Study; or,
- A signed Generator Interconnection Agreement.

For RA with Energy Put Option only, Offeror must provide documentation (i.e., manufacturer warranty) supporting determination of Variable Asset Replacement Charge (VARC), as defined in the PSA.

If Seller offers a contract term greater than ten (10) years, Seller must submit a mutually exclusive Offer with a ten (10) year contract term.

CRITICAL PATH DEVELOPMENT MILESTONES

- (1) SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.
- (2) Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

DEFERRAL PAYMENT STRUCTURE

Price shapes will be utilized to incentivize delivery of the project to meet distribution deferral needs.

The following price shape will be used to shape the capacity rate of the project when such Products are offered for an entire calendar year. With respect to any partial year Offers, the price shape will be normalized and allocated across the applicable months for any partial year included in the Delivery Period.

Month	Full Calendar Year Price Shape (<i>Summer Only</i>)	Partial year Offers
Jan	75%	<p>Partial year Offer price shapes can be determined as set forth above. Please contact an SCE representative prior to submitting final binding Offers to confirm price shapes.</p>
Feb	75%	
Mar	75%	
Apr	75%	
May	75%	
Jun	135%	
Jul	135%	
Aug	135%	
Sep	135%	
Oct	135%	
Nov	75%	
Dec	75%	

Please contact SCE prior to submitting final binding Offers to confirm price shapes with respect to any Offer.

PREFERENCES

The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.

Offerors may propose any contract term up to twenty (20) years, but SCE’s preference is for Offers that do not exceed a ten (10) year term.

SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.

*** *End of ATTACHMENT A-4* ***

ATTACHMENT A-5(a)

Renewable Distributed Generation paired with Energy Storage (“Hybrid”) – Behind the Meter

PRODUCT DESCRIPTION

Behind-the-Meter Renewable Distributed Generation paired with Energy Storage is on-site generation with energy storage that offsets customer demand.

PROJECT REQUIREMENTS

- (1) Project must meet Wholly Incremental or Partially Incremental requirements as described in Attachment D.
- (2) Project must utilize proven, commercialized technology that is scalable to the project size (not in experimental, research, demonstration, or development stages).
- (3) Notwithstanding the requirements set forth in these RFO Instructions, the energy storage components must meet all the criteria set forth in Public Utilities Code Section 2835.
- (4) Project must be installed at one or more SCE customer locations (residential, commercial, agricultural, or industrial customers), with an active service account, that directly connects to one of the substations or circuits listed in Attachment C. A single Offer that is comprised of SCE customers across more than one substation or circuit will not be considered.
- (5) All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.
- (6) Delivery period not to exceed fifteen (15) years; if Seller offers a delivery period greater than 10 years, Seller must submit a mutually exclusive Offer with a 10-year delivery period.
- (7) Minimum Contract Capacity of 100 kW.
- (8) Delivery Hours must include at least 1 (one) hour within the deferral time period specified in Attachment C.
- (9) The energy storage device may only be charged from the solar PV.

CRITICAL PATH DEVELOPMENT MILESTONES

- (1) SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.
- (2) Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

ATTACHMENT A-5(a)

Renewable Distributed Generation paired with Energy Storage (“Hybrid”) – Behind the Meter

PREFERENCES

The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.

Offerors may propose any contract term up to fifteen (15) years, but SCE's preference is for Offers that do not exceed a ten (10) year term.

SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.

BTM projects that can provide resiliency in the case of Public Safety Power Shutoffs ("PSPS")
The project and aggregated customers would need to be located in Tier 2 or Tier 3 High Fire-Threat Districts (HFTD's) listed on the CPUC's Fire Threat Map (<https://ia.cpuc.ca.gov/firemap/>)

INELIGIBLE

- (1) Non-renewable resources generators (e.g., natural gas-fired generators), whether permitted as back-up or stationary source generation.
- (2) Fuel cell facilities that use fossil fuel or biofuel resources.

*** End of ATTACHMENT A-5(a) ***

ATTACHMENT A-5(b)

Renewable Distributed Generation paired with Energy Storage (“Hybrid”) – In Front of the Meter

PRODUCT DESCRIPTION

This “Renewable PV Distributed Generation paired with Energy Storage” Product shall be an in-front-of-the-meter installation (i.e., connected directly to SCE’s distribution system as further described below). Further, it shall consist of technology that is capable of producing energy from solar PV installations (as further described below), storing the solar energy, and thereafter dispatching the renewable energy to SCE’s distribution system.

PROJECT REQUIREMENTS

- (1) Must be new (not existing nor repowered).
- (2) The solar components must consist of commercially available solar photovoltaic technology that is scalable to the project size (not in experimental, research, demonstration, or development stages).
- (3) The solar PV installation qualifies as an ERR as such term is defined in Public Utilities Code Section 399.12 and qualifies for PCC 1 as such term is defined in Public Utilities Code Section 399.165; but if Offeror intends for the entire solar PV/energy storage installation to qualify as an ERR, then, in addition to the preceding, the energy storage device may only be charged from the solar PV; otherwise, the energy storage can be charged from the grid.
- (4) The energy storage components must consist of commercially available mechanical, chemical or thermal storage technology that is scalable to the project size (i.e., not in experimental, research, demonstration, or development stages).
- (5) Notwithstanding the requirements set forth in these RFO Instructions, the energy storage components must meet all the criteria set forth in Public Utilities Code Section 2835.
- (6) Must interconnect to SCE’s distribution system to one of the substations or a qualifying segment of its corresponding circuits listed in Attachment C.
- (7) All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.
- (8) Contract term not to be longer than 20 years from project’s online date.

⁵ Eligibility requirements for ERRs are set for in the CEC RPS Eligibility Guidebook: <http://www.energy.ca.gov/2015publications/CEC-300-2015-001/CEC-300-2015-001-ED8-CMF.pdf>

ATTACHMENT A-5(b)

Renewable Distributed Generation paired with Energy Storage (“Hybrid”) – In Front of the Meter

- (9) Must be able to produce and store at least 250 kW of renewable energy (i.e., minimum Contract Capacity is 250 kW), no maximum project size restriction.
- (10) Selected projects ranging from 250 kW_{AC} to 499 kW_{AC} will be required to be grouped with other like-projects under one “Resource ID” (as such term is defined in the CAISO tariff) for the purpose of scheduling the energy of those resources in the CAISO market.
- (11) Projects that are at least 500 kW in size may provide certain Resource Adequacy benefits. To the extent those benefits materialize SCE will take them into account during the valuation and selection process.
- (12) Delivery months must include at least 1 (one) delivery month within the deferral time period specified in Attachment C.
- (13) Delivery hours must include at least 1 (one) hour within the deferral time period specified in Attachment C.
- (14) Offeror, as the transmission customer or representative of the transmission customer, must sign and upload the “Consent for Release of Interconnection-Related Information” document (posted on the Website) by the Offer Submittal Deadline whereby Offeror, as the transmission customer or representative of the transmission customer, consents to and authorizes the disclosure of its confidential, Non-Public Transmission Customer Information to any SCE employee, including SCE’s Marketing Function Employees (as such term is defined pursuant to the FERC Standards of Conduct), who needs to know such information in connection with the Offer(s) being submitted in this RFO.
- (15) Site Control – By the PSA Effective Date, Offerors must have control of the project site and relevant structures through direct ownership, a lease, or an option to purchase or acquire a leasehold interest in said project site and relevant structures.
- (16) For projects with completed Interconnection Studies or having “passed” the Fast Track Screens prior to this RFO Launch date, Offeror shall submit one of the following as part of a complete and conforming Offer submittal:
 - Fast Track Review report demonstrating the project has “passed” the respective Fast Track screens or that the project may otherwise be interconnected consistent with SCE’s safety, reliability, and power quality standards;
 - Completed System Impact Study or Facilities Study;
 - Completed Phase I Interconnection Study;
 - Completed Phase II Interconnection Study; or
 - A signed Generator Interconnection Agreement.
- (17) If Seller offers a contract term greater than ten (10) years, Seller must submit a mutually exclusive Offer with a ten (10) year contract term.

CRITICAL PATH DEVELOPMENT MILESTONES

SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.

Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

DEFERRAL PAYMENT STRUCTURE

Price shapes will be utilized to incentivize delivery of the project to meet distribution deferral needs.

The following price shape will be used to shape the Capacity Payment of the project when such products are offered for an entire calendar year. With respect to any partial year Offers, the price shape will be normalized and allocated across the applicable months for any partial year included in the Delivery Period.

Month	Full Calendar Year Price Shape (<i>Summer Only</i>)	Partial year Offers
Jan	75%	<p>Partial year Offer price shapes can be determined as set forth above. Please contact an SCE representative prior to submitting final binding Offers to confirm price shapes.</p>
Feb	75%	
Mar	75%	
Apr	75%	
May	75%	
Jun	135%	
Jul	135%	
Aug	135%	
Sep	135%	
Oct	135%	
Nov	75%	
Dec	75%	

Please contact SCE prior to submitting final binding Offers to confirm price shapes with respect to any Offer.

PREFERENCES

The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.

ATTACHMENT A-5(b)
Renewable Distributed Generation paired with Energy Storage (“Hybrid”) – In Front of the Meter

Offerors may propose any contract term up to twenty (20) years, but SCE's preference is for Offers that do not exceed a ten (10) year term.

SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.

Pertaining to the Solar PV installation, SCE encourages Offerors to seek "pre-certification" as an ERR by the California Energy Commission ("CEC") prior to submittal of Offers.

INELIGIBLE

Non-Eligible Renewable Resources stationary source or back-up generators.

Fuel cell facilities that use fossil fuel or biofuel resources.

*** *End of ATTACHMENT A-5(b)* ***

ATTACHMENT A-6

Permanent Load Shift

PRODUCT DESCRIPTION

The Permanent Load Shift (PLS) product is a product that shifts electrical consumption (load) through the installation of thermal or battery energy storage.

The PLS product is a non-dispatchable resource.

REQUIREMENTS

- (1) Project must meet Wholly Incremental or Partially Incremental requirements as described in Attachment D.
- (2) Project must utilize proven, commercialized technology that is scalable to the project size (not in experimental, research, demonstration, or development stages).
- (3) Project must be comprised of one or more SCE customers (residential, commercial, agricultural, or industrial customers), with an active service account, that directly connects to one of the substations or circuits listed in Attachment C. A single Offer that is comprised of SCE customers across more than one substation or circuit will not be considered.
- (4) All proposed contract terms must start on the first calendar day of a month and end on the last calendar day of a month.
- (5) Delivery period not to exceed fifteen (15) years; if Seller offers a delivery period greater than ten (10) years, Seller must submit a mutually exclusive Offer with a ten (10) year delivery period.
- (6) Minimum Expected Capacity Savings of 100 kW.
- (7) Delivery months must include at least 1 (one) delivery month within the deferral time period specified in Attachment C.
- (8) Delivery hours must include at least 1 (one) hour within the deferral time period specified in Attachment C.

CRITICAL PATH DEVELOPMENT MILESTONES

SCE has established several Critical Path Development Milestones along with applicable deadlines to ensure that the project will be on track to meet distribution deferral needs. Refer to the PSA for specific requirements related to the milestones.

Failure to achieve the Critical Path Development Milestone on or before the applicable Critical Path Development Milestone deadline could result in an Event of Default.

PREFERENCES

- (1) The project is capable of meeting load during the greatest proportion of the deferral time period specified in Attachment C.
- (2) Offerors may propose any contract term up to fifteen (15) years, but SCE's preference is for Offers that do not exceed a ten (10) year term.
- (3) SCE prefers experienced project developers/Offerors, such as those having at least one member of the development team that has (a) completed at least one project of similar technology and capacity to the Offer, or (b) begun construction of at least one other project similar to the Offer being submitted in this RFO.
- (4) BTM projects that can provide resiliency in the case of Public Safety Power Shutoffs ("PSPS") The project and aggregated customers would need to be located in Tier 2 or Tier 3 High Fire-Threat Districts (HFTD's) listed on the CPUC's Fire Threat Map (<https://ia.cpuc.ca.gov/firemap/>)

*** End of ATTACHMENT A-6 ***

ATTACHMENT B

Offer Support Documents

Please use the following tables as a guide to understand the information and file types that need to be uploaded to SCE via the Website, as well as other files to which Sellers may need to reference when attesting to and acknowledging certain items on the various RFO forms. Please note that SCE may request additional information/uploads.

REQUIRED UPLOADS FOR ALL OFFERS

DOCUMENT	DESCRIPTION
General Proposal Letter	A free-form letter written by the Offeror that provides a high-level description of the project’s attributes (location, general configuration, etc.), Offer selection parameters (e.g., mutually exclusive with other Offers), their company, and anything else that either is not captured in the Offer forms and/or that Offeror deems as information SCE should possess to better help understand the project (e.g., desire for SCE to support acquiring customers for their DR project). Template is available on the Website for download.
Offer Workbooks	The workbooks will contain specific quantitative pricing, operational, and other parameters of your Offer/project. There is a specific workbook for each product type, so be certain to download the workbook type for your specific product (e.g., OFFER WORKBOOK - Demand Response.xlsx). Offerors are required to upload one completed Offer Workbook for each Offer. Blank Offer Workbooks are available on the Website for download.
PSA Redline	Offeror is to fill out and upload a redline of the RFO PSA or, if applicable, term sheet indicating any significant deviations. SCE’s PSA is available on the Website for download.
MUA Services Questionnaire	Pursuant to D.18-01-003 (“Decision on Multiple-Use Application Issues”), Offerors submitting energy storage Offers are required to provide information on services provided. Offeror submitting energy storage Offers (both IFOM and BTM) is to download, fill out, upload this document.
Developer Experience Attestation	Offeror is to download, fill out, sign and upload this document (as a PDF file).
Project Information	If the proposal is based on energy storage technology that is inverter based, Offeror is to provide examples of relevant projects that the Offeror has developed before, and include at a minimum the following information: <ol style="list-style-type: none"> 1. Owner 2. Is project IFOM or BTM? 3. Project location

	<ol style="list-style-type: none"> 4. Project off-taker (dispatch rights) 5. Organizational role of the Offeror (e.g. development, EPC, own, asset management, contractor) 6. Technology used 7. Capacity (MW) 8. Energy Capacity (MWh) 9. Construction start date 10. Construction end date 11. Commercial date of operation 12. Present status (e.g. design phase, construction phase, commissions phase, operational phase) 13. Is the inverter to be used in your proposal listed in UL1741SA? If not, then when will the system be listed in UL1741SA?
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REQUIRED UPLOADS ONLY FOR IFOM PROJECTS

DOCUMENT	DESCRIPTION
Consent for Release of Interconnection Related Information	This consent authorizes the Transmission Customer to disclose certain confidential, Non-Public Transmission Customer Information to SCE's Marketing Function Employees as per the terms specified under this consent document. Offeror is to download, fill out, sign and upload this document (as a PDF file) for each project.
Interconnection Study	Required for projects that have entered an interconnection study process (e.g., a cluster study) <i>and</i> have been issued an interconnection study by SCE.
Fast Track Review report	Required for projects that have entered a Fast Track interconnection process (e.g., WDAT or Rule 21) <i>and</i> have been issued a Fast Track Review report.
Signed Generator Interconnection Agreement (GIA)	Required for projects that have a fully executed (GIA).

REFERENCE DOCUMENTS USED IN CONJUNCTION WITH ATTESTING TO CERTAIN ACKNOWLEDGEMENTS ON THE WEBSITE ONLINE OFFER FORM

DOCUMENT	DESCRIPTION
Non-Disclosure Agreement (NDA)	On the online Offer Form, Offerors must indicate whether or not they have an existing NDA that can be used with the RFO. If not, Offeror is to download, fill out, sign and upload this document (as a PDF file).

DOCUMENT UPLOADS THAT SUPPORT SCE’S RENEWABLE DG PREFERENCE FOR HAVING THE GENERATING FACILITY PRE-CERTIFIED AS AN ERR [NOT REQUIRED BUT SHOULD BE UPLOADED IF OFFEROR INTENDS TO MEET SCE’S PREFERENCE CRITERIA]

DOCUMENT	DESCRIPTION
CEC Pre-Certification as an ERR	This is a preference, NOT a requirement, applicable only to BTM or IFOM Renewable DG products where Offeror has a certificate issued by the CEC attesting to Offeror’s project being an eligible renewable energy resource (“ERR”)

*** End of ATTACHMENT B ***

ATTACHMENT C

Distribution Deferral Need

Distribution Deferral Need and Planning Assumptions

Please use the following tables as a guide to understand the deferral need and time period associated with each location. See definitions below.

Definitions

Year: This field refers to the year in which the need is forecasted to occur

Capacity: This field refers to the forecasted peak capacity (MW) need for the specified “Year”

Deferral Value: The real economic carrying charge of deferring the revenue requirement associated with the traditional capital investment

Energy: This field refers to the total forecasted energy need in the specified “Year”

Time of Year: This field refers to the seasons in which the need is forecasted to occur for a specified “Year”; Seasons are defined as follows:

Summer: The period starting at the beginning of June, and ending at the end of October

Monthly Frequency: This field refers to total forecasted number of times the procured resource will be required to serve the forecasted need during a given month within a specified season, during a specified “Year”

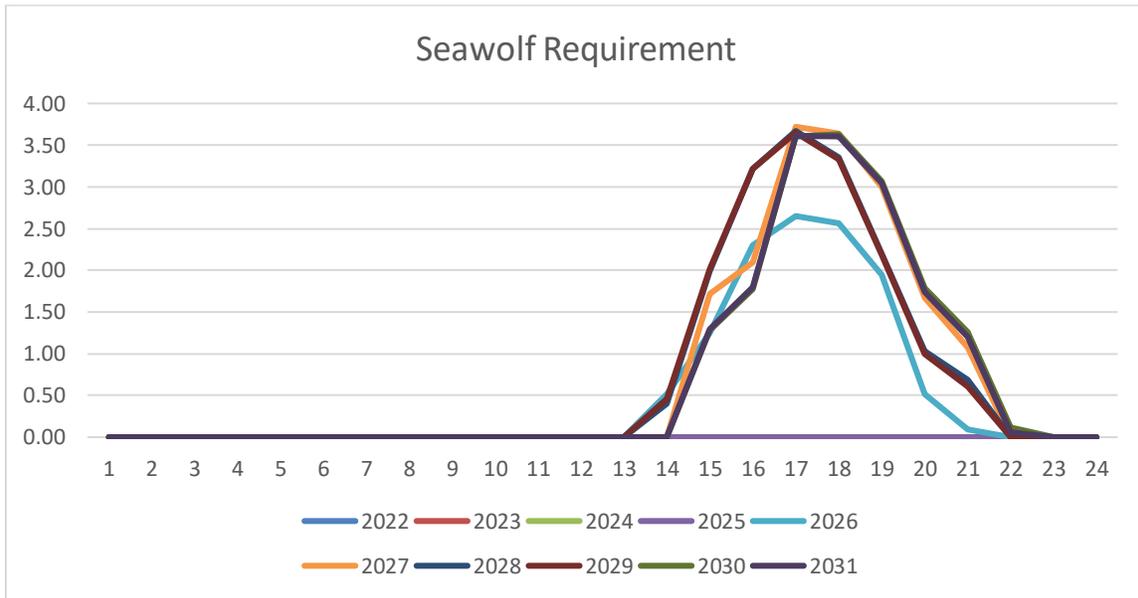
Yearly Frequency: The field refers to total forecasted number of times the procured resource will be required to serve the forecasted needed, during a specified “Year”

Peak hour need: The field refers to the forecasted peak capacity need at the specified hour, during a specified “Year”

Note: All forecasted distribution deferral need and planning assumption values are cumulative, meaning that the quantity identified in the specified “Year” including the sum of the value(s) for the previous years

Project Name	Deferral Value	Max Capacity Need (MW) Through 2031	Max Energy Need (MWh) Through 2031	Need Year
Triton	\$1,798,262	3.7	16.9	2026

The Triton Project: Seawolf 12 kV



Capacity (MW)	Energy Need (MWh)	Season	Monthly Frequency	Yearly Frequency	Year
0.0	0.0	N/A	0	0	2022
0.0	0.0	N/A	0	0	2023
0.0	0.0	N/A	0	0	2024
0.0	0.0	N/A	0	0	2025
2.7	12.0	Summer	11	25	2026
3.7	16.9	Summer	16	40	2027
3.7	16.6	Summer	16	40	2028
3.7	16.5	Summer	14	35	2029
3.6	16.6	Summer	16	40	2030
3.6	16.3	Summer	16	40	2031

Year	Peak Hourly Need (MW)																							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
2022	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2023	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2025	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	1.3	2.3	2.7	2.6	2.0	0.5	0.1	0.0	0.0	0.0
2027	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7	2.1	3.7	3.6	3.0	1.7	1.1	0.0	0.0	0.0
2028	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	2.0	3.2	3.7	3.4	2.2	1.0	0.7	0.0	0.0	0.0
2029	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	2.0	3.2	3.7	3.3	2.2	1.0	0.6	0.0	0.0	0.0
2030	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	1.8	3.6	3.6	3.1	1.8	1.3	0.1	0.0	0.0
2031	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	1.8	3.6	3.6	3.0	1.7	1.2	0.1	0.0	0.0

**** End of ATTACHMENT C ****

ATTACHMENT D
Incrementality Matrix

How to Interpret the Incrementality Matrix

STEP 1:

Read the below explanation of how incrementality is determined.

1. Wholly Incremental: Offers which provide technologies and services not (1) already being sourced or (2) reasonably expected to be sourced through another utility procurement, program, or tariff, and that meet specific solicitation needs. These Offers will be assessed full incremental value.

2. Partially Incremental: Offers in which some portion of the technology or service is already incentivized through another authorized utility procurement, program, or tariff, and that meet specific solicitation needs. Only the portion of the Offer that provides material enhancements to the existing project will be considered incremental. Bidders must provide feasible method of measuring and quantifying the incremental value to justify additional compensation.

3. Not Incremental: Offers which provide technologies or services already sourced under another authorized utility procurement, program, or tariff, that meet the identified solicitation needs, and that provide no clearly discernable incremental value beyond current offerings. These Offers are not incremental and will not be included in the valuation and selection process.

Self-Generation Incentive Program (SGIP): Projects receiving SGIP funding are considered fully incremental if the provider commits to meeting the dispatch requirements pursuant to the contract for the utility-solicited deferral services. This applies to both new and existing SGIP participants.

Net Energy Metering (NEM): Projects already compensated through NEM are considered fully incremental if the distributed energy resources provider makes a material enhancement to provide the utility-solicited deferral services (e.g., the addition of storage that commits to meeting the dispatch requirements described in the solicitation terms and pursuant to the contract for the utility-solicited deferral services). NEM projects without material enhancement (i.e., storage) shall not be considered incremental

Energy Efficiency Resources (Not in the Portfolio): New energy efficiency projects are allowed to either demonstrate incrementality subject to the energy efficiency program administrator review or elect to use a pre-specified “overlap factor” method. Providers that choose energy efficiency program administrator review would describe their proposed energy efficiency measures and targeted market segments and demonstrate that the projects do not overlap with the energy efficiency program administrator’s existing energy efficiency programs. Program incrementality using this method could range from 0 percent to 100 percent based on energy efficiency program administrator review. Alternatively, providers can use a pre-specified “overlap factor” method that does not require an explicit demonstration of incrementality. With this approach, a proposed energy efficiency program is assumed to be 80 percent incremental. Their contribution to the grid need is discounted by 20 percent. For example, assuming the need is 1 megawatt (MW), an energy efficiency proposal using this “haircut” method must deliver 1.2 MW.

Energy Efficiency Resources (In the Portfolio): Projects already included in SCE’s energy efficiency program portfolio should not be considered incremental without a material enhancement. The enhancement must be clearly demonstrable above and beyond the scope of the original energy efficiency measures and installations to be considered wholly incremental.

Demand Response Resources: Such offers are fully incremental as long as the provider commits to meeting the dispatch requirements pursuant to the contract for solicited deferral services and the commitment does not conflict with the Demand Response programs to which the provider is already subscribed.

STEP 2:

Read the below Incrementality Matrix for further details.

Category	What part of the Offer is Incremental?
Not already sourced/subsidized through another utility procurement, program, or tariff and available to meet the identified solicitation needs	<p>The entire Offer is Wholly Incremental.</p> <p>Yes, if the existing resources, without the new material enhancement, were not capable of providing or meeting the specific identified RFO need. This would also include the addition of new dispatchable storage to an existing, non-dispatchable BTM solar resource (i.e. existing NEM), or the dispatchable distribution service from a new SGIP¹ storage resource that is not dispatchable under its current tariff and meets the identified solicitation needs.</p>

<p>Partially sourced/subsidized through another utility procurement, program, or tariff and available to meet the identified solicitation needs</p>	<p>A portion of the Offer is Partially Incremental².</p> <p>Yes, but only the portion (if any) that is not currently being compensated for by an already sourced/subsidized utility procurement, program, or tariff.</p> <p>The Offeror will need to demonstrate that the Offer will modify the operation delivery or behavior of the already sourced/subsidized project and is available to meet the identified solicitation needs.</p>
<p>Wholly sourced through another utility procurement, program, or tariff.</p>	<p>No part of the Offer will be considered.</p> <p>The Offer is already sourced through an existing utility procurement, program, or tariff and does not demonstrate a modification to operation or behavior that is able to meet the identified solicitation needs.</p>

¹ Self Generation Incentive Program (SGIP); www.sce.com/SGIP

² An Offer classified as being Partially Incremental will be assessed on a case-by-case basis and does not automatically imply the Offer's capacity will be reduced during the evaluation and selection process. Any incrementality classification will not have an impact on the PSA payment structure if a BTM project is selected and performs as described in the PSA.