

SCE's 2020 Disadvantaged Communities – Green Tariff Request for Offers ("2020 DAC-GT RFO")

Pre-Bid (Bidders) Webinar Conference
March 5, 2020
10am-11am PST

Skype Webinar Presentation

(for presentation only) – Please select 'Do not join Audio'

Call In Information (Participants MUST dial in to receive audio)

Number: 800-779-1698

Participant passcode: 1152240

Please self-identify on the phone as a representative of one of the following

When the operator prompts you please:

- Press * 1 to identify as a Private Developer
- Press * 2 to identify as a Local Municipality
- Press * 3 to identify as a Government Agency
- Press * 4 to identify as a Community-Based Organization (CBO)
- Press * 5 to identify as a Non-Profit
- Press * 6 to identify as a non-RFO/RFI Participant

Agenda

1. Introduction & Overview – Theron Mehr (*5 minutes*)
2. DAC-GT Summary – Theron Mehr (*5 minutes*)
3. RFO Details (*10 minutes*)
 - RFO Schedule – Theron Mehr
 - RFO Documents & Materials – Theron Mehr
 - Offer Workbook Demo – Kevin Koste
4. Evaluation & Selection – Ahmet Ergenc (*10 minutes*)
5. Exhibit B – Wil Grady (*10 minutes*)
6. Q&A – Anne Gustafson (*20 minutes*)

Introduction & Overview

Theron Mehr

Energy for What's AheadSM

DAC - Green Tariff RFO



Introduction & Purpose

- **DAC-GT Request For Offers (RFO) solicitation only**
- Intended to provide information to help potential participants to understand the purpose and identified need for this 2020 DAC-GT RFO as well as understand the RFO process and how to submit bids
- This presentation is intended to be a summary level discussion of the information and requirements established in the 2020 DAC-GT RFO and does not include all the detailed information that can be found in the documents posted to the 2020 DAC-GT RFO website
- **Call Procedures and Questions**
 1. Please remain on mute; do not place the call on hold. If you need to leave, drop off the call
 2. There will be time for Q&A at the end of each presentation, so please hold questions until the allotted time at the end
 3. The webinar is being moderated by an operator, so please follow the operator's instructions to ask a question
 4. Written FAQs will be posted a few days following the webinar
- SCE will post this PowerPoint presentation and a recording of this webinar on the 2020 Disadvantaged Communities Procurement website at: <https://www.sce.com/procurement/solicitations/dac>
- SCE will use PowerAdvocate® to host the RFO website for the 2020 DAC-GT RFO and can be found by navigating to: <https://www.poweradvocate.com/pR.do?okey=94659&pubEvent=true> and entering **event ID "94659"**
- For additional information on registering on PowerAdvocate®, please visit: https://www.poweradvocate.com/WebHelp_Sourcing_Intel_Supplier/Content/Resources/Sourcing_Intel_Supplier_Guide.pdf
- NOTE: To the extent there are any inconsistencies between the information provided in this presentation and the information contained in the documents posted to PowerAdvocate Bid Event ("the Website"), the information in the documents posted to the Website will govern

Independent Evaluator (IE)

- What's the IE's role?
 - The IE performs an independent review of the proposals and a detailed review of the utility evaluation and selection process
 - The IE monitors communications between SCE and Offerors and is copied on all correspondence
 - The IE has access to all bid data
- Accion Group has been retained as the IE for this solicitation:
 - Sheri Vincent-Crisp svincentcrisp@acciongroup.com
 - Harry Judd hjudd@acciongroup.com

Supplier Diversity

- SCE encourages Diverse Business Enterprises (“DBE”) to participate in this DAC-GT RFO
- General Order (GO) 156 establishes requirements for the development of programs to increase participation of DBEs in procurement of contracts from utilities
- For additional information, please visit www.sce.com/SD and <http://www.cpuc.ca.gov/PUC/documents/go.htm>
- Guidance is also available at www.sce.com/EnergyProcurement under the heading “Help & Guidance”
- SCE has GO 156 goals and seeks to work with Offerors who comply with the requirements of GO 156 to help meet them, which briefly are to:
 1. Participate as a qualified DBE (Tier 1 – direct contracting with SCE).
 2. Participate as a qualified DBE subcontractor to an Offeror (Tier 2 – subcontracting)
 3. Register as DBE-owned companies (Offerors and subcontractors) with the CPUC Supplier Clearinghouse (www.thesupplierclearinghouse.com)
- Disabled Veteran Owned Business Enterprises in California are certified through the California Department of General Services (www.dgs.ca.gov/) and are automatically recognized by the Supplier Clearinghouse
- SCE’s Supplier Diversity efforts include encouragement of its Sellers to develop plans to utilize DBE subcontractors

DAC-GT RFO Schedule

Event	Date
DAC-GT RFO Launch Date	Thursday, February 27, 2020
RFOs Bidder Conference Webinar	Thursday, March 5, 2020
Offeror Response Deadline	Monday, April 13, 2020 12:00 PM Pacific Prevailing Time
Bidder Notice of Selection of Offers	Thursday, July 2, 2020
SCE Standard Contract for Execution Provided to Sellers	Friday, July 17, 2020
Sellers Deadline to Submit Executed Standard Contract	Monday, July 27, 2020
SCE Submits Tier 2 Advice Letter for approval of executed PPA(s)	Thursday, August 27, 2020

DAC-GT Summary

Theron Mehr

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DAC–GT Regulatory Background

- Legislative Background
 - Assembly Bill [\(AB\) 327](#) (Perea), Stats. 2013, ch. 611, directed the Commission to develop a successor to then existing Net Energy Metering (NEM) tariff that included “specific alternatives designed for growth [in adoption of renewable generation] among residential customers in disadvantaged communities.”
- Regulatory Decisions
 - On June 21, 2018, the Commission approved ([“D.” 18-06-027](#), Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities (“DAC”), and ([“D.” 18-10-007](#), dated October 11, 2018, which made corrections and clarifications to (“D.”) 18-06-027, and implements three new programs to promote solar energy in Disadvantaged Communities, one of which SCE will be addressing via this Request for Offers for the DAC-Green Tariff (DAC-GT) program.

RFO Documents & Materials

- **List of All Required CSGT RFO Documents:**

1. DAC-GT Offer Workbook
2. Developer Experience Attestation
3. Non-Disclosure Agreement
4. Voluntary Consent to Release Non-Public Information relating to Interconnection

- **Additional Documents Provided as a Reference**

1. RFO Instructions
 2. DAC-GT & CSGT Standard Agreement (non-negotiable)
 3. Workforce Affidavit Trainee Log
 4. Exhibit B Checklist & Example
- Please thoroughly review all provisions of the Standard Agreement, RFO Instructions, and all other supporting documentation
 - Bidders are responsible for being fully aware of all requirements and obligations of the contractual terms and conditions prior to submitting an offer
 - Exceptions to the Standard Agreement terms and conditions will not be accepted

DAC–GT Procurement

- SCE is required by the CPUC to hold two DAC-GT solicitations each year until the program cap is met; this is the first solicitation for 2020
- Eligibility is Important
 - Project eligibility requirements are detailed in the RFO Instructions (see Article 2)

Summary	100% green energy from nearby renewable generation 20% bill credit for eligible participants
Target Customers	Residential Customers in Disadvantaged Communities (CARE/FERA Eligible)
Program Cap	56.50 MW (≈20,000 customers)
1 st 2020 GT RFO Solicitation Cap	20 MW
Project Cap	20 MW (DAC-GT Project Minimum 500 kW; Maximum 20 MW)
Contract length	Up to 20 Yrs. (10, 15, 20 Year Terms) <i>At least one of the Offers needs to be a ten (10) year Delivery Term</i>
Products	Energy Only & Full Deliverability Capability Status (FCDS)

DAC-GT Offer Workbook Demo

FINAL OFFER
OFFER WORKBOOK
2020 Disadvantaged Communities - Green Tariff ("DAC-GT")
REQUEST FOR OFFERS ("RFO")
between
SOUTHERN CALIFORNIA EDISON COMPANY
and

File Update Date:		
CPID:	TBD	[SCE Note: Assigned by SCE.]
Resource Type:	0	[SCE Note: Filled by SCE.]
Offer Number	TBD	[SCE Note: Assigned by SCE.]
Total Number of Inclusive Offers		[SCE Note: Filled by SCE.]
Total Number of Exclusive Offers		[SCE Note: Filled by SCE.]

A. Validation Message
[SCE Note: Read and address the validation message below.]

Offer Validation Message: | Enter File Update Date | Enter Additional Information about the Offer | Address validation message on "INPUTS" tab

B. Additional Information about the Offer.

Project Site Latitude (Decimal degrees)											"N
Project Site Longitude (Decimal degrees)											"W
Are you participating in this RFO as a Diverse Business Enterprises (DBE)?											

Navigation tabs: Instructions | Front Page | **INPUTS** | Profile Summary

Evaluation & Selection

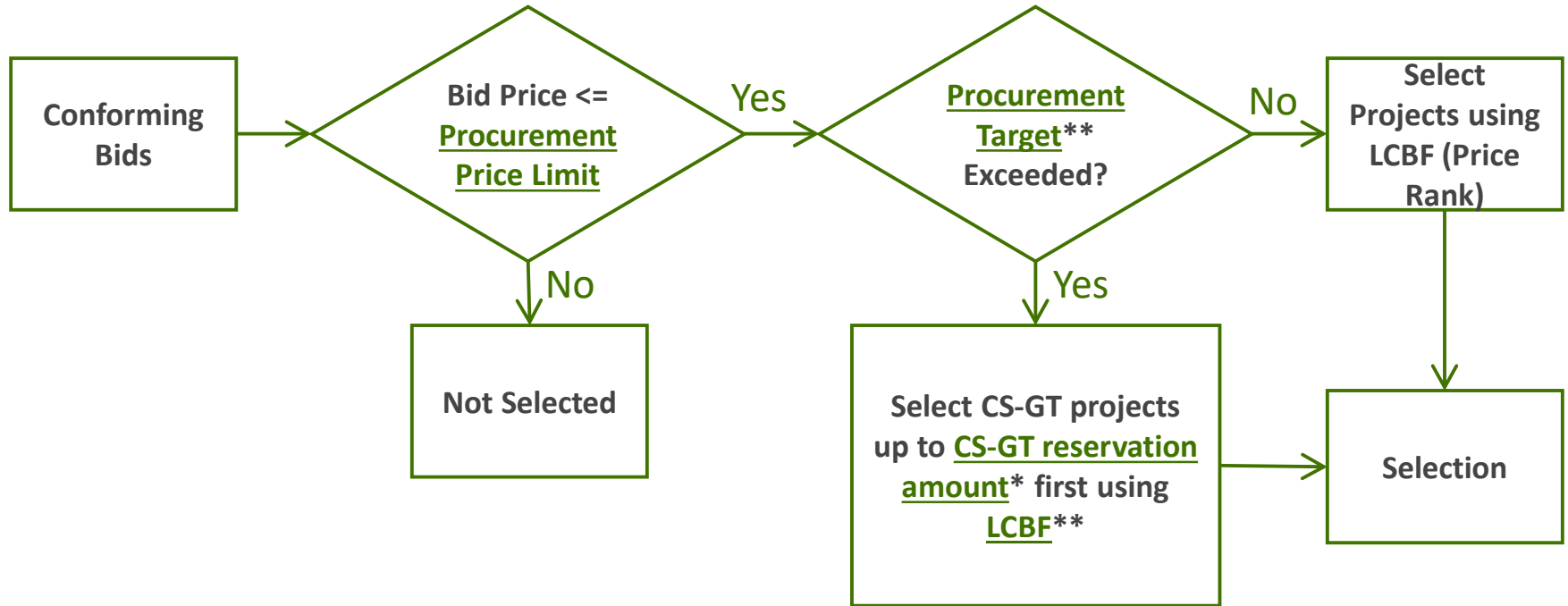
Ahmet Ergenc

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Evaluation & Selection



*Procurement Target: 20MW for DAC-GT and 5MW for CS-GT, bids below price caps

**LCBF: Least Cost, Best Fit (LCBF) Methodology was approved by CPUC in D. 19-12-042 (SCE's 2019 RPS Plan)

Evaluation & Selection

Levelized Costs	Levelized Benefits
<p><u>Contract Payments</u></p> <ul style="list-style-type: none"> • Based on the proposed energy price, expected generation profile and contract term <p><u>Transmission Cost*</u></p> <ul style="list-style-type: none"> • Cost adders for required network upgrades based on latest Interconnection Study or Agreement <p><u>Debt Equivalence Cost</u></p> <ul style="list-style-type: none"> • Cost of mitigating contract commitments on SCE's balance sheet <p><u>Integration Cost</u></p> <ul style="list-style-type: none"> • Cost of maintaining a reliable energy supply • \$3/MWh for solar and \$4/MWh for wind for variable cost • Fixed cost based on flexible capacity need and price 	<p><u>Energy Benefits</u></p> <ul style="list-style-type: none"> • Market value of energy based on SCE's internal forecast and the submitted generation profile of the resource <p><u>Capacity Benefits</u></p> <ul style="list-style-type: none"> • Based on SCE's forecast of net capacity value and the expected quantity of Resource Adequacy (RA) • RA quantities are based on Commission's applicable accounting rules (Effective Load Carrying Capacity) <p><u>Congestion**</u></p> <ul style="list-style-type: none"> • Locational benefit resulting from certain resource locations • Incremental Cost Adder for projects that deliver energy

Offers are ranked based on a present value of net levelized benefit:
Levelized Benefits – Levelized Costs = Net Market Value

*SCE will only consider reimbursable transmission upgrade costs paid for by SCE customers

- All high voltage (>=200kV) related transmission upgrade costs in CAISO area will be shared by Participating Transmission Owners (~43% for SCE's customers)
- All low voltage (<200kV) related transmission upgrade costs in SCE's territory will be paid for by SCE's customers

**Congestion can result in either a positive or negative cash flow

Exhibit B – Project Description (DAC Standard Contract)

Wil Grady

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Exhibit B: Generating Facility and Site Description

- Exhibit B issues are among the most common reasons offers “fail” during the initial offer screening process
 - Although SCE works with offerors to cure deficiencies, some offers have been disqualified due to inadequate Exhibit B documentation, even after opportunities to cure have been provided
 - Careful attention to this section can save time, hassle, and stress during the RFO process
- What is included in Exhibit B?
 - Generating Facility Description
 - Single Line Drawing
 - Site Plan Drawing
 - Legal Description of the Site
 - Site Map
- Why is Exhibit B important?
 - SCE expects the as-built Generating Facility and Site to be exactly as described

Exhibit B: Generating Facility and Site Description (cont'd)

- General issues
 - Project name on PPA does not match project name in some or all Exhibit B docs
 - Equipment and related details are inconsistent among the various Exhibit B docs
 - Mismatch in project size or other major details with Interconnection Study
 - Any known discrepancies should be explained in a letter accompanying the offer
 - If generating facility design varies from what appears in the Interconnection Study, Transmission Provider must provide an assurance letter that design changes will not impact COD or network upgrade cost
- Site Plan Drawing, Legal Description of the Site and Site Map
 - Clearly illustrate the boundaries of the site and any adjacent generating facilities
 - Equipment locations must be clear (e.g., inverters, solar arrays, wind turbines, interconnection equipment, etc.)
 - In legal description, only list APNs that are part of the Site or include a note linking the site map to the legal description

Exhibit B: Generating Facility and Site Description (cont'd)

- Single Line Drawing and Process Flow Diagram
 - Be sure to include and adequately describe all major equipment
 - Common missing items are:
 - Interconnection point (substation name, equipment type and number, circuit name, etc.)
 - Transformer specifications
 - Substation station light and power
 - Generating Facility station service (auxiliary) transformer
 - Metering (Transmission Provider, CAISO, SCE, Seller)
 - Number of boilers, steam turbines, generators etc.
 - Typical generating unit diagram
 - Type of generator (synchronous, asynchronous, inverter, etc.)
- Key Takeaways
 - Refer to the RFO Instructions when preparing documents
 - Label everything and err on the side of inclusiveness
 - Pay attention to the details, we look at these documents very closely

Questions & Answers

Anne Gustafson

Energy for What's AheadSM

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Q&A

- To ask a question:
- Press *1 and wait for the prompt from the operator
- Time will be left at the conclusion of the conference for additional Q&A
- After the conference, SCE will compile and post a Q&A document on the DAC-GT & CSGT RFO website
<https://www.sce.com/procurement/solicitations/dac>
- Written responses supersede any responses given in this conference

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