



SOUTHERN CALIFORNIA  
**EDISON**<sup>®</sup>

An EDISON INTERNATIONAL<sup>®</sup> Company

**2020 Disadvantaged Communities-  
Green Tariff (“DAC-GT”) and  
Community Solar Green Tariff  
 (“DAC-CSGT”)  
REQUEST FOR OFFERS  
 (“RFO”)**

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*Participant Instructions*

*February 27, 2020*

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2020 DAC-GT and DAC-CSGT RFO

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## **ATTACHMENTS**

<b>ATTACHMENT A</b>	<b>Disadvantaged Communities Green Tariff Standard Contract Power Purchase Agreement (Standard Contract PPA)</b>
<b>ATTACHMENT B</b>	<b>Workforce Development Template for DAC-CSGT Projects</b>
<b>ATTACHMENT C</b>	<b>Non-Disclosure Agreement Pro Forma</b>

## 2020 DAC-GT RFO AND DAC-CSGT RFO INSTRUCTIONS

### **IMPORTANT – QUALIFICATION CRITERIA:**

Offerors must adhere to the eligibility criteria and DAC-GT RFO and DAC-CSGT RFO process as set forth in these DAC-GT RFO and DAC-CSGT RFO instructions (“RFO Instructions”) in order to be considered for selection pursuant to this DAC-GT RFO and DAC-CSGT RFO.

### **IMPORTANT – COMMUNICATIONS:**

The primary method for exchange of information, documents, or written and verbal communications concerning DAC Green Tariff (“DAC-GT”) Projects will be via the RFO website at:

<https://www.poweradvocate.com/pR.do?okey=94659&pubEvent=true> (“Website”)

The primary method for exchange of information, documents, or written and verbal communications concerning DAC Community Solar (“DAC-CSGT”) Projects will be via the RFO website at:

<https://www.poweradvocate.com/pR.do?okey=101183&pubEvent=true> (“Website”)

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

### **IMPORTANT – DISCLAIMER:**

This RFO shall not be construed in any manner to create an obligation on the part of SCE to enter into any contract or serve as a basis for any claim whatsoever for reimbursement of costs for efforts expended. Furthermore, responding to this RFO does NOT commit or obligate SCE in any way to pay or reimburse any costs incurred by any Offeror in the preparation of any response to this RFO, or to procure or contract for services, all of which will be at the Offeror’s sole expense. Moreover, the scope of this RFO may be revised at the sole discretion of SCE at any time, or this RFO may be withdrawn or canceled by SCE at any time. SCE reserves the right to add, modify, or delete items, requirements, and terms or conditions prior to the conclusion of this RFO whenever it is deemed to be in SCE’s best interest. SCE shall be held free from any liability resulting from the use or implied use of the information submitted in any response to this RFO.

## ARTICLE 1. GENERAL INFORMATION

### 1.01 Introduction

An Edison International (NYSE:EIX) company, Southern California Edison (“SCE”) is one of the nation’s largest electric utilities, serving a population of approximately 15 million people via 5 million customer accounts in a 50,000-square-mile service area within Central, Coastal and Southern California. For more information about SCE, visit the SCE website at: [www.sce.com](http://www.sce.com).

Southern California Edison is proud to be a long-standing partner with the state, customers and our communities on important climate change and air quality efforts. We look forward to continuing this broad-based partnership to pursue practical, cost-effective approaches to achieving a bold, clean energy future.

Southern California Edison (“SCE”) is issuing this Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs Request for Offers (referred to herein as the DAC-GT RFO and DAC-CSGT RFO or simply the “RFO”) to solicit Offers (“Offers”) from developers (“Offerors” or “Sellers”) for new in-front-of-the-meter (“IFOM”) renewable energy resources located in eligible disadvantaged communities. The requirements for these renewable energy resources are listed below in Article Two and Three and further explained in the “Attachments” portion of these instructions (“RFO Instructions”).

These RFO Instructions also set forth:

- The specific RFO objectives;
- The Products SCE is soliciting;
- The requirements of each Offer submission, including waivers, representations, warranties and covenants deemed made for all purposes as part of the Offer submission;
- Project eligibility criteria;
- The procedures an Offeror must follow in order to participate in the RFO;
- The manner by which Offers will be evaluated and selected, including quantitative valuation methodology and qualitative considerations, and preferences;
- Rights that SCE reserves for itself with regard to the DAC-GT RFO and DAC-CSGT RFO; and
- The schedule and time frame for the RFO.

These RFO Instructions and other documents associated with the RFO are available on the RFO Websites.

Capitalized terms used in these RFO Instructions, but not otherwise defined herein, have the meanings set forth in the Disadvantaged Communities Green Tariff & Community Solar Green Tariff Standard Contract Renewable Power Purchase Agreement (“Standard Contract PPA”).

Unless stated otherwise, any references to Articles, Sections, or Attachments are to Articles, Sections, or Attachments contained in these RFO Instructions.

All clock times specified throughout these RFO Instructions are in Pacific Prevailing Time (PPT).

## 1.02 DAC-GT RFO and DAC-CSGT RFO Objectives

Assembly Bill [\(AB\) 327](#) (Perea), Stats. 2013, ch. 611, directed the Commission to develop a successor to the then existing Net Energy Metering (NEM) tariff that included “promoting the installation of renewable generation among residential customers in disadvantaged communities (“DACs”).

To that end, on June 21, 2018, the Commission approved [\(“D.”\) 18-06-027](#), Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities (“DAC”), [\(“D.”\) 18-10-007](#), dated October 11, 2018, a decision making corrections and clarifications to [\(“D.”\) 18-06-027](#), and [Resolution E-4999](#) (together, the “DAC Decisions”) which together implement three new programs to promote solar energy in Disadvantaged Communities – the DAC–Single-family Affordable Solar Homes (“DAC-SASH”) program, the DAC-Community Solar Green Tariff (“DAC-CSGT”) program, and the DAC-Green Tariff (“DAC-GT”) program.

These participant instructions provide additional information and the eligibility and bidding requirements for those seeking to submit DAC-CSGT offers and/or DAC-GT offers into SCE’s DAC-GT RFO and DAC-CSGT RFO.

## **ARTICLE TWO. DAC-GT ELIGIBILITY REQUIREMENTS**

### 2.01 DAC-GT Project Eligibility Requirements

- 1) Projects offered in this RFO must be physically located in and connecting electrically to a circuit, load, or substation within SCE’s service territory and located within a DAC as described in more detail in Article 4.
- 2) Projects must be new Facilities (as defined below) that qualify as Eligible Renewable Resource (“ERRs”).
- 3) DAC-GT Projects must have a nameplate generating capacity of at least 500 kW and less than or equal to 20.0 MW AC.
- 4) Interconnection Requirements.

- a. For Projects that have not yet applied or have not yet been tendered an Interconnection Study<sup>1</sup>, as defined in Exhibit B of the PPA, as of the launch date of this RFO Launch date, Offeror shall enter into an interconnection process (e.g., WDAT Fast Track Process), and as part of a complete and conforming Offer submittal, must provide evidence that the respective application is deemed “complete” by SCE.
  - b. For Projects with completed Interconnection Studies prior to the launch date of this RFO, Offeror shall submit one of the following as part of a complete and conforming Offer submittal:
    - i. 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;
    - ii. Completed System Impact Study or Facilities Study;
    - iii. Completed Phase I Interconnection Study;
    - iv. Completed Phase II Interconnection Study; or
    - v. A signed Generator Interconnection Agreement
  - c. The interconnection application, study, or agreement must be in the same name as the Offeror
- 5) Offeror must provide to SCE an attestation that Offeror has Site Control for the Project through any of the following: (a) direct ownership; (b) a lease; or (c) an option to lease or purchase that may be exercised upon execution of the PPA. The Offeror is required to submit a map showing the boundary of the Site for which Offeror has control as part of the PPA. SCE reserves the right to request additional information, such as a Parcel Map with APN Number.
  - 6) Offeror must demonstrate having experience developing one or more similar Projects.
  - 7) The Expected Initial Delivery Date must be a date that is the first day of a calendar month and within thirty-six (36) months of the anticipated date for final and non-appealable CPUC approval of the PPA.
  - 8) Projects must qualify as a DAC-GT Project pursuant to the DAC Decisions.
  - 9) SCE Affiliates. SCE affiliates are permitted to participate in this RFO. 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.
  - 10) Offers must satisfy the Basic Terms set forth in Section 5.06.
  - 11) The Project must be a solar, wind, hydroelectric, or biomass/biogas ERR in-front-of-the-meter generating facility with a nameplate rated generating capacity between 500 kW and 20 MW, inclusive. Behind-the-meter Projects, non-renewable technologies, and other complimentary technologies are not eligible.

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<sup>1</sup>[SCE Generator Interconnection Processes](#)



- 12) The Project must not have an existing power purchase agreement or other contract for energy and/or capacity deliveries to SCE and/or any other off-taker for the Project at the time of execution of the PPA.
- 13) The Project must be based on commercialized technology. Projects utilizing experimental, research, demonstration, or developmental technologies are not eligible.
- 14) The Project must be interconnected to SCE's electric [distribution or transmission system](#). Multiple Projects on the same site must be separately interconnected with their own meter(s) and transformer, and must be separated by a fence to delineate each Project.
- 15) The Project must comply with the California Air Resources Board's Voluntary Renewable Electricity Program.
- 16) The Project must be Green-e certified.
- 17) Any SCE affiliation with the Project must be disclosed, if applicable.
- 18) Offeror must agree to non-disclosure requirements in the DAC-Green Tariff RFO Non-Disclosure Agreement.
- 19) If selected, Offeror must be willing to execute the Pro Forma PPA without negotiation or modification apart from populating the Pro Forma PPA with Project-specific characteristics and information.

### **ARTICLE THREE. DAC-CSGT ELIGIBILITY REQUIREMENTS**

#### **3.01 DAC-CSGT Project Eligibility Requirements**

- 1) Projects offered in this RFO must be physically located in and connecting electrically to a circuit, load, or substation within SCE's service territory and located within a DAC as described in more detail in Article 4.
- 2) Projects must be new solar Facilities (as defined below) that qualify as ERRs.
- 3) Projects must have a nameplate generating capacity of less than or equal to 4.39 MW AC.
- 4) Interconnection Requirements.
  - I. For Projects that have not yet applied or have not yet been tendered an Interconnection Study as of this RFO Launch date, Offeror shall enter into an interconnection process (e.g., WDAT Fast Track Process), and as part of a complete and conforming Offer submittal, must provide evidence that the respective application is deemed "complete" by SCE.

- II. For Projects with completed Interconnection Studies prior to this RFO Launch date, Offeror shall submit one of the following as part of a complete and conforming Offer submittal:
    - a) 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
    - b) Completed System Impact Study or Facilities Study
    - c) Completed Phase I Interconnection Study
    - d) Completed Phase II Interconnection Study
    - e) A signed Generator Interconnection Agreement
  - III. The interconnection application, study, or agreement must be in the same name as the Offeror
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- 5) Offeror must provide to SCE an attestation that Offeror has Site Control for the Project through any of the following: (a) direct ownership; (b) a lease; or (c) an option to lease or purchase that may be exercised upon execution of the PPA. The Offeror is required to submit a map showing the boundary of the Site for which Offeror has control as part of the PPA. SCE reserves the right to request additional information, such as a Parcel Map with APN Number.
  - 6) Offeror must demonstrate having experience developing one or more similar Projects.
  - 7) The Expected Initial Delivery Date must be a date that is the first day of a calendar month and within thirty-six (36) months of the anticipated date for final and non-appealable CPUC approval of the PPA.
  - 8) Projects must utilize commercialized technology. Projects utilizing experimental, research, demonstration, or developmental technologies are not eligible.
  - 9) Offers must satisfy the Basic Terms and Conditions set forth in Section 5.07 below.
  - 10) The Project must be a solar in-front-of-the-meter generating facility that qualifies as an ERR with a nameplate rated generating capacity of 4.39 MW or less. Behind-the-meter Projects, non-solar technologies, and other complimentary technologies (e.g. energy storage) are not eligible.
  - 11) The Project must not have an existing power purchase agreement or other contract for energy and/or capacity deliveries to SCE for the Project at the time of execution of the PPA.
  - 12) The Project must be interconnected to SCE’s electric [distribution or transmission system](#). Multiple Projects on the same site must be separately interconnected with their own meter(s) and transformer, and must be separated by a fence to delineate each Project.
  - 13) The Project must comply with the California Air Resources Board’s Voluntary Renewable Electricity Program.

- 14) The Project must be Green-e certified.
- 15) SCE Affiliates. SCE affiliates are permitted to participate in this RFO. 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.
- 16) Offeror must agree to non-disclosure requirements in the DAC-Community Solar Green Tariff RFO Non-Disclosure Agreement.
- 17) Offeror must submit a letter of commitment from a non-profit community-based organization (“CBO”) or a local government entity or school that would serve as a sponsor for the DAC-CSGT project on behalf of the residents that are located in a DAC within SCE’s service territory for the offered Project which must contain at minimum:
  - a. Demonstration of substantial interest of community members in subscribing to Project;
  - b. Estimated number of subscribers, with justification to ensure Project is sized to likely demand;
  - c. A preliminary plan to conduct outreach and recruit subscribers (which may be conducted in conjunction with the developer and/or SCE); and
  - d. Siting preferences, including community-suggested host sites, and verification that the site chosen for the bid is consistent with community preference.

## **ARTICLE FOUR. DISADVANTAGED COMMUNITIES**

### **4.01 DAC Definition**

For purposes of this RFO, the CPUC has defined eligible Disadvantaged Communities or “DACs” as census tracts that either:

- (1) score at or above the 75<sup>th</sup> percentile (i.e., scoring in the top 25 percent statewide) in the California Environmental Protection Agency’s (“CalEPA”) [CalEnviroScreen](#) 3.0 on a statewide basis, or
- (2) are one of the 22 census tracts that score in the highest five percent of CalEnviroScreen’s pollution burden, but that do not have an overall score.

Additionally, for CSGT Projects only, the San Joaquin Valley (“SJV”) pilot program communities identified in [D.17-05-014](#) are also DACs.

### **4.02 Screening to Identify DACs**

The CalEPA has created an online map that displays the CalEnviroScreen results, where one can pan and zoom into various areas of California to graphically identify the general location of DACs. There are multiple ways to identify DACs.

- A. Via Data List (Spreadsheet). In order to download a data list of areas that correspond to the preceding map, one can:

1. Visit the CalEPA DAC website
  2. Download the List of Disadvantaged Communities Excel file
  3. Filter the data set (on either tab)
- B. Search by Address. One can also determine DAC status of one or more specific addresses. For a single address, go back to the CalEnviroScreen map and, in the “Find address or place” field, input the address and determine the color coding alongside the map’s Legend.

## **ARTICLE FIVE. PRODUCTS, DELIVERY, PRICE, PREFERENCES & BASIC TERMS**

### 5.01 Products

Offeror’s Project must be an ERR Generating Facility and may interconnect to SCE’s distribution or transmission system assuming either Energy Only Deliverability Status (“EO”), or Full Capacity Deliverability Status (“FCDS”).<sup>2</sup>

- (i.) Energy Only;
  - a. Generating Facility is an EO resource as defined by the California Independent System Operator (“CAISO”). EO Projects will be deemed to have a Net Qualifying Capacity (“NQC”) of zero and, therefore, cannot be considered to be a Resource Adequacy Resource.
- (ii.) Energy with Resource Adequacy Benefits.
  - a. Generating Facility has FCDS as defined by CAISO and a CAISO NQC assignment. An FCDS Project is considered to be a Resource Adequacy Resource and is assigned a Qualifying Capacity number by the CPUC. The Qualifying Capacity may be reduced by the CAISO as applicable based on: (i) testing and verification; (ii) application of performance criteria; and (iii) deliverability restrictions, yielding the NQC assignment conferred on the Project by the CAISO. FCDS Projects must obtain FCDS before the Initial Delivery Date. FCDS projects will then have 3 months from the Initial Delivery Date to complete all other tests, obtain their NQC assignment, and complete any other actions necessary to provide Resource Adequacy Benefits. FCDS.
    - a. For Capacity Deliverability Status Projects, if the Project’s NQC assignment is less than the Qualifying Capacity or is otherwise reduced by the CAISO for any reason, then SCE shall continue to pay to Seller the Product Price. However, Seller must pay to SCE the RA Deficit Payment as set forth in Section 1.06 of the PPA.

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<sup>2</sup> Generating Facilities interconnecting at the distribution system level may be eligible for FCDS through the CAISO’s distributed generation deliverability assessment. The CAISO is working with utility distribution companies assigning FCDS to eligible distributed generation facilities pursuant to the CAISO Tariff Section 40.4.6.3 on an annual basis. The CAISO has posted these distributed generation deliverability assessment seasonal results to its website at <http://www.caiso.com/Documents/SystemRoot/PLANNING>. Additional information is also available on SCE’s website at <https://www.sce.com/wps/portal/home/regulatory/open-access-information>.

5.02 Products Table

Below are the capacity targets for the 2020 DAC-GT AND DAC-CSGT program and this RFO:

<b>Program Name</b>	<b>DAC Green Tariff (“DAC-GT”)</b>	<b>DAC Community Solar Green Tariff (“DAC-CSGT”)</b>
<b>Regulatory Reference</b>	<a href="#">Decision 18-06-027 / SCE 3851-E / Resolution E-4999</a>	
<b>Program Size</b>	56.5 MW	14.63 MW
<b>2020 RFO Project Size Cap</b>	20.0 MW	4.39 MW
<b>2020 RFO Total Target for SCE</b>	20.0 MW	5.0 MW

5.03 Term

Offerors may submit Offers with Delivery Terms of ten (10), fifteen (15), or twenty (20) years. At least one of the Offers needs to be a ten (10) year Delivery Term. SCE prefers Delivery Terms of ten (10) years.

5.04 Delivery of DAC-GT and DAC-CSGT Products

The Delivery Point for DAC-GT and DAC-CSGT Products must be at the CAISO Controlled Grid.

5.05 Price of DAC-GT and DAC-CSGT Products

Offerors can submit Price Offers for both EO and FCDS Projects. Offerors who offer Projects with FCDS must also submit the same Project as an Energy Only Offer.

Multiple Offers for the same Project shall be considered mutually exclusive.

5.06 Preferences

1. SCE will prioritize Offers for Projects connecting electrically to a circuit, load, or substation within a top 5 percent DAC and, for CSGT Offers only, Offers for Projects that are located in a San Joaquin Valley community identified in D.17-05-014.
2. For CSGT Offers, SCE will prioritize Offers for Projects that leverage government funding such as a state Community Services Department grant, or that can provide evidence of support or endorsements from programs such as [Transformative Climate Communities](#) or other local climate initiatives.
3. For CSGT Offers, SCE will prioritize Offers for Projects that will be developed by an entity with demonstrated success in the past with other project workforce development, including job training and targeted hiring, or a commitment to contract with an experienced developer or organization familiar with workforce development responsibilities, implementation, and promotion, with the goal of encouraging local economic development in the DAC in which the Project is located.

## 5.07 Basic Terms and Conditions

- (a) Seller must offer an Expected Initial Delivery Date commencing on the first day of a calendar month.
- (b) Sellers may submit a maximum of six (6) Offer variations for each Project. However, at least one of the Offers must be a ten (10) year term.
- (c) Sellers must convey to SCE the Product.
- (d) Prior to the Delivery Term of the PPA, Sellers may only deliver energy, capacity or other attributes of the ERR Generating Facility to the CAISO Market for purposes of commissioning and testing.
- (e) With respect to any Project, SCE WILL NOT ACCEPT OFFERS TO DELIVER PRODUCT AT THE PROJECT'S BUSBAR.
- (f) Seller, each Offer, and each Project offered must satisfy all eligibility criteria set forth in these RFO Instructions.
- (g) SCE requires Seller to obtain CEC "pre-certification" as an ERR prior to the Initial Delivery Date. SCE encourages Generating Facilities to seek "pre-certification" as an ERR by the California Energy Commission ("CEC") prior to submittal of Offers.
- (h) Throughout the Delivery Term, the Seller shall ensure that the Project complies with the requirements of the California Air Resources Board's Voluntary Renewable Electricity Program and Seller shall provide Buyer with all documents necessary to enable Buyer to retire greenhouse gas allowances on behalf of Customers in compliance with the Voluntary Renewable Electricity Program.
- (i) If selected, Offeror must be willing to execute the Pro Forma PPA without negotiation or modification apart from populating the Pro Forma PPA with Project-specific characteristics and information.
- (j) SCE will host a webinar to discuss the DAC-GT RFO and DAC-CSGT RFO process with participants. Information on how to attend the conference will be made available on both the DAC-CSGT and DAC-GT Websites.
- (k) SCE will only consider Offers that are substantially complete and include all of the applicable information, representations, warranties, and covenants as set forth in these RFO Instructions and/or the on-line application Sellers are required to complete the Offer Workbook.
- (l) SCE encourages Diverse Business Enterprises to participate in the DAC-GT RFO and DAC-CSGT RFO. Information on SCE's Supplier Diversity Program can be found on the following SCE website: [www.sce.com/sd](http://www.sce.com/sd) and below:
  - Utilization of Business Enterprises owned by women, minority, disabled veteran and LGBT person (WMDVLGBTBE):
    - It is the policy of SCE that business enterprises owned by women, minority, disabled veteran and LGBT person shall have the maximum practicable opportunity to participate in the performance of contracts. However, this policy shall not be used to exclude qualified non-WMDVLGBTBEs from participating in SCE contracting.
    - The contractor agrees to use his or her best efforts to carry out this policy in the award of subcontracts to the fullest extent consistent with the efficient performance of this contract.
    - The contractor agrees to inform all prospective WMDVLGBTBE subcontractors of their opportunity to request from the Clearinghouse a

verification application form and to return the completed form to the Clearinghouse for processing and inclusion in the database.

5.08 Project Security Requirements

Development Security (“DS”) is held by SCE as security for achieving the Contracted Amount by the Initial Delivery Deadline or Guaranteed Delivery Deadline, as applicable, and demonstrating that the Project can provide the Contracted Amount. DS is required to be posted within five (5) Business Days after PPA execution until Commercial Operation. Seller shall post one-half of the DS amount within five (5) Business Days following the Effective Date, with the remaining amount to be posted no later than five (5) Business Days after CPUC Approval is obtained or waived by SCE in its sole discretion. SCE shall calculate the DS amount equal to Sixty-Five dollars (\$65) for each kilowatt of Contract Capacity.

Performance Assurance (“PA”) is held by SCE as security of Offeror’s performance of its obligations under the agreement. PA is required to be posted on or before the Initial Delivery Date through the end of the Term. To calculate the PA amount, SCE will multiply five percent (5%) times the total projected revenue over the full Term.

Seller shall post the Project Security in accordance with the following terms and conditions:

- A. The Project Security must be in the form of cash or a Letter of Credit; and
- B. SCE will return Performance Assurance, including any interest accrued, as soon as reasonably practicable after the Delivery Period has ended and all monetary obligations due SCE have been satisfied.

**ARTICLE SIX. DAC-GT RFO SCHEDULE AND OFFER SUBMITTAL PROCESS**

6.01 DAC-GT RFO and DAC-CSGT RFO Schedule

Upon submission of Project Offers, SCE will review Offers based on key criteria (feasibility, costs, workforce development, et al). SCE reserves the right to revise any RFO Event dates listed below. If a revision occurs, SCE will notify all Websites’ registrants via the email addresses provided during Website registration. The below schedule will also available on the Websites.

Event	Date
DAC-GT RFO and DAC-CSGT RFO Launch Date	2/27/2020 at 4 PM Pacific Prevailing Time
	DAC-GT RFO: 3/5/2020 at 10 AM to 11 PM Pacific Prevailing Time
DAC-GT RFO and DAC-CSGT RFO Offerors Conference hosted by SCE	DAC-CSGT RFO: 3/5/2020 at 11 AM to 12 PM Pacific Prevailing Time
RFO Response Deadline (Offerors upload to Website)	4/13/2020 at 12 PM Pacific Prevailing Time
SCE Review and Analyzes Responses for Selection	6/18/2020

SCE Notifies Offerors of Selection Status	7/2/2020
SCE Sends Standard Contract for Execution to all Sellers	7/17/2020
Sellers Submit Executed Standard Contract to SCE	7/27/2020
SCE Submits PPAs for Approval via Tier 2 Advice Letter	8/27/2020

6.02 Offer Instructions

Offeror must input information and upload all of the documents described in this Section for each Offer. The documents to be uploaded can be downloaded from the DAC-GT and DAC-CSGT Websites.

The DAC-GT and DAC-CSGT Websites utilizes a web-based information-input system where all required information and documents are submitted to SCE by filling out on-line Workbooks and uploading documents. When filling out the on-line Offer Workbook, the Websites automatically checks portions of the data as it is inputted by Offeror. The Offer Workbook cannot be saved and uploaded unless the Offer Workbook is complete. Drop-down menus and automatic re-direction to appropriate Workbooks are incorporated to guide the Offeror through the process.

Input sections for Project-specific information are provided. Further, separate input sections for Offers associated with that specific Project are provided. Offerors may use these Workbooks to input multiple, distinct Offers associated with a specific Project.

The Offer Workbook has “check the box” attestations that Offeror must acknowledge. If Offeror is unwilling to make the required attestations by checking the box, Offeror cannot participate in the DAC-GT RFO and DAC-CSGT RFO.

Offer(s) must be complete in all respects and uploaded using the DAC-GT and DAC-CSGT Websites.

Offers that are incomplete in any way or are delivered to SCE by any means other than uploaded through the DAC-GT and DAC-CSGT Websites will be rejected. Printed copies of Offers, as well as electronic copies via CD, DVD, or flash drive, will not be accepted.

The Offer Workbook along with the completed and uploaded documents set forth below make up the “Offer Packet”. Offer Packets must be completed and uploaded by the Offer Due Date set forth in this document. The date and time set for submission of the Offer Packets will be strictly enforced. Late submissions will be rejected.

Along with the Offer Workbook, “Offeror will be required to submit the following materials with its Offer (“Required Offer Submittal Materials”). Offeror



must complete and upload to the DAC-CSGT and DAC-GT Websites all of the Required Offer Submittal Materials:<sup>3</sup>

- A fully completed and executed **Evergreen Non-Disclosure Agreement (“NDA”)** (this must be uploaded as a locked MS Word document);
  - This document must be signed and uploaded without modification.
  - The evergreen NDA is intended to cover all Projects submitted by the Offeror. Only one signed evergreen NPA should be uploaded by Offeror.
  - ***Important:*** *SCE will not accept the Evergreen NDA or the Officer’s Certificate if it has been changed to a different Format or otherwise altered in any unauthorized way. Offeror is required to fill out the locked MS Word Template only in the spaces provided and upload the resulting locked MS Word document. Please sign and then scan and return only the signature pages of each document.*
- A fully completed and executed **Team Development Experience Letter** (this must be uploaded as a locked MS Word document). Please ensure or note:
  - All fields marked for completion must be filled in.
  - The information must match the Proposal submitted and posted on the DAC-GT RFO and/or DAC CSGT Websites.
  - No other modifications to this letter will be accepted.
  - Must be signed by an individual duly authorized to bind Offeror;
- A fully completed **Generation Profile** (This can be found on the ‘Profile Summary’ tab in the Offer Workbook and must be uploaded for each Project as a password-protected MS Excel file);
- A completed **Geographic Information System** file of the Project boundaries and associated gen-tie (“Project Boundary File”) as required by the CPUC.
- For each Project, a copy of the letter from the lead land use permitting agency documenting that the land use permit application for the Project has been “deemed complete” to begin the permitting review process (**“Environmental Review Letter”**).

Additionally, for CSGT Offers, Offerors must submit:

- A fully completed and executed **Workforce Development Template**
- A fully completed and executed **Letter of Commitment**<sup>4</sup> from a non-profit community-based organization (“CBO”) or a local government entity or school that would serve as a sponsor for the DAC-CSGT project on behalf of the residents that are located in a DAC within SCE’s service territory.

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<sup>3</sup> Except for the interconnection documents, the environmental review documents, and the Project boundary documents, all of these documents are posted on the Websites.

<sup>4</sup> See Article 3.01 for more details.

Once SCE has completed its review of the above submittals, SCE may ask Offeror to provide the following:

- Copies of the **Generating Facility's interconnection studies** and/or interconnection agreement, if any; and
- A fully executed **Consent for Release of Interconnection Related Information** (this must be uploaded as a locked MS Word document);

For all interconnection and environmental review documents described above, SCE will accept documents uploaded to the DAC-GT and DAC-GSGT Websites in WORD or the PDF file Format. Whenever possible, please upload these documents as searchable PDF files so that SCE may locate particular words or phrases within the respective files.

Along with the Offer Form, Seller must complete and upload to the Website a fully executed Officer's Certificate, which shall be signed by an officer of either the sponsor or Project company, and signifies Seller's agreement to certain conditions including, without limitation: (i) Seller's attestation that Seller has reviewed the relevant documents and is providing the Offer in good faith; (ii) Seller's attestation that Seller has site control; and (iii) Seller's attestation that Seller will not engage in collusion or other unlawful or unfair business practices in connection with the RFO.

If Offeror is unresponsive to SCE's requests for documentation, then the Offers from Offeror may be disqualified from further consideration.

#### 6.03 The Pro Forma PPA

SCE will utilize the Pro Forma PPA for any selected Offers. Please refer to the Websites to view the PPA. The Pro Forma PPA is non-negotiable and non-modifiable. In accordance with the schedule provided in Section 6.01, after an Offer is selected, SCE will tender a Pro Forma PPA populated with Project-specific information for execution. Sellers will have ten (10) days to return the executed PPA.

#### 6.04 Independent Evaluator

SCE has engaged an Independent Evaluator ("IE") to evaluate and report on the RFO, including SCE's evaluation and selection process.

The IE will review all Offers and will have the opportunity to be present at meetings and conference calls between SCE and selected Sellers.

The Independent Evaluator will have full access to the DAC-GT RFO and DAC-CSGT RFO Websites and all the materials and correspondence uploaded by Sellers.

The IE will periodically make presentations to SCE, the CPUC and the CAM in order to ensure that the DAC-GT RFO and DAC-CSGT RFO process remains open, fair and transparent.

The IE will be the same for both the CSGT RFO and the DAC-GT RFO.

The IE is Accion Group LLC. The principal contacts are Harold T. Judd and Sheri Vincent-Crisp, who can be reached at [hjudd@acciongroup.com](mailto:hjudd@acciongroup.com) and [svincenterisp@acciongroup.com](mailto:svincenterisp@acciongroup.com).

## **ARTICLE SEVEN. EVALUATION OF OFFERS**

### **5.01 Screening of Offers**

After the Initial Offer Submittal Deadline, SCE begins an initial review of all Offers received for completeness and conformity. On a high level, this review includes a thorough screening to confirm that each Offer package is in compliance with respect to the following:

- (a) Offer package adheres to the RFO Schedule with respect to submittal deadlines
- (b) Offer/Project meets the eligibility criteria set forth in these RFO Participant Instructions
- (c) Upload of complete and conforming Required Offer Submittal Materials

In consultation with its IE, SCE may allow Offerors to cure any submittal deficiencies or errors, solely at SCE's discretion. Ultimately, SCE will screen submitted Offers on a "pass-fail" basis against the RFO eligibility criteria and requirements.

### **5.02 Evaluation and Selection**

SCE will evaluate and rank Offers based on least-cost, best-fit ("LCBF") principles that comply with criteria set forth by the CPUC in D.03-06-071 and D.04-07-029 ("LCBF Decisions"). SCE will select offers based upon these LCBF principles. Additionally, in accordance with Resolution E-4999, the DAC-GT and DAC-CSGT programs will utilize a cost containment mechanism; offers above the CPUC-determined price cap will not be considered. The CPUC determined price cap is 200% of the maximum executed contract price in the previous Renewable Auction Mechanism's as-available peaking category or the previous Green Tariff, whichever is higher. SCE reserves the right to not select Projects below this price cap based on LCBF principles.

#### **(i) Quantitative Assessment (Least-Cost)**

SCE performs a quantitative assessment based on the total benefits and total costs used to calculate the "Net Market Value" for each complete and conforming Offer. SCE's evaluation methodology incorporates information provided by Sellers and assumptions prescribed and set by the

Commission with its internal methodologies and forecasts of market conditions. Benefits include, but are not limited to, capacity benefit<sup>5</sup>, energy benefit, and Renewable Energy Credit benefit. Costs include, but are not limited to, contract payments, debt equivalents, integration cost, congestion cost<sup>6</sup>, and transmission cost. SCE then discounts the monthly benefit and cost streams to present value. SCE also normalizes the net cost or benefit data by MWh generation. The result of the quantitative analysis is a merit-order ranking of all complete and conforming Offers' Net Market Values.

(ii) Qualitative Assessment (Best-Fit)

In addition to the Net Market Value calculation explained above, SCE then assesses certain non-quantifiable characteristics to prioritize Offers that may be more effective in meeting the RFO's objectives. The non-quantifiable attributes considered as part of this best-fit analysis may include:

- (a) RFO-stated preferences (as referenced in Article 5.06)
- (b) Interconnection
  - SCE will prioritize Offers for Projects that qualify for the SCE interconnection Fast Track
- (c) Environmental & permitting status
- (d) Project development experience
- (e) Operation and maintenance experience
- (f) Reasonableness of Expected Initial Delivery Date

The effect of assessing each Offer's qualitative attributes as part of SCE's final selection of Offers can be any of the following:

- Promoting a lower-NPV Offer
- Determining a tie-breaker between two Offers with equivalent or near-equivalent NPVs

As such, SCE may choose Offers for its final selection that do not have the highest NPVs. Ultimately, SCE, in consultation with its IE, will construct its proposed selection set based on the above quantitative and qualitative factors.

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<sup>5</sup> Per Section 5.01, FCDS projects will receive capacity benefits upon the RA Guarantee Date. Energy Only Projects will not receive value for RA.

<sup>6</sup> Congestion cost may be positive or negative depending on the expected congestion in the proposed area.

## **ARTICLE EIGHT. SELLER'S REPRESENTATIONS AND WARRANTIES**

By submitting the Seller's Officer's Certificate to SCE as part of a complete and conforming Offer package, the Seller represents and warrants that its offered Product Price assumes that Seller will post Development Security and/or Performance Assurance, as applicable, equal to the amounts specified in these RFO Instructions and the *Pro Forma PPA*.

## **ARTICLE NINE. REGULATORY APPROVAL**

### **9.01 CPUC and FERC Approvals**

SCE's obligations to purchase Product under the PPA will only become effective upon CPUC Approval.

In the event a transaction occurs between SCE and any of its Affiliates, such PPA may also require FERC approval. In such case, SCE's obligations to purchase power under such PPA will only become effective upon approval by both the CPUC and FERC.

### **9.02 Support for Regulatory Purposes**

SCE may request that Seller provide updates of any information requested in this DAC-GT and DAC-CSGT RFO for purposes of filing applications or advice letters with the CPUC for approval of any PPA.

## **ARTICLE TEN. CONFIDENTIALITY, CONDUCT, AND SAFETY**

### **10.01 Confidentiality**

Sellers are required to enter into the Evergreen Non-Disclosure Agreement with SCE in the Workbook posted on the SCE DAC-GT RFO and DAC-CSGT RFO Websites.

### **10.02 Conduct**

It is expected that the Parties will act in good faith in their dealings with each other with respect to this DAC-GT RFO and DAC-CSGT RFO. Seller may not engage in Communications (as defined in Article Twelve) with any other Seller in the DAC-GT RFO and DAC-CSGT RFO concerning the price terms contained in Seller's Offer or related matters.

### **10.03 Safety**

Seller must develop a written plan for the safe construction and operation of the Generating Facility as set forth in the DAC Pro Forma.

## **ARTICLE ELEVEN. WAIVERS AND RESERVATION OF RIGHTS**

### **11.01 Termination of DAC-GT RFO and DAC-CSGT RFO**

SCE reserves the right at any time to modify any dates specified in this DAC-GT RFO and DAC-CSGT RFO or abandon this DAC-GT RFO and DAC-CSGT RFO without notice, without assigning any reasons, and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives to any Seller.

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 the PPA and, if appropriate, related collateral and other required agreements.

In the event that SCE terminates this DAC-GT RFO and DAC-CSGT RFO, Seller shall be responsible for any expenses incurred by Seller as a result of this DAC-GT RFO and DAC-CSGT RFO.

### **11.02 Release of SCE for any Delays**

Seller acknowledges that except for SCE's obligation to submit a fully executed PPA to the CPUC for approval, Seller bears sole responsibility for submitting all applications and obtaining all permits, leases or mortgages, and interconnection, financing and other agreements necessary for Seller to perform under the PPA.

Seller further acknowledges and agrees that SCE shall have no liability for the:

- (a) Time required to complete any studies, obtain any required permits for Generating Facility operation, or enter into any agreements discussed or contemplated under this DAC-GT RFO and DAC-CSGT RFO (including without limitation interconnection studies, leases, mortgages, financing or permits);
- (b) Time required to perform construction for Network Upgrades necessary to meet the Initial Delivery Deadline or Guaranteed Delivery Deadline, as applicable;
- (c) Time to construct the Generating Facility;
- (d) Time required to acquire any environmental permits to construct or operate, including acquisition of any emission credits required by law or regulation; or
- (e) Failure to reach agreement on, or time to reach agreement regarding, the use of SCE property for the Site.

### **11.03 Waived Claims**

By submitting an Offer, Seller 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 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 the DAC-GT RFO and DAC-CSGT RFO or these RFO Instructions, including all exhibits, attachments, and appendices thereto (“Waived Claims”). Seller 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 Seller’s Offer has not already been disqualified, SCE is entitled to automatically disqualify this Offer from further consideration in the DAC-GT RFO and DAC-CSGT RFO or otherwise, and further, SCE may elect to terminate the DAC-GT RFO and DAC-CSGT RFO.

By submitting an Offer, Seller further agrees that the sole forum in which Seller may assert any challenge with respect to the conduct or results of the DAC-GT RFO and DAC-CSGT RFO is at the CPUC. Seller further agrees that: (1) the sole means of challenging the conduct or results of the DAC-GT RFO and DAC-CSGT 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, (2) the sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the DAC-GT RFO and DAC-CSGT RFO in accordance with this RFO Instructions; and (3) the exclusive remedy available to Seller in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the DAC-GT RFO and DAC-CSGT RFO that the CPUC determines was not previously conducted in accordance with these RFO Instructions (including any other documents associated with the RFO). Seller 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 DAC-GT RFO and DAC-CSGT RFO and any related regulatory proceedings related to the DAC-GT RFO and DAC-CSGT RFO will continue as if the protest had not been filed, unless the CPUC issues an order suspending the DAC-GT RFO and DAC-CSGT RFO or SCE has elected to terminate the DAC-GT RFO and DAC-CSGT RFO.

Seller further acknowledges and agrees that if Seller asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Seller’s claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Article Nine and that Seller will not challenge or oppose such a request for dismissal. Seller further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Seller shall pay SCE’s full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys’ fees.

Seller agrees to indemnify, defend and hold harmless SCE from any and all claims by any other Seller asserted in response to the assertion of any Waived Claim by Seller or as a result of a Seller’s protest to a filing at the CPUC resulting from the DAC-GT RFO and DAC-CSGT RFO.

Except as expressly provided in these RFO Instructions, nothing in the RFO Instructions, including Seller's waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.

## **ARTICLE TWELVE. COMMUNICATIONS**

For purposes of this DAC-GT RFO and DAC-CSGT RFO, "Communications" means the exchange of any material information by electronic, written, oral or other means other than as expressly provided for herein.

All Communications concerning this DAC-GT RFO and DAC-CSGT RFO, including Communications concerning the preparation of Offers or other submissions to SCE related to the DAC-GT and DAC-CSGT RFO should be submitted to SCE via the DAC-GT RFO and DAC-CSGT RFO Websites.

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry without liability or responsibility.

## **ARTICLE THIRTEEN. SCE RIGHTS AND DOCUMENT CONFLICTS**

### **13.01 SCE's Rights**

SCE may, at its sole discretion, enter into PPAs with one or more entities submitting Offers that will provide the best value to SCE's customers considering a variety of factors as discussed below.

SCE reserves the right to reject any Offer at any time on the grounds that its Workbook does not conform to the terms and conditions in these RFO Instructions.

SCE also retains the right, in its sole judgment, to:

- Subject to the DAC Decisions, modify these RFO Instructions, and any of the other documents associated with the RFO, as it deems necessary;
- Condition SCE's acceptance of any selected Offer on a Seller's agreement to modifications thereto including any modifications that may be recommended by SCE's PRG; and
- Determine what is or is not "reasonable," as this term is used within these RFO Instructions.

### **13.02 Document Conflicts**

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

- The *Pro Forma* PPA;
- The CAISO Tariff; and
- These RFO Instructions;

Notwithstanding the foregoing, if a PPA is executed between SCE and Seller as a result of this RFO, it will have precedence over the documents listed above.