



SCE CPE Local RA RFO

Frequently Asked Questions

	Questions	Answers
1	Why are the SCE to SCE Agreements not published?	These agreements are internal to SCE and therefore confidential. Other parties will not be subject to these same agreements.
2	Will SCE use the CPM soft-offer cap as the pricing threshold?	There is no pricing threshold at this time. SCE will assess all market offers and award based on the applicable selection criteria.
3	Will the LCR RCM price be updated each year if an LSE signs a 3-year Self-Show for Compensation offer?	The applicable contract price at the time of contract execution will be used for each year of delivery.
4	Will SCE accept offers greater than 48-months in duration?	No
5	Can a project offer incremental RA capacity from an already contract resource in this solicitation?	So long as the applicable project meets the eligibility requirements set forth in the RFO Instructions, SCE will review the proposal.
6	Can contract amendments be issued within this procurement?	If an offer is selected and SCE determines that a prudent path forward in contracting for said project is through a contract amendment, SCE will consider such amendment.
7	Where are the agreements posted?	All term sheets and agreements are posted to the Power Advocate website for this event, the link for which can be found on the www.sce.com/cpe website
8	Is the contract structured to allow for changes to contract quantity as a result of NQC changes?	Yes, the Pro Forma RA Confirmation and Pro Forma Purchase and Sale Agreement allow for changes to contract quantity as a result of NQC changes, however the Pro Forma Showing Agreement does not
9	The definition of Ratings Agency includes "any other ratings agency agreed by the Parties." Are Egan Jones, Kroll & Fitch acceptable as ratings agencies?	SCE's standard ratings agencies are Moody's and S&P. At this time, SCE does not accept any other ratings agencies. The contract language is written in this way to allow for other agencies in the event Moody's or S&P no longer provide the ratings service.
10	Where can an entity check whether or not their facilities are in the LAB or BCV?	Please review the CAISO NQC list: http://www.aiso.com/Documents/EffectiveFlexibleCapacityList-2021.xlsx
11	Can a CAISO SC offer on behalf of a resource owner, and if so, what are the necessary steps and documents in order to do so?	A CAISO SC can submit on behalf of a resource owner. See required offer submittal resources on what is needed for submission.
12	RA contracts are usually 10-20Y. Why is this RFP for a 3Y contract?	RA contracts have varying tenures, some as short as a month, and the objective of this procurement is to align with the 3-year forward Local RA obligation established by the CPUC

13	Is the RFO open to Demand Response resources with NQC?	Resources with an NQC value or an estimated NQC value are eligible to participate
14	For compensated self-shown products, is the LCR RCM price set at the time of execution for the duration of the contract based on the prices you showed earlier in the presentation, or will the compensation fluctuate from year to year based upon the latest LCR RCM prices?	The applicable contract price at the time of contract execution will be used for each year of delivery. The LCR RCM prices set by the Commission act as a cap on the contract price that SCE can pay for compensated self-shown products. However, the contract price will be based on the bid price offered by the seller.
15	Can SCE reject self-shown capacity?	In the event that self-shown resources fulfill all of the CPE's procurement requirement, then some self-shown capacity may be rejected.
16	If you don't have a CalEnviroScreen score how do you quantify the pollution burden?	Please review the CalEnviroScreen website at https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30 to confirm that you do not have a score associated with the location of the project. If not, the pollution burden can be found by determining the Census Tract in which the generator is located and finding the associated pollution burden in the excel sheet titled <u>CalEnviroScreen 3.0 Results Spreadsheet</u> .
17	If a contract is eligible for preapproval, does the CPUC need to make any decision or take any action in order for the contract to become effective?	If a contract is eligible for pre-approval as set out in D.20-06-002 section 3.9.3 and Ordering Paragraph 22, no further action is required from CPUC
18	Are tolling agreements eligible for preapproval just like RA agreements (assuming all criteria like delivery term length, IE approval are met)?	Yes, assuming all criteria are met.
19	Is there a price cap or price target the CPE is willing to pay up to for RA-only offers?	No, however CPE is not required to pick up non-competitive offers
20	Regarding Section 4.4, Bullet 4, Mutually Inclusive Offers: If a single plant has multiple generators, either with individual Resource ID's or not, do the requirements of the this bullet mean that if the owner wants to offer the entire plant for sale, then another offer (out of the total of six allowed offers) has to be for each individual generator at the plant?	If bidding in the entire plant comprised of multiple units, you would not need to offer each resource ID exclusively as well. However, if you offer 2 distinct plants as inclusive you would be required to offer each plant separately but can maintain inclusivity within each plant. Each resource ID is allowed up 6 offers whether it is offered inclusively or exclusively to other resource IDs
21	Is it acceptable to set the date for posting of Performance Assurance closer to the start of the Delivery Period to avoid having to	The collateral is posted to give assurance to the CPE that the counterparty will honor the contract and perform. The execution of the contract and the agreed performance thereunder by the

	<p>post Performance Assurance so far in advance of the Delivery Period?</p>	<p>counterparty is reported to the CPUC and relied upon by the CPE to meet its multi-year ahead obligations for local Resource Adequacy. The timing of the posting of the collateral is as provided in the agreements and term sheets posted to RFO website and SCE is not considering any modifications at this time.</p>
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