SAN DIEGO COMMUNITY POWER REQUEST FOR OFFERS FOR CLEAN FIRM ENERGY SOURCES

**RFO Issue Date:** May 27, 2022

**Response Deadline:** July 6, 2022 at 5:00 pm Pacific Prevailing Time
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Introduction
San Diego Community Power (“SDCP”) is issuing this request for offers (“RFO”) for “Clean Firm Resources” that meet procurement obligations set forth in California Public Utilities Commission (“CPUC”) Decision 21-06-35 (D-21-06-035), the Decision Requiring Procurement to Address Mid-term Reliability (2023-2026). Through this RFO, SDCP is seeking to acquire energy, capacity and environmental attributes for up to 50 MW from one or more new Clean Firm generation projects.

1.1 Eligibility Requirements
SDCP is seeking new generation projects that meet the D-21-06-035 requirements for so-called long lead time Clean Firm Resources. Specifically, SDCP seeks offers from resources with the following characteristics:

- Has no on-site emissions or is eligible under the requirements of California’s Renewables Portfolio Standard program;
- Has at least an 80 percent capacity factor;
- Is not weather dependent or subject to use limitations; and
- Is a generating asset and not a storage project

SDCP seeks projects that will be online by June 1, 2026 and will also consider projects with online dates after June 1, 2026 but before January 1, 2028. Contract delivery terms shall be a minimum of ten years and a maximum of 25 years. All projects must be incremental to the CPUC’s baseline list.¹

Projects must also meet minimum CPUC and CAISO requirements for participation in the resource adequacy program and must be able to participate in CAISO electricity markets. Projects not directly interconnected to the CAISO must have the ability to provide energy and resource adequacy as a dynamic transfer.

2 Submission Details

2.1 RFO Materials
Participants may access and download all RFO documents and posted Q&A at Solicitations - San Diego Community Power (sdcommunitypower.org) (the “RFO Website”).

2.2 Schedule
The following schedule and deadline apply to this RFO. SDCP reserves the right to amend the proposed schedule at any time at its sole discretion.

<table>
<thead>
<tr>
<th>EVENT</th>
<th>DATE</th>
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<tbody>
<tr>
<td>RFO Issuance</td>
<td>May 27, 2022</td>
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<tr>
<td>Questions Due</td>
<td>June 10, 2022</td>
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<tr>
<td>Q&amp;A Posted</td>
<td>June 17, 2022</td>
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<tr>
<td>Responses Due</td>
<td>July 6, 2022</td>
</tr>
<tr>
<td>Shortlist Selection</td>
<td>July 22, 2022</td>
</tr>
<tr>
<td>Contract Negotiation Period</td>
<td>July 25, 2022 – September 9, 2022</td>
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</tbody>
</table>

2.3 Questions and Answers
All inquiries or questions pertaining to the requirements set forth in the RFO may be submitted via email to sdcp.procurement@pacificera.com by 5:00 pm PPT on June 10, 2022. Questions and responses will be made public for all participants and posted on the RFO website. SDCP will respond to questions at its discretion. Responses to similar questions may be consolidated within SDCP’s list of posted responses.

2.4 Binding Proposals
Respondents must provide the full legal name of the expected counterparty that would be bound by any agreement with SDCP resulting from this solicitation. The cover letter provided by the respondent should be on the respondent’s letterhead and signed by an authorized representative of such company.

3 Collateral Requirements
3.1 Shortlist Deposit
Shortlisted respondents will be required to submit a shortlist deposit. The deposit is intended to secure the obligations of any shortlisted respondent during the negotiation period and to ensure that each offer has been carefully considered. The shortlist deposit will be $4.00 per kW of offered nameplate capacity.

The shortlist deposit will be returned to the respondent if one or more of the following conditions occur:

- Execution of a contract resulting from respondent’s offer
- Rejection of the respondents offer
- Written understanding that successful conclusion of contract negotiation is not achievable, as determined by SDCP; or
- SDCP terminates this RFO.

Respondent will forfeit its deposit if:

- Material misrepresentations of information related to the respondent’s offer are identified
- Respondent fails to comply with the terms and conditions of this RFO process; or
- Respondent unilaterally withdraws the offer or attempts to materially modify the terms of its offer following the respondent’s acceptance of shortlist status and submittal of deposit.

3.2 Development Security and Performance Assurance
SDCP will require collateral to be posted on all executed agreements. The Development Security will be held by SDCP until the Commercial Operation Date of the project. The Performance Assurance is required to be posted on or before the Commercial Operation Date through the end of the Delivery Term.

<table>
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<tr>
<th>Credit/Collateral Requirements</th>
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<tr>
<td><strong>Product Type</strong></td>
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<tr>
<td>Renewable Generation</td>
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</table>
4 Submission Details

4.1 Submittal Instructions

Responses to this RFO must be submitted via email by the deadline listed in Section 2.2 of this RFO. All responses shall be submitted to sdcp.procurement@pacificsea.com. Only electronic submittals will be considered. Submission packages must include the following materials to be deemed complete:

- Cover Letter (PDF)
- Statement of Developer Information and Qualifications (PDF)
- Offer Form (Excel)
- Redlined Term Sheet(s) (Word)
- Financial Statements (PDF)

4.2 Cover Letter and Project Description

Respondents are to provide a narrative description of the project, including an overview of the generating technology that will be developed/deployed; location and site information; project size; status of project development, transmission interconnection, and permitting; scheduled commercial operation date; pricing; and other relevant characteristics of the project.

Project Technology: Describe whether this technology has been used in the past, including a general overview of its performance history. Describe any risks related to the technology or approach to be used and any steps that will be taken to reduce such risks. If applicable, describe the source of the fuel and address its availability throughout the Delivery Term.

Project site: Describe the project site in detail, including location, acreage, compatibility with proposed project, community response to the proposed project, steps taken or to be taken to secure the site. Provide a description of the current land use within the project footprint, description of status of site control and a detailed site map showing nearest cross streets, latitude and longitude, and any gen-tie required.

Project interconnection and transmission: Please describe whether respondent has submitted an application for interconnection, and the status of such application. Describe the project’s proposed interconnection, including proximity to transmission interconnection, any new interconnection facilities or Network Upgrades that would need to be built to accommodate project completion and/or SDCP’s receipt of the proposed product(s). Provide queue position, status of completed studies (System Impact Study, Facilities Study, Phase 1 Study, Phase 2 Study, CAISO Full Deliverability Study), interconnection level of the proposed generator (Distribution or Transmission), scheduled Commercial Operation Date and progress related to any applicable agreement. Describe any risks related to the interconnection and full deliverability of the Project and any steps to be taken to reduce these.

Project permitting: Please identify the required permits and the issuing agencies as well as the status of such permits. Discuss the steps being taken to obtain needed permits to build and operate the project, and the expected timeline for issuance of such permits. State whether the project is contingent on any re-zoning of the project site, and what environmental impact assessments (e.g. CEQA or NEPA review) if any will be required. Identify any risks to project permitting, and any steps being taken to reduce these.
Project financing: Please discuss how the project will be financed, requirements to obtain the financing, the timeline and steps to obtain the financing, any risks to obtaining financing, and any steps to be taken to reduce these.

Equipment and labor. Please discuss plans and arrangements to date for obtaining the equipment, materials, and labor required to build the project. Describe any risks related to equipment, materials and labor and any steps to be taken to reduce these. Describe whether the project will have a Project Labor Agreement and with what trades. Identify any project benefits to the SDCP communities or Disadvantaged Communities as identified in CalEnviroScreen 4.0. Describe any benefits the project provides to the community in which it is located, including resiliency and/or benefits to CCA customers and/or Disadvantaged Communities. Indicate efforts or contractual commitments to use local labor, if applicable.

Compliance with CPUC requirements: Please describe whether and how the project complies with the requirements for firm clean resources, set forth in CPUC D.21-06-035, Ordering Paragraph 2.(b). Discuss any questions or issues that could arise with respect to such compliance and how these will be addressed.

4.3 Statement of Developer Information and Qualifications
Respondents shall include the following elements outlining the background and qualifications of their organization:

- A brief description of the respondent’s firm, including legal form and ownership, and an identification of the size, stability, and capacity of the respondent’s firm, including, at a minimum, an identification of the following:
  - Total number of years in operation
  - Total current number of employees
  - Number of offices & locations

- A description of the respondent’s experience developing, building, financing, and operating projects of a similar size, scope, and complexity as the project being offered in this RFO, including all of the following:
  - Number of years the respondent has been developing relevant projects
  - List of projects and nameplate megawatts developed by the respondent which have successfully achieved commercial operation
  - Total nameplate megawatts under development; separately identify nameplate megawatts under development within the California Independent System Operator (“CAISO”) balancing authority
  - List of the respondent’s principals, employees and agents, including brief bios and extended resumes, which the respondent intends to assign to this project. The respondent shall include the anticipated role(s) of each team member, highlighting the experience of each in developing similar projects
  - For anticipated subcontractors (if any), the respondent shall provide background regarding each firm to which work may be subcontracted, including its experience developing, building, financing, and operating projects of a similar size, scope, and complexity as required under this RFO as well as a description of each subcontractor’s role on the project. Bios and resumes of key team members from each subcontractor must also be provided.

2 https://oehha.ca.gov/calenviroscreen/sb535
4.4 Offer Form
The Excel Offer Form is the primary source of data for evaluating submissions. Completing the Offer Form is mandatory, and all required fields must be completed for the submission to be considered compliant. Respondents must provide a separate Offer Form for each unique configuration that is being proposed under this RFO.

4.5 Redlined Term Sheet
A draft Term Sheet is posted on the RFO Website. Respondents are to provide comments and proposed edits in Track Changes mode. Respondents should judiciously consider any proposed edits to the commercial terms reflected in the Term Sheet, as extensive changes may adversely impact proposal ranking. The Term Sheet should be filled in with primary details relating to the respondent’s offer.

4.6 Financial Statements
Please provide at least two recent years of audited financial statements. If the respondent is being financed by a parent company, please submit financial statements for that entity in addition to those of the respondent.

5 Contract Negotiations
A Term Sheet has been provided for the product requested in this RFO. During the shortlisting process, applicable pro forma agreements will be issued. Limited requests for adjustments and edits to the form agreements will be considered, provided that such requested edits are consistent with the respondent’s redline edits to the Term Sheet as submitted in the RFO response package. SDCP reserves the right to negotiate modifications to purchase agreements with shortlisted parties to include other power products not originally offered as needed.

6 No Guarantee of Offer or Agreement
This RFO does not constitute an offer from SDCP to buy and creates no obligation to execute any agreement as a consequence of this RFO. Under no circumstances shall SDCP be bound by the terms of any Respondent’s proposal nor any subsequent agreement until SDCP has obtained all necessary approvals of its management and all the conditions precedent, if any, set forth in a fully executed agreement have been satisfied or waived.

SDCP reserves the right, without qualification and in its sole discretion to: (i) select multiple Respondents or no Respondents at all, or (ii) negotiate one or more agreements on a bilateral basis outside the terms of this RFO. SDCP may at any time and for any reason decline to enter into any potential agreements with any Respondent, terminate negotiations with any Respondent, or to abandon the RFO process in its entirety. SDCP reserves the right, without qualification and sole discretion, to consider, accept, or reject a Respondent’s request to replace one or more projects with another project(s) proposed by Respondent. In SDCP’s sole discretion, SDCP may evaluate any such proposed replacement project(s) using the evaluation criteria as specified in this RFO or may follow any evaluation criteria or process as SDCP may determine is appropriate and in its best interest. SDCP shall not be liable to any Respondent submitting a proposal in response to this RFO. SDCP shall not be liable to any Respondent or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in conjunction with this RFO. No implied or express waiver of the SDCP’s rights is intended and SDCP reserves all rights.
Each Respondent’s costs for developing its proposal(s), including RFO review, bid preparation and submittal costs, are entirely the responsibility of the applicable Respondent, and SDCP shall not have any responsibility or liability for such costs.