

## Local Distributed RFO Questions & Answers

December 01, 2023

San Diego Community Power (SDCP) received the following questions by the deadline stipulated in the RFO.

**Question 1:** I'm a local San Diego DVBE small business that offers construction management services. I have experience with SDGE and large infrastructure projects. I'd like to reach out to current bidders and see if there are any subconsultant opportunities. Can you please send me a list of respondents you've received to your RFI?

**Answer:** To ensure solicitation integrity and competitiveness, SDCP cannot disclose the bidder list. Awarded contracts will be public information, and interested suppliers and subcontractors may reach out to awardees at their discretion.

**Question 2:** Can you please confirm the maximum MW for this solicitation?

**Answer:** The maximum solicited capacity is 10MW per project for this solicitation. Submissions from a single entity can exceed this maximum so long as no single project is over 10MW.

**Question 3:** Is SDCP looking to procure projects over 100 MWs as well?

**Answer:** SDCP procures larger scale contracts through separate solicitations, available on SDCP's Solicitations landing page of our website. SDCP's Local RFI is currently open and accepting submissions and does not have a size limitation - <https://sdcommunitypower.org/resources/solicitations/>.

**Question 4:**

A) If we are looking to do a paired facility, but the storage is large enough to qualify for RA, do we follow the paired or stand alone guidance for the storage portion?

**Answer:** Paired facilities should follow the guidelines for paired resources, which includes applicable RA information. RA information is not limited to stand alone storage procurements under this solicitation.

B) Define paired? Are you only looking for a 2 hour battery?

**Answer:** A paired resource includes both generation and storage under the same project interconnection and offtake agreement. We are looking for storage resources with a minimum of two-hour duration and no maximum duration.

C) In the Development Progress Section:

i) What constitutes evidence of site control? Does an LOI work, or do we need an executed lease?

**Answer:** Evidence of site control will be assessed by degree of site control. An executed lease is not required for a bid to qualify, however some form of agreement between the bidder and landowner, even if non-binding, should be provided to illustrate a path to viable site control.

ii) Please define exclusivity; We of course do not have executed interconnection, so we would like clarity on the exclusivity ask here.

**Answer:** There should be no reference to exclusivity in regard to interconnection.

D) Clarifications on Terms and Conditions:

i) Is the settlement point at PNode or at POI?

**Answer:** SDCP would like to receive pricing at the PNode and SP15 Trading Hub, as applicable, at a minimum. For alternative settlement options at POI, please describe if / why POI pricing settlement is preferred or required.

ii) What is the Development and performance security deposit amount going to be? This of course will have an effect on the rate that needs to be charged.

**Answer:** The security deposit amounts are yet to be determined and will be finalized during shortlist negotiations. Please include your assumed security deposit values with your proposal. For utility scale projects, SDCP's pro forma term sheet requires \$90,000/MW for Development Security and \$105,000/MW for Performance Security.

E) What can you curtail for? For our financing, we need to be able to limit curtailment, or at least understand the defined curtailments that will be taking place so we can accurately model. Can this be a "take or pay" scenario? Please specify all information pertaining to curtailment, including the Curtailment Cap.



**Answer:** Pending final PPA negotiations during shortlisting, SDCP will offer compensation for economic curtailment (Buyer Curtailment), as referenced in the Term Sheets. Curtailment by CAISO would be at the project owner's risk. SDCP will likely remove the Curtailment Cap provision for these projects, so please price assuming the absence of a Curtailment Cap.

F) Are we held to the invoicing guidelines provided? Can seller invoice within 30 days?

**Answer:** If bidders are unable to invoice within 10 days as requested in the term sheets provided, please indicate in your proposal when invoicing would occur.

G) Can day for day extensions be more than 120 days? As some of these extensions can be lengthy with the utility, we are looking for more clarification on the day for day extensions as we would like to see more time if possible?

**Answer:** Extensions can be discussed during the short-listing process, but bids should be submitted assuming the extensions in the Term Sheets posted with the solicitation.

H) If we are working with 1 specific REIT, do we submit separate RFO submissions for each site, or are we submitting in aggregate?

**Answer:** Please include all applicable Offer Workbook tabs for each distinct site/project. If there are additional portfolio level assumptions, including portfolio pricing, schedule, etc., please be sure to note those in the narrative of your proposal.

I) Buy out sheet Question: Why do you need to know the ownership shares purchase and buyout information? This will potentially change with tax equity and buy out scenarios.

**Answer:** The "Ownership Shares (if multiple owners):" question is required to confirm that the parent entity in the Ownership Structure has control of the project, if there are multiple entities owning the project besides a single project specific LLC. The "Purchase/buyout option (Yes or No):" is asking if the bidder is willing to offer SDCP a purchase or buyout option, and if so, to please describe the option.

**Question 5:** Are eligible solar resources built on the customer side of the meter acceptable? If so, what is the acceptable distribution voltage? Is the point of interconnection required to be on the utility or customer side of the meter?



Related question. If adding in battery storage, may the battery storage be on the customer side of the meter?

**Answer:** Proposals may include resources interconnected behind the meter (on the customer side) if the site host is an SDCP customer, however it is SDCP's general preference to procure resources that are in front of the meter (utility side). Please state all pertinent assumptions in your proposal, and for any resources that are proposed behind the meter, please indicate whether a front of the meter option is also being offered, and what impacts that would have to pricing, schedule, etc..

#### Question 6:

A) Are locations within Disadvantaged Area Communities evaluated differently that resources located elsewhere?

**Answer:** SDCP's Board of Director recently approved updated Energy Contract Evaluation Criteria, which can be found in the November Board of Directors Presentation located at <https://sdcommunitypower.org/resources/meeting-notes/>. These criteria will be used to assess offers in response to this RFO.

We would also refer bidders to our Solar for Our Communities solicitation, which specifically targets projects sited in Disadvantaged Area Communities.

B) Are locations within SDCP member communities evaluated differently than elsewhere (eg. infill projects)?

**Answer:** Projects sited within SDCP member agency communities would be evaluated slightly more favorably than other eligible locations.

C) Are projects sited on Department of Defense facilities or properties considered acceptable locations (e.g. Navy bases)?

**Answer:** Yes, projects sites on Department of Defense property are acceptable to the extent they meet other stated requirements.

D) Are projects sited on State owned facilities or properties acceptable locations (e.g. transportation right of ways)?

**Answer:** Yes, projects sited on State owned property are acceptable to the extent they meet other stated requirements.



E) Are projects sited on Municipal owned facilities or properties acceptable locations (e.g. public transit centers)?

**Answer:** Yes, projects sited on Municipal owned property are acceptable to the extent they meet other stated requirements.

F) Do projects have to be new, or may existing, underutilized solar resources with SDG&E interconnection already in place be considered?

**Answer:** Existing resources with uncontracted generation or capacity attributes are acceptable. Please provide detailed explanation of such resource history, age, ownership, and proposed contracting structure.

G) What is the specific meaning of "RA", as it is used in the solicitation?

**Answer:** "RA" as referenced in the solicitation refers to Resource Adequacy.

**Question 7:** Can you please provide guidance on what the security and short list fee would be for projects and if they will differ for Solar, Standalone Storage and Solar + Storage?

**Answer:** The security deposit amounts are yet to be determined and will be finalized during shortlist negotiations. Please include your assumed security deposit values with your proposal. For utility scale projects, SDCP's pro forma term sheet requires \$90,000/MW for Development Security and \$105,000/MW for Performance Security.

**Question 8:** RA & Storage/Capacity Guarantees – Can you confirm that Energy Only Solar projects are eligible and will not need to provide RA? In the RE Only Term sheet - the documents list Product "...Capacity Attributes including Full Capacity Deliverability Status" - Just want to confirm that's N/A for Energy Only projects.

**Answer:** SDCP is also interested in receiving bids for Energy Only resources. Please disregard as N/A any reference to RA for Energy Only resource bids. However, if a renewable only project has deliverability SDCP would be willing to contract for the generation as well as the capacity attribute.

**Question 9:** The offer book references Renewable Energy Development Zones on line 81, can you provide a link to a map and provide any further clarity onto how those tie in?

**Answer:** Please disregard this question, as it should not apply to this project in response to this RFO.



**Question 10:** Is SDCP eligible to receive exported power via the SDG&E grid through Rule 21 interconnected projects?

**Answer:** SDCP can receive exported power through Rule 21 interconnected projects so long as those accounts (if BTM) are SDCP customers.

**Question 11:** Could you outline the evaluation criteria for this solicitation?

**Answer:** SDCP's Board of Director recently approved updated Energy Contract Evaluation Criteria, which can be found in the November Board of Directors Presentation located at <https://sdcommunitypower.org/resources/meeting-notes/>. These criteria will be used to assess offers in response to this RFO.

