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## San Diego Community Power 2023 Request for Offer (“RFO”) for Local Distributed Renewable Energy and Energy Storage (“Local Distributed RFO”)

### INTRODUCTION

San Diego Community Power (“SDCP”) is a Community Choice Aggregation program (“CCA”) that commenced service in March 2021. Its membership is comprised of the following municipalities: the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, National City and San Diego as well as the County of San Diego (the “Member Agencies”). SDCP is requesting offers for local renewable energy and/or energy storage projects sited within San Diego County and interconnected at distribution voltage. The projects will assist in meeting SDCP’s published goal of procuring 15% of customer demand by new, local, infill resources by 2035.

### RFO OVERVIEW

Through this RFO, SDCP requests information regarding new and existing, wholesale, **distributed, renewable energy projects within San Diego County** that will deliver some combination of Portfolio Content Category 1 (“PCC1”) renewable energy that meets California Renewables Portfolio Standard (“RPS”) eligibility requirements and wholesale **energy storage projects that will provide San Diego-Imperial Valley (“SD-IV”) Local Resource Adequacy (“RA”) or at a minimum, energy only attributes that can be scheduled by SDCP, preferably with an eventual path to FCDS (Full Capacity Deliverability Status)**. Pricing for energy storage projects should clearly and appropriately reflect the price of energy only vs full toll.

#### Desired Products

##### Generation Projects

- CEC-certified Renewable Energy
- Preference (but not requirement) for solar resources to be paired with battery storage, either co-located or aggregated.

##### Energy Storage Projects

- Full toll
- Local RA Only
- Energy Only

By participating in this RFO, each respondent acknowledges that it has read, understands, and agrees to the terms and conditions set forth in these instructions. SDCP reserves the right to reject any offer that does not comply with the requirements identified herein. This RFO does not constitute an offer to buy or create an obligation for SDCP to enter into an agreement with any party, and SDCP shall not be bound by the terms of any response unless SDCP has entered into a duly authorized and fully executed agreement. SDCP may, in its sole discretion and without notice, modify, extend, suspend, or terminate this RFO without further obligation or liability to any respondent.

**SCHEDULE**

This RFO will be administered per the following schedule: SDCP reserves the right to change the schedule of these events at any time and for any reason.

<b>RFO Activity</b>	<b>Anticipated Date of Completion</b>
RFO Issuance	October 25, 2023
Deadline for Electronic Question Submittal	<i>November 17, 2023</i>
RFO Response Deadline	December 22, 2023, no later than 5:00 P.M. PDT
Follow-up with RFO respondents, as necessary	January 2 -9, 2024
Supplier Notifications (Short-List Selection)	<i>February 9, 2024</i>
Contract Negotiations	<i>February 12 through April 5, 2024</i>
SDCP Board to Award Contract(s)	<i>April 2024</i> – to occur at duly noted SDCP Board Meeting(s)
Execution of Contract(s)	<i>May 2024</i> – to occur after SDCP’s Board approves the final contract(s)

**PROJECT ELIGIBILITY**

Each respondent may provide information regarding one or more renewable energy, energy storage, or paired (a combination of renewable energy and energy storage) project(s) conforming to the following eligibility requirements.

**Resource Location and Interconnection**

[Renewable Energy, Stand-alone Energy Storage \(not providing RA\) and Paired Facilities](#)

Within San Diego County and interconnected at distribution voltage

[Stand-alone Energy Storage Facilities \(providing RA\)](#)

Electrically interconnected within the San Diego-Imperial Valley (“SD-IV”) Local Capacity Area as defined by the California Independent System Operator (“CAISO”) and eligible to provide SD-IV Local RA

**Minimum Capacity per Site**Renewable Energy and Paired Facilities

Minimum generating capacity of one hundred (100) kilowatts (“kW”) alternating current (“AC”). While not required, it’s preferred that paired facilities have minimum storage capacity of at least two (2) megawatt-hours (MWh) AC.

Stand-alone Energy Storage Facilities

Minimum rate of discharge of two hundred fifty (250) kW AC. Minimum storage capacity of five hundred (500) kWh AC.

**Initial Date of Delivery**

No later than December 31, 2027.

**Term of Agreement**

No less than ten (10) years; no more than twenty (20) years

**Energy and Capacity Products**Renewable Energy and Paired Facilities

Responses should reflect the sale of bundled, PCC1 renewable energy; Green Attributes and Renewable Energy Credits; and Capacity Attributes, if applicable.

Stand-alone Energy Storage Facilities

Responses should reflect the sale of at least one of the following:

1. **Energy only;**
2. **RA only;**
3. **All energy and capacity products**, including RA and full output and dispatch of energy storage; and/or

**Pricing**

Respondents are encouraged to provide the following prices. All responses should reflect prices that are unchanged throughout the entire contract term and shall not be adjusted by periodic escalators or time of delivery factors. *Alternative pricing options may be proposed in addition to those below.*

Renewable Energy Facilities

A single, flat price (\$/MWh) for energy delivered to the **point of interconnection**. This energy price shall reflect payment for the energy commodity, all Green Attributes, Renewable Energy Credits, and Capacity Attributes (if applicable).

### Paired Facilities

In addition to the prices above for renewable energy facilities, respondents are encouraged to provide a separate capacity price (\$/kW-mo) for the energy storage capacity.

### Stand-alone Energy Storage Facilities

1. A single, flat price (\$/kW-mo) for Energy-only capacity.
2. A single, flat price (\$/kW-mo) for RA-only capacity.
3. A single, flat price (\$/kW-mo) for all energy and capacity output, including RA, ancillary services, and full dispatch of energy storage.

### **Development Progress**

Respondents are encouraged to provide the following documentation regarding any facilities that are not yet commercially operational:

1. Evidence of site control;
2. Fully executed interconnection agreement, interconnection studies, evidence that respondent has submitted a generator interconnection application to the appropriate jurisdictional entity, or a narrative description of the planned interconnection application process and timeline;
3. Description of respondent's intended financing plan for each proposed project in sufficient detail for SDCP to effectively evaluate the viability of such arrangements. To the extent that a respondent anticipates a joint project ownership structure, this structure shall be clearly articulated along with applicable ownership percentages attributable to each partner.

### **Scheduling Coordinator**

SDCP does not have a strong preference regarding the assignment of Scheduling Coordinator ("SC") responsibilities and will consider information regarding facilities in which the Buyer or Seller provides such services.

### **Renewable Resource Eligibility**

All renewable energy and paired generating resources must be certified by the California Energy Commission ("CEC") as Eligible Renewable Energy Resources. Each respondent shall be responsible for certification of the proposed resource through the certification process administered by the CEC and shall be responsible for maintaining such certification throughout the contract term.

All Renewable Energy Certificates must be created by and transferred to SDCP via the Western Renewable Energy Generation Information System ("WREGIS"), or its successor, without any additional costs or conditions to SDCP. Each respondent shall be independently responsible for

registering its generating project(s) with WREGIS and for maintaining an active WREGIS account throughout the proposed term of agreement.

### **Sustainable Workforce**

Consistent with its Inclusive and Sustainable Workforce Policy, SDCP encourages submission of information from respondents that use the following hiring practices. SDCP encourages respondents to describe efforts taken in pursuit of any of the following.

1. Employ workers and use businesses from San Diego and Imperial Counties;
2. Employ properly licensed contractors and California certified electricians;
3. Utilize local apprentices, particularly graduates of San Diego and Imperial County pre-apprenticeship programs;
4. Pay workers the prevailing wage rates for each craft, classification, and type of work performed;
5. Display a poster at jobsites informing workers of prevailing wage requirements;
6. Provide workers compensation coverage to on-site workers; and
7. Support and use of State of California approved apprenticeship programs.

### **Supplier Diversity**

Public Utilities Code Section 366.2(m), as amended by Senate Bill 255, requires certain community choice aggregators, including SDCP, to annually submit to the California Public Utility Commission (“CPUC”): (1) a detailed and verifiable plan for increasing procurement from small, local, and diverse business enterprises; and (2) a report regarding its procurement from women, minority, disabled veteran, persons with disabilities, and LGBT business enterprises.

General Order (GO) 156, adopted by the CPUC, requires certain California public utilities to engage in outreach activities and meet specific procurement goals from women, minority, disabled veteran, persons with disabilities, and LGBT business enterprises. Qualified businesses become GO 156 certified through the CPUC and are then added to the GO 156 Supplier Clearinghouse database ([www.thesupplierclearinghouse.com](http://www.thesupplierclearinghouse.com)). Although SDCP is not subject to GO 156, SDCP supports the goals and principles of GO 156 and desires to obtain information relating to supplier diversity in order to assist SDCP in evaluating its outreach and other activities consistent with applicable law.

To assist SDCP with its reporting obligations under Public Utilities Code Section 366.2(m) and with evaluating its supplier outreach and other activities, proposers that are awarded the contract will be asked to voluntarily disclose their certification status with the CPUC Clearinghouse, as well as their efforts to work with diverse business enterprises, including WBEs, MBEs, DVBES, and LGBTBEs.

Except as otherwise expressly provided under this Policy and/or required by applicable state or federal law or funding requirements (including, without limitation, any grant or loan conditions), SDCP shall not use any demographic information received from potential vendors

in any way as part of its decision-making or selection process. Rather, SDCP will use such information solely for compliance with its reporting obligations to the CPUC and evaluation of SDCP's outreach and other activities consistent with applicable law. Pursuant to Article I, Section 31 of the California Constitution, SDCP shall not discriminate against or give preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin except as otherwise allowed therein.

## INSTRUCTIONS

### Questions

Respondents may submit questions regarding this RFO via the question submission form available on SDCP's website specific to this RFO. All must be received by 9:00 a.m. (Pacific Time) on **November 17<sup>th</sup>, 2023**.

SDCP will post responses to questions by **December 1<sup>st</sup>, 2023**. SDCP reserves the right to group similar questions when providing answers.

SDCP may submit clarifying questions to certain respondents or conduct interviews, as necessary, based on information provided in the response template and/or supporting materials included with each response. SDCP shall have the right, at its sole discretion, to request information without notifying other respondents. SDCP shall establish due dates for responses at the time of each informational request and will directly notify individual respondents in the event that follow-up and/or interviews are necessary during this process.

### Responses

Note: only electronic submittals will be accepted; such submittals must be received by SDCP no later than **5:00 P.M. PST on December 22, 2023**. All responses should be submitted via an online form available on SDCP's website specific to this RFO (<https://www.sdcommunitypower.org/resources/solicitations>). It is the sole responsibility of the submitting Proposer to ensure that its proposal is received before the submission deadline. Submitting Proposers shall bear all risks associated with delays in delivery. Any proposals received after the scheduled closing date and time for receipt of proposals may not be accepted.

All respondents must use the standardized response template available on SDCP's website (<https://sdcommunitypower.org/resources/solicitations/>). An unmodified version of the template must be completed in its entirety based on instructions provided in the template. SDCP may update the RFO and template from time to time, so respondents are encouraged to periodically visit the SDCP website to determine if any changes have been posted. Only submittals that comply with the current RFO and applicable template will be reviewed.

SDCP may submit clarifying questions to certain respondents or conduct interviews, as appropriate, based on information provided in the response template or supporting materials. SDCP shall have the right, at its sole discretion, to request information without notifying other respondents. SDCP shall establish due dates for responses at the time of each informational request and will directly notify individual respondents in the event that follow-up or interviews are appropriate during this process.

## CONTRACTING

SDCP plans to negotiate a single form of Power Purchase Agreement (“PPA”), or Energy Storage Service Agreement (“ESSA”), or Resource Adequacy Agreement (“RA”) with each of the short-listed suppliers. As part of the short-list notification process, SDCP will provide each of the short-listed suppliers with a draft contract for review. Contract negotiations will proceed thereafter. The pro-forma term sheets have been posted along with this RFP announcement so that respondents can review prior to completing the response form.

## CONFIDENTIALITY

All correspondence with SDCP, including responses to this RFO, will become the exclusive property of the SDCP and will become public record under the California Public Records Act (Cal. Government Code section 6250, et seq.). All documents sent by respondents to SDCP may be subject to disclosure, unless exempt under the California Public Records Act.

In order to designate information as confidential, the respondent must clearly stamp and identify any designated portion(s) of the response material with the word “Confidential” and provide a citation to the California Public Records Act supporting confidential treatment of such information. Respondents should be judicious in designating material as confidential. Over-designation would include stamping/designating entire pages, series of pages and/or entire sections as confidential when such material does not require confidential treatment.

Therefore, any proposal which contains language purporting to render all or significant portions of the proposal as “Confidential”, “Trade Secret” or “Proprietary”, or which fails to provide the noted exemption citation (related to the California Public Records Act) may be considered a public record in its entirety subject to the procedures described below. Do not mark your entire proposal as “Confidential”.

If required by any law, statute, ordinance, a court, governmental authority, or agency having jurisdiction over SDCP, including the California Public Records Act, SDCP may release confidential information, or a portion thereof, as required by applicable law, statute, ordinance, decision, order, or regulation. In the event SDCP is required to release confidential information, it shall notify the respondent of the required disclosure, such that the respondent may attempt (if it so chooses), at its sole cost, to cause the recipient of the confidential information to treat such information in a confidential manner, and to prevent such information from being disclosed or otherwise become part of the public domain.

SDCP does not intend to disclose any part of any response based on the understanding that there is a substantial public interest in not disclosing proposals during the evaluation process.