

San Diego Community Power 2024 Request for Offers for Renewable Energy and Energy Storage Projects

I. INTRODUCTION

San Diego Community Power (“SD Community Power”) is the default electricity provider for the Cities Chula Vista, Encinitas, Imperial Beach, La Mesa, National City and San Diego as well as the County of San Diego which serves unincorporated areas (the “Member Agencies”). SD Community Power’s Joint Powers Authority (“JPA”) agreement is the first in California with a goal to achieve 100 percent renewable energy availability and usage by no later than 2035, which is in advance of current State targets. For more information, please visit SD Community Power’s website.¹

Through this Request for Offers (“RFO” or “All-Source RFO”), SD Community Power is seeking offers for products from renewable energy and/or energy storage projects seeking to contract with SD Community Power. Projects participating in California Independent System Operator’s (“CAISO”) **Cluster 15 interconnection projects are not eligible for this RFO. Proposals for those projects should be submitted to SD Community Power’s Cluster 15 Interconnection Process Enhancements Request for Proposals (“IPE RFP”) posted on SD Community Power’s solicitations webpage.**²

II. PROJECTS REQUESTED

Through this RFO, SD Community Power requests offers for products from renewable energy and/or energy storage projects that have one or more of the following attributes:

A. Renewable (RPS) Resources

- Long-lead time (“LLT”) zero-emitting, Resource Portfolio Standard (“RPS”)-eligible resources with an 80% capacity factor (“clean firm resources”) as defined by the California Public Utilities Commission (“CPUC”)³, bundled with all Green Attributes/Renewable Energy Credits related thereto, and Capacity Attributes, including Resource Adequacy (“RA”) value, as applicable.
- Renewable Portfolio Standard (“RPS”) eligible resources providing as-delivered (or shaped to meet SD Community Power’s peak power needs) Power Content Category 1 (“PCC1”) renewable energy, bundled with Capacity Attributes, including RA value, as applicable.

¹ www.sdcommunitypower.org

² <https://www.sdcommunitypower.org/resources/solicitations>

³ CPUC Decision 21-06-035: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M389/K603/389603637.PDF>

B. Energy Storage Resources

- 4-hour duration or longer, including LLT resources as defined by the CPUC⁴ providing Capacity Attributes, including full RA value.

C. Hybrid or Co-located Projects

- Paired RPS and energy storage resources with preference for AC-coupled systems. Projects that afford system configuration flexibility at SDCP’s direction with respect to hybrid (single CAISO meter systems) vs co-located (two CAISO meter systems) within an agreed-to timeline are preferred.

III. RFO SCHEDULE

This RFO will be administered per the schedule below. SD Community Power reserves the right to change the schedule of these events at any time and for any reason.

RFO Activity	Targeted Dates
RFO issuance	September 24, 2024
Deadline for electronic question submittal	October 1, 2024
SD Community Power posts responses to questions	October 9, 2024
RFO Offer Submittal Deadline	October 28, 2024
SD Community Power Short-List and Waitlist Selection Notifications	December 17, 2024
Execution of power purchase agreements between Respondents and SD Community Power*	~Q2 2025

*SD Community Power may consider expediting the negotiation period for projects that reasonably demonstrate the ability to achieve commercial operation by Q1 of 2027 or have extenuating circumstances that require contracting prior to the targeted dates above.

IV. PROJECT ELIGIBILITY

Cluster 15 interconnection process are not eligible for this RFO. Offers for those projects should be submitted to SD Community Power’s “IPE RFP” posted on SD Community Power’s solicitations webpage.⁵ Each respondent should provide information regarding one or more renewable energy, energy storage, or paired project(s) conforming to the following eligibility requirements, as applicable.

- A. Resource Location:** The point of physical interconnection for any eligible generator must be within the California Independent System Operator (“CAISO”) or connected to and delivering into CAISO via firm transmission rights and pseudo-tied/dynamic scheduling. SDCP has a strong

⁴ CPUC Decision 21-06-035: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M389/K603/389603637.PDF>

⁵ <https://www.sdcommunitypower.org/resources/solicitations>

preference for physical interconnection within the area generally termed SP15, as defined by the CAISO. Evaluative preference will be given to any resource(s) located directly within or within close proximity to SDCP's Member Agencies.

B. CEC Eligibility: All proposed generating resources must be certified by the California Energy Commission ("CEC") as Eligible Renewable Energy Resources prior to the commencement of any energy deliveries proposed in the Offer Form to provide Renewable Energy Credits as set forth in applicable sections of the California Public Utilities Code ("Code"), as such Code may be amended or supplemented from time to time. 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 ("RECs") must be created by and transferred to SD Community Power via the Western Renewable Energy Generation Information System ("WREGIS"), or its successor, without any additional costs or conditions to SD Community Power. 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.

C. Product Offering: Offers should include the following products as applicable:

1. RPS resources:

- a. Bundled product for all energy, Green Attributes/Renewable Energy Credits, Capacity Attributes, including full Resource Adequacy ("RA"); and/or
- b. Indexed energy plus REC ("index-plus").

2. Storage resources:

- a. Bundled product for all energy and Capacity Attributes; and/or
- b. RA attributes only.

For all projects within CAISO, preference will be given to projects that have obtained Full Capacity Deliverability Status ("FCDS").

D. Pricing:

1. RPS resources: Respondents must include a single, fixed price for each MWh of electric energy delivered from the proposed resource, priced at the generator node and/or at the SP 15 Trading Hub, as defined by the CAISO [TH_SP15_GEN-APND]. This energy price shall include the energy commodity, all Green Attributes/Renewable Energy Credits related thereto, and Capacity Attributes, including full RA value, as applicable.

Optional: Respondents may also include an index-plus pricing option for the RPS generating facility in which the “plus” component reflects the price to be paid for the Renewable Energy Credit, expressed a flat/fixed price throughout the contract term.

2. Storage resources: Respondents must include a separate capacity price (\$/KW-mo), whether it’s for a bundled full-toll agreement, TB4 + RA, or RA-only contract.

All pricing options shall remain unchanged throughout the entire contract term and shall not be adjusted by periodic escalators or time of delivery multipliers/factors. Pricing should correspond to any anticipated ITC or PTC to be secured, which must be quantified in the Offer Form.

Alternative pricing options may be proposed so long as the aforementioned pricing requirements have been satisfied. SDCP will also consider offers for direct ownership of the proposed resource.

- E. Generating Capacity:** Minimum ten (10) megawatts (“MW”) AC.
- F. Commercial Operation Date:** SD Community Power is seeking projects that offer Commercial Operation Dates prior to June 1, 2031.
- G. Contract Types:** SD Community Power will consider offers for fixed price contracts including as-delivered Power Purchase Agreements (“PPAs”), shaped PCC1-eligible PPAs, index-plus PPAs, RA-only agreements, Energy Storage Service Agreements (“ESSAs”), top-bottom four (“TB4”) hedge agreements or similar.
- H. Term of Agreement:** Not less than ten (10) years (for all except RA-only agreements which may be as short as five (5) years) and not more than twenty (20) years.
- I. Point of Delivery:** SD Community Power prefers offers that provide SD Community Power with options to settle at the SP 15 Trading Hub.
- J. Scheduling Coordinator (“SC”) Responsibilities:** SD Community Power expects Scheduling Coordinator responsibilities to reside with Seller for indexed and TB4 contract structures. Otherwise, SD Community Power does not have a strong preference regarding the assignment of SC responsibilities and will evaluate offers in which the Buyer or Seller provide such services.

v. PROJECT EVALUATION CRITERIA

SD Community Power will evaluate responses against a common set of criteria including:

A. Quantitative Assessment:

1. Project Nodal Economics: SD Community Power will model the project’s performance at a CAISO proxy node that is representative of the point of interconnection (“POI”)

factoring in historical and forecasted pricing, which informs generation curtailment risk, basis risk against the SP15 trading hub and/or SDG&E's default load aggregation point, and forecasted net revenue potential.

2. Resource Adequacy value: SD Community Power will evaluate the project's expected Qualifying Capacity and Net Qualifying Capacity as well the project's fit in SD Community Power's resource adequacy compliance portfolio. Evaluative preference will also be given to any resource(s) located directly within or within close proximity to SD Community Power's Member Agencies.
 3. Renewable attribute value: SD Community Power will consider the volume of PCC1 energy that the project contributes toward SD Community Power's renewable targets.
 4. Project Technology and Product Diversity: SD Community Power will consider whether the project's technology will add to the diversity of SD Community Power's portfolio. For example, SD Community Power strongly encourages participation by LLT resources such as long-duration storage and clean firm resources.
- B. Project Development Status:** SD Community Power will consider whether a project has secured site control or options for site control. Prior to shortlisting, SD Community Power will require documentation for any secured site control. Any incremental project development progress will be considered as a measure of viability including site feasibility studies, permitting progress and complexity, and community outreach.
1. Developer Experience: SD Community Power will evaluate the developer's direct organizational experience with developing projects of similar scale and technology within CAISO's footprint. Respondents should also provide sufficient detail on efforts to assess the project POI's capacity potential as well as the developer's high-level procurement and deployment strategy to date for major equipment including main power transformers and other high-voltage equipment, photovoltaic panels, wind turbines, generators, and battery modules, as applicable.
 2. Developer/Project Financials: SD Community Power will consider the anticipated financing structure of the project and the primary developer/owner's current financial standing.
- C. Community Benefits:** SD Community Power has a preference for projects that provide environmental and economic benefits to communities afflicted with poverty or high unemployment, or that suffer from high emission levels of toxic air contaminants, criteria air pollutants, and greenhouse gases. Preference is given to projects located within a

Disadvantaged Community (DAC), Community of Concern (COC), a region otherwise designated by local jurisdiction or permitting agency as prioritized for renewable energy development (“Renewable Energy Development Zone” or “REDZ”), or on tribal land with consent.

To assist SD Community Power in assessing such benefits, each respondent should address the following question in its offers: is the proposed facility located (or will it be located) in a community afflicted with poverty or high unemployment or one that suffers from high emission levels? If so, describe how the facility can provide the following benefits to adjacent communities:

- Emissions reduction – identify existing generation sources by fuel source within 6 miles of proposed facility and indicate whether the proposed facility will replace/supplant the identified generation sources;
- To the extent that the proposed generating facility is expected to replace/supplant an existing generating facility, the Respondent is asked to quantify the associated emission impacts of this transition.

For projects not in our service territory, SD Community Power also encourages contributions to a community benefit fund that benefits SD Community Power customers.

- D. Environmental Stewardship:** SD Community Power prefers projects that are located on currently or previously developed land (including agricultural land no longer suitable for farming) or brownfield lands, in addition to projects that can demonstrate additional societal, economic, water-saving, or environmental benefits beyond the climate and GHG reduction benefits of renewable energy. SD Community Power encourages respondents to provide information on organizational initiatives for environmental stewardship, including how it informs project site selection as well as construction and operational activities.
- E. Workforce Development:** SD Community Power considers the project’s expected benefits to the local economy and workforce, including the anticipated number and duration of jobs created. SD Community Power expects projects to pay prevailing wages and utilize apprenticeship programs. Higher value is given to projects that benefit communities with high levels of poverty and unemployment and to projects that will utilize a project labor agreement (“PLA”).

Consistent with its Inclusive and Sustainable Workforce Policy,⁶ SD Community Power encourages submission of information from respondents that use the following hiring practices, as applicable. SD Community Power encourages respondents to describe efforts taken in pursuit of any of the following.

⁶ <https://sdcommunitypower.org/wp-content/uploads/2022/02/SD-Community-Power-ISWF-Policy.pdf>

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.

VI. INSTRUCTIONS

A. Questions

Respondents may submit questions regarding this RFO via the question submission form available on SD Community Power's website specific to this RFO. The question form can be accessed by using the following link: [All-Source RFO Q&A Form](#)

All questions must be received by 5:00 P.M. (PT) on September 30, 2024. SD Community Power will post responses to questions by October 9, 2024. SD Community Power reserves the right to group similar questions when providing answers.

SD Community Power may submit clarifying questions to certain respondents or conduct interviews, as necessary, based on information provided in the Offer Form and/or supporting materials included with each response. SD Community Power shall have the right, at its sole discretion, to request information without notifying other respondents. SD Community Power 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.

B. Offer Submittals

Only electronic submittals will be accepted; such submittals must be received by SD Community Power no later than 5:00 P.M. PT on October 28, 2024. All responses should be submitted via an online form available on SD Community Power's website, which can be accessed by using the following hyperlink: [All-Source RFO Offer Submittal](#). This form should be submitted for each unique project submitted via the standardized offer form (Attachment A).

It is the sole responsibility of the submitting Respondent to ensure that its offer is received before the submission deadline. Submitting Respondents shall bear all risks associated with delays in delivery. Any offers received after the scheduled closing date and time for receipt of offers may not be accepted.

Standardized offer form: All respondents must provide a project narrative and complete the standardized offer form template provided by SD Community Power (Attachment A). SD Community Power has posted the Excel template on its website⁷ and will require respondents to independently access and download the template for response preparation. An unmodified version of the template must be completed in its entirety based on instructions provided in the template. SD Community Power may update the RFO template from time to time, so respondents are encouraged to periodically visit the SD Community Power website to determine if any changes have been posted.

SD Community Power may submit clarifying questions to certain respondents or conduct interviews, as appropriate, based on information provided in the Offer Form or supporting materials. SD Community Power shall have the right, at its sole discretion, to request information without notifying other respondents. SD Community Power 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.

VII. RESERVATION OF RIGHTS

This RFO is a solicitation for offers only and is not intended as an offer to enter into a contract or as a promise to engage in any formal competitive bidding or negotiations. SD Community Power may, at its sole discretion, accept or reject any or all offers submitted in response to this RFO. In addition, SD Community Power may, at its sole discretion, only elect to proceed with contract negotiations for some of the product included in the offers. SD Community Power further reserves the right to cancel this RFO at any time prior to contract award without obligation in any manner for offer preparation, interview, fee negotiation or other marketing costs associated with this RFO. SD Community Power also reserves the right to waive minor errors and omissions or inconsequential disparities in offers, request additional information or revisions to offers, and to negotiate with any or all Respondents.

SD Community Power shall not be liable for any costs incurred by the Respondent in connection with the preparation and submission of any offer. SD Community Power has the right to amend the RFO, in whole or in part, by written addendum, at any time. SD Community Power is responsible only for that which is expressly stated in the solicitation document and any authorized written addenda. Such addendum shall be made available to each person or organization which SD Community Power records indicate has received this RFO. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the offer being found non-responsive and not being considered, as determined in the sole discretion of SD Community Power. SD Community Power is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf prior to an

⁷ <https://www.sdcommunitypower.org/resources/solicitations>

award of contract by SD Community Power. SD Community Power has the right to reissue the RFO at a future date.

VIII. CONFIDENTIALITY AND PUBLIC RECORDS

Offers submitted in response to this RFO shall become the exclusive property of SD Community Power. SD Community Power is subject to the California Public Records Act (“CPRA”). The offer will become a matter of public record when contract negotiations are complete and when an agreement is executed by SD Community Power. Exceptions to disclosure may be available to those parts or portions of offers that are justifiably and reasonably exempted under the CPRA, such as trade secrets. If a Respondent desires to exclude a portion of its offer from disclosure under the California Public Records Act, the Respondent must prominently mark it “confidential” and state the specific provision in the California Public Records Act that provides the exemption as well as the factual basis for claiming the exemption. A blanket statement of confidentiality or the marking of each page of the offer as confidential shall not be deemed sufficient notice of a CPRA exemption. A Respondent who indiscriminately and without justification identifies most or all of its offer as exempt from disclosure or submits a redacted copy may be deemed non-responsive.

Although the CPRA recognizes that certain confidential information or other exempt records may be protected from disclosure, SD Community Power is not in a position to establish that the information that a Respondent submits is exempt. If a request is made for information marked “Confidential,” SD Community Power will provide Respondents who submitted the information with reasonable notice to seek protection from disclosure by a court of competent jurisdiction.

SD Community Power shall not, in any way, be liable or responsible for any resulting disclosure of any such record or any parts thereof pursuant to the CPRA or otherwise by law.

IX. CONFLICTS OF INTEREST

SD Community Power is governed by the Political Reform Act, Government Code Section 1090, Government Code Section 84308, and other requirements governing conflicts of interest, campaign contributions, and gifts. Respondents are required to review all applicable conflict of interest laws. In addition, SD Community Power has adopted policies governing procurement. Respondents are advised to review all policies, including the Procurement Policy, available at: <https://sdcommunitypower.org/resources/key-documents/>.

The Respondent may not contact or receive information outside of this RFO process. If it is discovered that the Respondent contacted and received information from anyone other than the mediums used to share information about this solicitation specified above and under the process

specified herein regarding this solicitation, SD Community Power may, in its sole discretion, disqualify the offer from further consideration.

All contact regarding this RFO or any matter relating thereto must be in writing and submitted using the Questions Submissions Form. The question form can be accessed here: [All-Source RFO Q&A Form](#)

x. REPORTING OF SUPPLIER DIVERSITY INFORMATION

Public Utilities Code Section 366.2(m) requires certain community choice aggregators, including SD Community Power, 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.⁸

To assist SD Community Power with its reporting obligations under Public Utilities Code Section 366.2(m) and with evaluating its supplier outreach and other activities, the successful respondent(s) that is/are awarded the contract(s) 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 women business enterprises (WBEs), minority business enterprises (MBEs), disabled veteran business enterprises (DVBES), and lesbian gay bisexual transgender business enterprises (LGBTBES).

Except as otherwise expressly provided under SD Community Power’s Procurement Policy and/or required by applicable state or federal law or funding requirements (including, without limitation, any grant or loan conditions), SD Community Power shall not use any demographic information received from respondents in any way as part of its decision-making or selection process. Rather, SD Community Power will use such information solely for compliance with its reporting obligations to the CPUC and evaluation of SD Community Power’s outreach and other activities consistent with applicable law. Pursuant to Article I, Section 31 of the California Constitution, SD Community Power 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.

xi. NON-DISCRIMINATION

SD Community Power will not discriminate and will require its contractors to not discriminate on the basis of race, gender expression, gender identity, religion, national origin, ethnicity, sexual

⁸ www.thesupplierclearinghouse.com

orientation, age, or disability in the solicitation, selection, hiring, or treatment of contractors, subcontractors, vendors, or suppliers. The successful Respondent shall provide equal opportunity for subcontractors to participate in subcontracting opportunities.

XII. PROTESTS

- A. *Protest Contents:* A respondent may protest a contract award if the respondent believes that the award was inconsistent with SD Community Power Procurement Policy or if this RFO is not in compliance with applicable law. A protest may be submitted electronically to cstephens@sdcommunitypower.org within five (5) business days after receipt of notification of the contract award. Any protest submitted after 5:00 PM of the fifth business day after notification of the contract award will be rejected by SD Community Power as invalid and the respondent's failure to timely file a protest will waive the respondent's right to protest the contract award. The respondent's protest must include supporting documentation, legal authorities in support of the grounds for the protest and the name, mailing address and telephone number of the person representing the respondent for purposes of the protest. Any matters not set forth in the protest shall be deemed waived.
- B. *SD Community Power Review:* SD Community Power will review and evaluate the basis of the protest provided the protest is filed in strict conformity with the foregoing. SD Community Power shall provide the respondent submitting the protest with a written statement concurring with or denying the protest. Action by SD Community Power relative to the protest will be final and not subject to appeal or reconsideration. The procedure and time limits set forth in this section are mandatory and are the respondent's sole and exclusive remedy in the event of protest. Failure to comply with these procedures will constitute a waiver of any right to further pursue the protest, including filing a government code claim or legal proceedings.

XIII. ATTACHMENTS

- A. Offer Form
- B. Exclusivity Agreement Template
- C. Renewable-Only (PPA) Term Sheet
- D. RPS and Storage (PPA) Term Sheet
- E. Storage (ESSA) Term Sheet