SAN DIEGO COMMUNITY POWER

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San Diego Community Power 2026 Cluster 16 RFI Questions and Answers

San Diego Community Power received the following questions by the deadline stipulated in the request for information ("RFI").

1. Does the Exclusivity Agreement restrict a project from receiving commercial interest point allocations from other load serving entities?

An Exclusivity Agreement with Community Power does not prevent a project from receiving Commercial Interest Point ("CIP") allocations from other load-serving entities ("LSEs"), provided that the total MW volume awarded by all LSEs, in aggregate, does not exceed the project's total capacity. In short, a project may receive CIPs from multiple LSEs if sufficient project capacity exists, and no MW allocation is counted or awarded more than once.

2. Section IV.C provides for return of the Deposits upon execution of the ESSA/PPA or upon withdrawal from the Cluster 16 queue. Are the Deposits also returned if the Agreement terminates under Section IV.A(ii) because the project is allocated less than the specified MW of TP Deliverability? Is that MW threshold proposed by the respondent or set by Community Power?

If projects are awarded less than the specified MW of TP Deliverability, then the Deposits are returned. The MW threshold is agreed to between the parties prior to EA execution.

3. For Offer Form item 69, what form of financial statements satisfies the requirement- audited, reviewed, compiled, or internally prepared?

For Offer Form item 69, Community Power requests that bidders provide the past 2 years of audited financial statements. Unaudited financial statements are acceptable if audited financial statements are not available. If unaudited financial statements are provided, Bidders must state that audited financial statements are not available in the project narrative.

4. For projects outside San Diego and Imperial Counties, must the PLA be with a specific trades council, or with the council having jurisdiction over the project site?

For projects outside of San Diego and Imperial Counties, there is not a specific trades council that must be utilized; however, the preference would be to coordinate with the council having jurisdiction over the project site.

5. In the RFP, RPS eligible resources are described as Long-lead time (“LLT”) zero-emitting, Renewable Portfolio Standard (“RPS”)-eligible resources with an 80% capacity factor (“clean firm resources”) as defined by the California Public Utilities Commission (“CPUC”), bundled with all Green Attributes/Renewable Energy Credits related thereto, and Capacity Attributes, including Resource Adequacy (“RA”) value, as applicable. If we are bidding a Hybrid resource, must the RPS component of that resource meet the 80% capacity factor or LLT requirement?

If hybrid resources are comprised of a storage facility and an RPS facility, Community Power does not expect such projects to be eligible for a clean-firm designation. Community Power expects clean-firm resources to meet the 80% capacity factor without the use of storage.

6. Can SDCP confirm that the Deposits will be returned if the Parties negotiate diligently and in good faith but do not execute a PPA or ESSA before expiration of the Negotiation Period or any Extension Period? We suggest expressly including that circumstance in the deposit-return provision to avoid ambiguity.

Forfeiture of the Deposits under Section IV.B applies only in the event of a termination for cause — for example, a failure to negotiate in good faith, a material misrepresentation, a material breach, a unilateral withdrawal or attempted material modification, or entering into discussions with a third party during the exclusivity period. Respondents are welcome to propose clarifying language in their markups to the Exclusivity Agreement for Community Power's consideration.

7. The agreement provides both for forfeiture of the Deposits as SDCP’s sole and exclusive remedy and for indemnification of SDCP for “all benefits lost and other damages” arising from certain breaches. Can SDCP clarify how these provisions are intended to operate together? We suggest confirming that forfeiture of the Deposits is SDCP’s sole and exclusive monetary remedy under the Agreement.

The forfeiture and indemnification remedies referenced above do not apply to exactly the same provisions in the Agreement. Rather, the forfeiture remedy establishes Community Power's recourse for certain breaches identified in the Agreement (e.g., material breach, materially modifying the terms of the Offer), while the indemnification provisions are intended to only address losses arising from violations of the Exclusivity (Section I) and ROFO obligations. Community Power reserves the right to clarify these provisions in the final form of the Agreement.

8. The ROFO says that Respondent may not sell, market or deliver any Product with or attributed to the Project but what if SDCP only allocates points to a portion of the project? Our expectation is that this shouldn't disallow Respondent from offering the remaining capacity to another buyer.

The Right of First Offer is intended to apply only to the Project offered (i.e. the Products associated capacity) that is the subject of Respondent's exclusivity with Community Power and is not intended to restrict Respondent from marketing capacity in excess of the Project capacity offered to Community Power.

9. We understand that an attempted "material modification" of the Initial Proposal or Offer may result in forfeiture of the Deposits. Because the Offer will reflect updated interconnection study results, deliverability and project economics, can SDCP clarify which changes—including updates to price, COD, guaranteed capacity, storage duration or other study-driven terms—would be permissible and would not constitute a material modification?

The Offer should conform to the Initial Proposal with respect to project location, technology (e.g. solar, wind, 4hr storage, geothermal, etc.) and unless as a direct result of the Final Interconnection Facilities Study results, the Offer's megawatt capacity should align with the capacity proposed with the Initial Offer. Otherwise, the Offer is expected to reflect the results of the Respondent's Final Interconnection Facilities Study, including updates to deliverability, interconnection costs, and related project economics. Refinements of this nature are anticipated and do not by themselves constitute a material modification. The material-modification restriction in Section IV.B is directed at changes to the Offer made after it has been submitted and during the Negotiation Period or Extension Period.

10. Would SDCP consider requiring the Additional Deposit only when Respondent submits the Offer or when SDCP elects to proceed to negotiations, rather than upon receipt of the Facilities Study Report? This would align the additional security with the point at which the parties begin incurring meaningful negotiation obligations.

SDCP intends for the Additional Deposit to be tied to a meaningful and objective milestone in the interconnection process. Receipt of the Final Interconnection Facilities Study Report reflects significant advancement of a project through the Cluster 16 process and provides greater certainty regarding project viability, costs, and deliverability assumptions. Accordingly, Community Power believes that the timing appropriately aligns the Additional deposit with the value of the Commercial Interest Point allocation and the parties' ongoing obligations under the Exclusivity Agreement. Community Power may consider an alternative fixed point in time.

11. We appreciate the cure right provided for concerns regarding good-faith negotiations and request that a similar notice and reasonable cure period apply to any alleged breach that is capable of being cured before SDCP may draw on or retain the Deposits.

The Agreement currently provides a cure opportunity with respect to good-faith negotiation concerns. Community Power recognizes that some breaches may be capable of cure, while others may result in harm that cannot be fully remedied.