



East Bay Community Energy

2018 California Renewable Energy

Request for Proposals

**Responses to Bidder Questions – Round 2**

**Publication date for first round of questions: June 18, 2018 ([available here](#))**

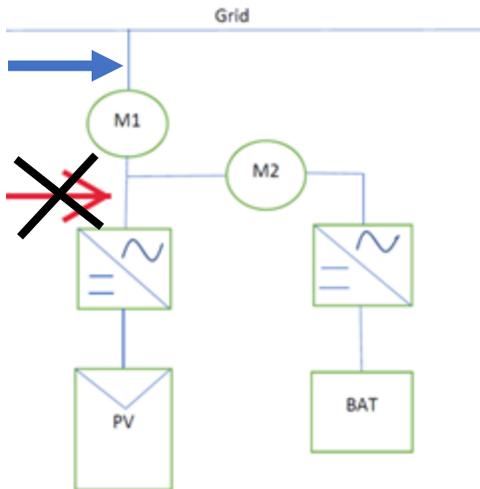
**Publication date for second round of questions: June 26, 2018**

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## Energy Storage

1. I have an additional question related to Energy Storage System criteria. We are planning to add a battery system on PV facilities like an image below.



According to one of the bullet point on page 5 of the RFP,

**Metering: Generation metered prior and separate to storage. Seller is paid the PPA rate (\$/MWh) for every MWh generated by the PV facility prior to any energy being stored,**

Does it mean we shall add another meter right at the PV generation output (where the red arrow points to), as the revenue meter for PPA payment calculation (\$/MWh)? Then the battery charging becomes “free.”

Could you please clarify the phrase in the RFP and where would be metered?

EBCE is requesting storage proposals with the below characteristics. “Metering: Generation metered prior and separate to storage. Seller is paid the PPA rate (\$/MWh) for every MWh generated by the PV facility prior to any energy being stored” indicates that Meter 2 should be at the blue arrow. Bidders may propose alternative designs but must clearly state their assumptions in the proposal.

From the RFP: If providing a storage offer, EBCE would like to see storage offers with the following characteristics that qualify for RA:

- Product: All products and attributes, including energy, RA, and ancillary services, that are described in the base product above. Seller may propose an alternative subset of products.
- Capacity: 20% of the renewable energy project’s MWac contracted capacity / 4hr duration
- Cycles per Day: 1 full cycle per day
- Metering: Generation metered prior and separate to storage. Seller is paid the PPA rate (\$/MWh) for every MWh generated by the PV facility prior to any energy being stored
- Storage Pricing: Storage to be priced on a \$/kW-mo basis. Seller is paid \$/kW-mo x nameplate capacity over contract term.
- Grid Charging: Assume no charging from the grid during the first 5 years of operation. Buyer has option to charge from grid starting in year 6.

- **Guaranteed Capacity:** 70% of nameplate storage capacity for 10 years; battery can degrade below 70% after year 10

**2. According to the “Energy Storage” section of the RFP, the requirement for generation metering is that it must be prior and separate to storage. Thus, we would like to clarify if bid proposals for DC-coupled solar + storage systems will be considered in this RFP.**

Yes, EBCE is seeking DC-coupled solar + storage systems.

**3. What qualifies a storage offering as being a flexible RA capacity product?**

Bidder should review CAISO’s flexible resource adequacy criteria to determine qualifications.

**4. Which meter in the Solar + Storage project proposal should the P50 generation profile represent (in the “Project Generation” tab within Exhibit C)?**

- a. **Meter at high side of main power transformer (after all storage and substation losses),**
- b. **Meter at output of the storage system, or**
- c. **Meter at the output of AC side of the solar system, prior to storage and substation.**

Generation profile should incorporate energy from solar + storage, integrating the two aspects, but prior to substation losses.

## **Bid Size**

**5. Would it be possible that the respondent offers two proposals (as separate two projects) under one interconnection agreement? For example, a developer obtains one interconnection agreement of 20MW size of the project. The developer may have a plan to bid as separate two projects, Project A 10MW and Project B 10MW. Will you accept two projects under the one interconnection agreement?**

**Would it be possible to award two PPAs from EBCE?**

Yes, this is acceptable, and yes two PPAs could be awarded in this scenario.

**6. Are the P50s requested in the offer form non-binding, given that the development stage projects may be subject to minor design and production changes?**

Confirmed. We expect that your bid size in terms of MWac will stay the same, but the p50 will evolve a bit as you continue to collect resource data and optimize the layout of the site.

## **Settlement**

**7. In reviewing the EBCE term sheet, can you please confirm that the intention would be to settle based on the Day-Ahead price (for the Inter-SC Trade) but on actual produced volumes in the real-time? We’re just trying to make sure we are modelling it correctly.**

A standard conforming bid should assume that EBCE takes on the responsibility of SC and will settle with the seller at the PPA price and actual produced volumes. In the case where the Seller is proposing to be the SC, the submissions should specify Seller’s assumptions on settlement.

8. The term sheet has a section called “CAISO Market” and a bracket around Day-Ahead in the response column. Would you please elaborate on what you are looking for here, and why it might be relevant if the project is offering a long term PPA price settled at a hub?

This is only relevant if the seller is the SC. Otherwise, if EBCE is the SC, they will be able to choose day ahead or real time settlement.

## Seller Security

9. We have a follow-up on one of the questions asked during the bidder webinar. See below the relevant question from the published FAQ:

42. Securities - for a PV+storage bid (considered "dispatchable"), does the \$90k/MW security apply to the full PV capacity in addition to the storage capacity? Or should we calculate the total security as \$60k/MW for the PV capacity and \$90k/MW for the storage capacity? So, if we offer 100MW solar plus 20MW storage. Would the Dispatchable Development Security apply to 100MW, 120MW, or the maximum capacity at the POI?

The dispatchable development security applies to the maximum capacity at the POI.

When this question was asked on the webinar, the oral response was that the \$90k/MW would apply to the aggregate volume of the PV system plus the storage system, but, as shown as above, the written response differs. Can you clarify which protocol we should follow? I.e. for a 50 MW PV + 10 MW storage bid, would the relevant capacity for calculating the security be the max capacity at the POI (50 MW) or the total bid capacity (50 MW + 10 MW = 60 MW)?

Please follow the written guidance. The dispatchable development security applies to the maximum capacity at the POI.

10. Our bid will be based on existing projects with long operating histories. Please confirm need for development security requirements under these circumstances.

At this time, EBCE is not asking for security from existing projects prior to the start of the term. EBCE reserves the right to require operational security prior to the start date, which would be discussed during negotiations, but it does not need to be priced into the initial proposal.

## Operations and Maintenance

11. The “Operations and Maintenance” subsection of the proposal requirements listed in the RFP document states: “Bidder must state whether the proposal assumes that EBCE will provide SC Services (as reflected in its proposed Term Sheet) or that they, or a third-party, will provide such SC services. If the Bidder’s proposal includes a unique scheduling arrangement in order to provide an economically advantageous deal structure to EBCE, then the Bidder must clearly outline the roles and responsibilities of the Bidder and EBCE”. Does EBCE anticipate that the Bidder will address this question in the Offer Form, or in a separate document? Please note that the “Operations and Maintenance” questions in the Offer Form do not address SC services.

In what part of the Offer Form should bidders describe additional services proposals?

In the updated version of Exhibit C, titled Exhibit C Proposal Offer Form\_Revision 1, the bid tab has a row for “Non-Conforming Assumptions.” You can use that row to explain your unique SC proposal. If you need more space, you can write something brief in that cell and indicate “please see attachment for further explanation of SC proposal.”

## PPA Effective Date and Delivery Term Start Date

**12. Could you please offer some clarification around the “PPA Effective Date and Delivery Term Start Date” section of the term sheet? More specifically: will a project be compensated at the contract PPA price or at the test energy rate (75% of PPA price) if COD occurs 60 days prior to the Guaranteed COD?**

The PPA Effective Date is the date the PPA is mutually executed.

Once project achieves COD, as defined in term sheet – pasted below – the project will be compensated at the contract PPA price.

If the project is operational and starts to deliver energy to the grid prior to COD (for example, it hasn't yet achieved one of the nine items defining COD below), EBCE will purchase the power at 75% of the PPA price between that time and when the Buyer provides the Seller with written acknowledgement of the COD. This date, when the Buyer provides written acknowledgement of COD to the Seller, is the Delivery Term Start Date.

*From the term sheet:* The COD shall be the date when all of the following requirements have been met to Buyer's reasonable satisfaction including Seller providing a certificate from an independent engineer to Buyer with respect to subparts (i), (iii), (iv) and (v):

- (i) Facility has met all Interconnection Agreement requirements and is capable of delivering energy from the Facility to the grid;
- (ii) Seller has provided Buyer with a copy of written notice from the CAISO that the Facility has achieved Full Capacity Deliverability Status (as defined in the CAISO tariff), if applicable;
- (iii) Commissioning of equipment has been completed in accordance with the manufacturer's specification;
- (iv) 100% of Installed Capacity has been installed and commissioned;
- (v) Facility has successfully completed all testing required by prudent utility practices or any requirement of law to operate the Facility;
- (vi) All applicable permits and government approvals required for the operation of the Facility have been obtained;
- (vii) Seller has obtained all real property rights;
- (viii) Security requirements for the Delivery Term have been met; and
- (ix) Insurance requirements for the Facility have been met, with evidence provided in writing to Buyer.

## Term Sheet

**13. Regarding the term sheet, do respondents need to fill out and complete all blanks? Some of information, for example, Project Development Milestones dates are tentative. Also, could you please clarify a difference between expected COD and guaranteed COD? How strict will you be on the guaranteed COD? If a project is still developing as an early stage, it could be difficult to set a date as a guaranteed COD.**

Please complete all blanks to the best of your ability. East Bay Community Energy understands that milestone dates and CODs may change as project development proceeds. The focus of the term sheet markup is less on the dates and more on the terms of the contract – please put the priority on flagging any commercial term that would need to change for your offers.

The difference between COD and Guaranteed COD is the other terms that correspond with those dates. COD is your estimate for when the project will have met the nine bullet points in the term sheet. There are no damages tied to the COD. Guaranteed COD is the date after which the seller will have to pay damages

to the buyer, if the project is not yet operational. If the project does not achieve COD within 60 days of the guaranteed COD, the buyer has the right to terminate the PPA and collect all accrued damages, in addition to any other remedies it may have at law or equity.

## Webinar

### 14. Please provide access to the webinar and a list of attendees.

The link to the webinar is available on EBCE's web page, <https://ebce.org/california-renewable-energy/>. There you will also find links to the PDF of the slides from the webinar, and answers to all bidder questions that have been answered thus far.

The specific link to the recording is <https://register.gotowebinar.com/register/6152003243989186818>. It will first prompt you to register, and then will take you to the recording.

EBCE is not providing a list of webinar attendees.

## Due Date

### 15. We are somewhat late to the table on this RFP. We missed the webinar so didn't have the chance to hear your pitch or ask any questions following it. Is there any way we can get an extension on submission or is the June 29th date firm for this RFP? If it is firm, do you anticipate future RFP's? We believe floating solar could play a compelling role in EBCE's renewable energy mix. Perhaps we can schedule a call with you to bring us up to speed?

We cannot allow a deadline extension for any participant. Edison Energy cannot share any information to any developer individually. However, you can reference the recorded webinar and the answers to all bidder questions that have been submitted through EBCE's web page, <https://ebce.org/california-renewable-energy/>.

## Updating Bid Information After RFP Has Closed

### 16. How should bidders communicate through this RFP process if a transaction related to the offered project is expected during the timeline of the overall EBCE RFP process, particularly in the context that the transaction is favorable to the project and makes the project more attractive for EBCE?

**(Editorial note: the contemplated offered project has submitted an NOI to bid to EBCE RFP per the requirements, and is in an active sale process and exclusivity period with new prospective owner, though the transaction will not close by RFP deadline of June 29)**

Bidders should note any expected key development/transactional milestones in the proposal, detailing the likely outcome, risks, and key dates for EBCE's consideration. Major updates outside of these items that can be sent to [eegrenewablerfp@edisonenergy.com](mailto:eegrenewablerfp@edisonenergy.com).

## RFP Submission Through Dropbox

### 17. The Proposal Submittal section indicates that Bidders must submit their RFP response via Dropbox by the 6/29 deadline. Edison Energy is supposed to provide Dropbox folder links. When will these Dropbox folder links be provided?

You will receive a link by Tuesday, June 26. If you do not receive a link, or have any trouble using the link, please contact [eegrenewablerfp@edisonenergy.com](mailto:eegrenewablerfp@edisonenergy.com).