

Clean Power Alliance 2022 DAC-GT CSGT Request for Offers

January 10, 2023



Agenda

- Introduction
- CPA and RFO Overview
- About CPA Power Share Programs
 - DAC Green Tariff
 - Community Solar Green Tariff
- RFO Eligibility and Timeline
- RFO Evaluation Process
- Wrap Up and Q&A



Introductions

Alex Ricklefs



Clean Power Alliance
Program Manager, Community
Solar

Alex Caryotakis



Clean Power Alliance
Contract Manager, Structured
Contracts

John McNamara



Clean Power Alliance
Director, Structured Contracts

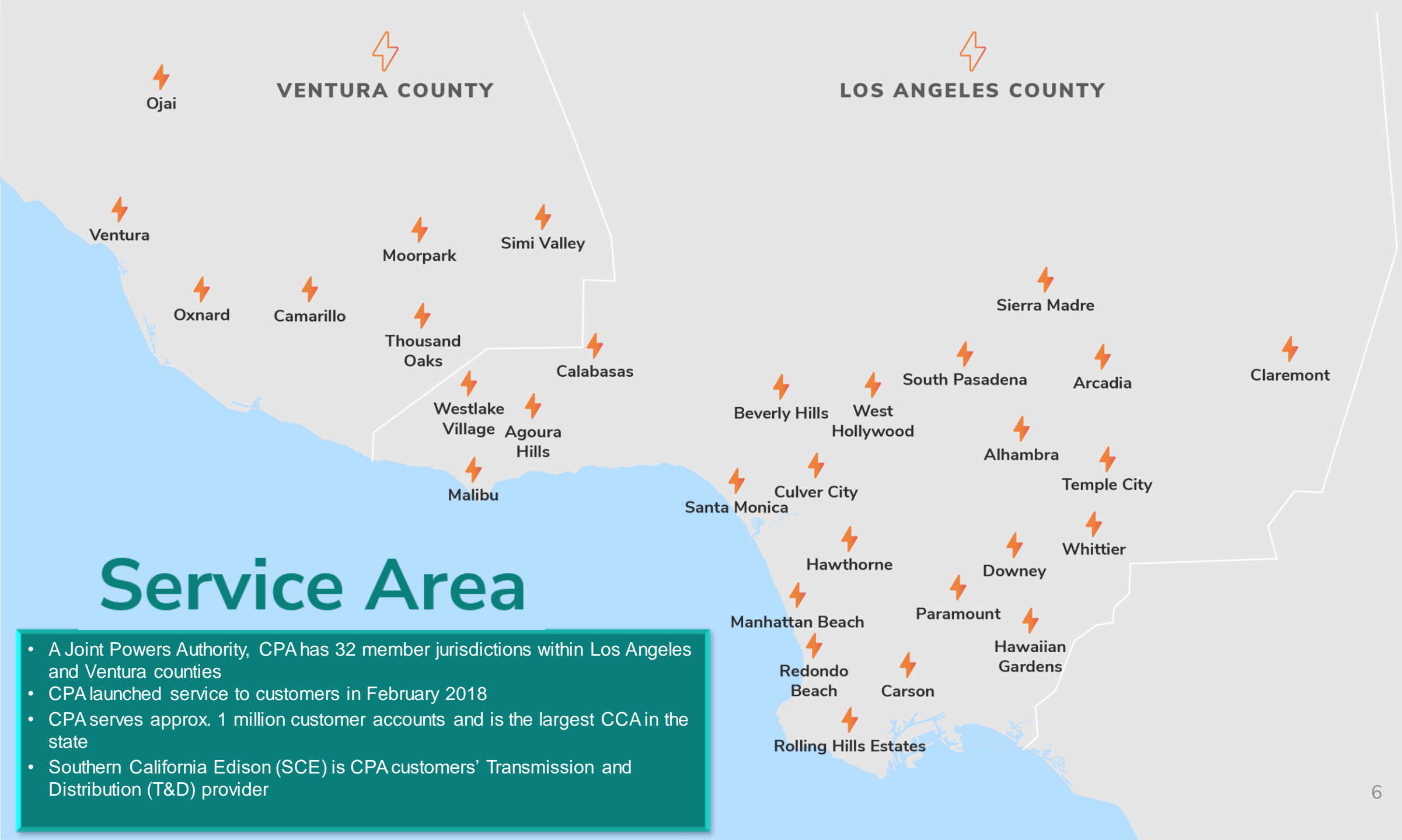
Housekeeping

- Audio – Disabled but please keep phone on mute
- Questions during the webinar must be submitted via the text chat window. Questions will be answered in the time available at the end of the presentation
- Additional questions should be submitted to DACProgramsRFO@cleanpoweralliance.org
- All submitted questions will be answered in the Q&A responses posted to the RFO website
- Video – Disabled
- This presentation will be recorded and available after the call

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- A Joint Powers Authority, CPA has 32 member jurisdictions within Los Angeles and Ventura counties
- CPA launched service to customers in February 2018
- CPA serves approx. 1 million customer accounts and is the largest CCA in the state
- Southern California Edison (SCE) is CPA customers' Transmission and Distribution (T&D) provider

RFO Background

- In June 2018, the CPUC approved D.18-06-027 which created the Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs (Power Share Programs)
- Pursuant to D.18-06-027, CPA may implement its own DAC-GT and CSGT Programs in its service territory
- CPA was allocated 12.19 MW for its DAC-GT program and 3.37 MW for its CSGT program
- CPA expects to fill CPA's eligible program capacity allocation under the DAC-GT and CSGT programs over multiple RFOs. This RFO is the third of CPA's DAC-GT and CSGT program RFOs
- The "Power Share" brand will be used with customers, however, since solicitation materials reference the CPUC approved programs (DAC-GT and CSGT), these names are used throughout this presentation

What is a Disadvantaged Community?

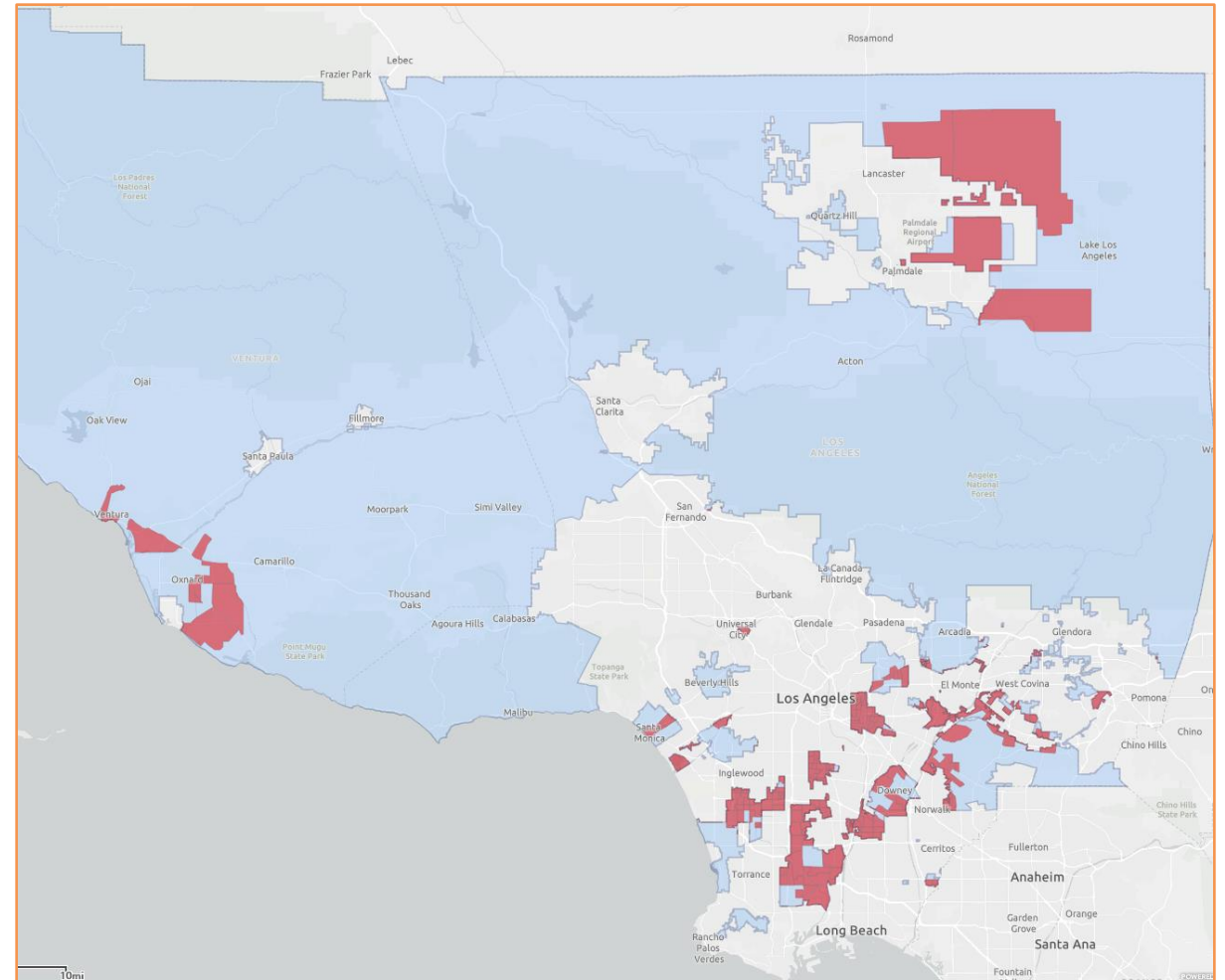
Disadvantaged communities are geographically defined as the 25% highest scoring census tracts in CalEnviroScreen, a scoring methodology developed by CalEPA to identify DACs

“Disadvantaged communities refers to the areas throughout California which most suffer from a combination of economic, health, and environmental burdens. These burdens include poverty, high unemployment, air and water pollution, presence of hazardous wastes as well as high incidence of asthma and heart disease.” – CPUC Definition of DACs

Eligible Project Areas

Eligible Project Areas

- (1) score at or above the 75th percentile CalEnviroScreen 3.0 and/or 4.0; or
- (2) are one of the census tracts that score in the highest five percent of CalEnviroScreen's pollution burden, but that do not have an overall score because of unreliable socioeconomic or health data; or
- (3) are located in California Indian Country as defined in 18 United States Code Section 1151
- A map of California DACs can be accessed in [CPA's Clean Energy RFO Evaluation Tool](#)



DACs (red) in CPA's service territory (blue)

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Power Share Customer Benefits

- Both the DAC-GT and CSGT programs provide an additional 20% discount to eligible customers, compared to their otherwise applicable tariff (OAT)
- DAC-GT customers will receive renewable energy from Renewable Portfolio Standard (RPS)-eligible projects located in Southern California Edison (SCE) territory
- CSGT customers will receive a portion of the renewable energy output of a local community solar project
- The following slides describe the DAC-GT and CSGT programs individually in more detail



DAC-GT Overview

- ⚡ DAC-GT customers will receive renewable energy from an RPS-eligible project located in a DAC in CPA or SCE territory
- ⚡ For the DAC-GT program, eligible projects must be sized between 500 kW and 3.27 MW
- ⚡ Customer enrollment is available now; subscribing customers receive 100% renewable energy at a 20% discount on their total electric bill



Customer Enrollment – DAC-GT

- ⚡ Customer enrollment for the DAC-GT program is already available and fully subscribed
- ⚡ Residential customers interested in enrolling in the DAC-GT program can sign up with CPA online at <https://cleanpoweralliance.org/power-share/> or by phone
- ⚡ CPA will verify customer eligibility
- ⚡ If a customer is not currently enrolled in the CARE or FERA programs, they will be encouraged to enroll in SCE's CARE/ FERA programs through the existing IOU enrollment process
- ⚡ Eligible customers may enroll in the program until customer subscriptions reach 12.19 MW (the DAC-GT program cap)

CSGT Overview

- ⚡ The CSGT program allows eligible residential customers to receive renewable electricity produced by a CSGT project for up to 100% of their electric usage
 - More specifically, customers subscribe to a percentage of the CSGT Project capacity based on their historical energy use
- ⚡ The Project must be physically located within an eligible DAC and located within 5 miles of the benefitting customers' census tracts
 - CPA prefers, but does not require, projects to be located within CPA's service territory
- ⚡ The maximum size of a Project is 2.7 MW (no minimum)
- ⚡ Each CSGT project must have a non-profit community-based organization (CBO) or local government entity that sponsors a CSGT Project on behalf of residents



CSGT – Community Sponsor

- ⚡ Each CSGT project must have a non-profit or local government community sponsor
- ⚡ Each CSGT project must submit a letter of commitment from a non-profit CBO, a local government entity, or school that would serve as a sponsor for the CSGT project on behalf of the residents that are located in a DAC within CPA's service territory
- ⚡ The letter must contain at minimum:
 - Demonstration of substantial interest of community members in subscribing to Project (e.g., letter of support)
 - Estimated number of subscribers, with justification to ensure Project is sized to likely demand*
 - A preliminary plan to conduct outreach and recruit subscribers (which may be conducted in conjunction with the developer and/or CPA)
 - Siting preferences, including community-suggested host sites, and verification that the site chosen for the bid is consistent with community preference
 - Description of how workforce development and job training will be incorporated in their efforts

*CPA's [Clean Energy RFO Evaluation Tool](#) can be used to obtain an estimate of eligible CSGT customers within a 5-mile radius of the project

Community Solar Example – Commercial Site

Example where the project site is a commercial/industrial building, and the Community Sponsor supports the project:

- ⚡ Community Sponsor can utilize 25% of the power from the project; the remaining 75% goes to the community's homes
- ⚡ Community Sponsor is eligible for a 20% bill discount on up to 25% of the project's output
- ⚡ The Project site generates the power and the Developer is compensated through the PPA

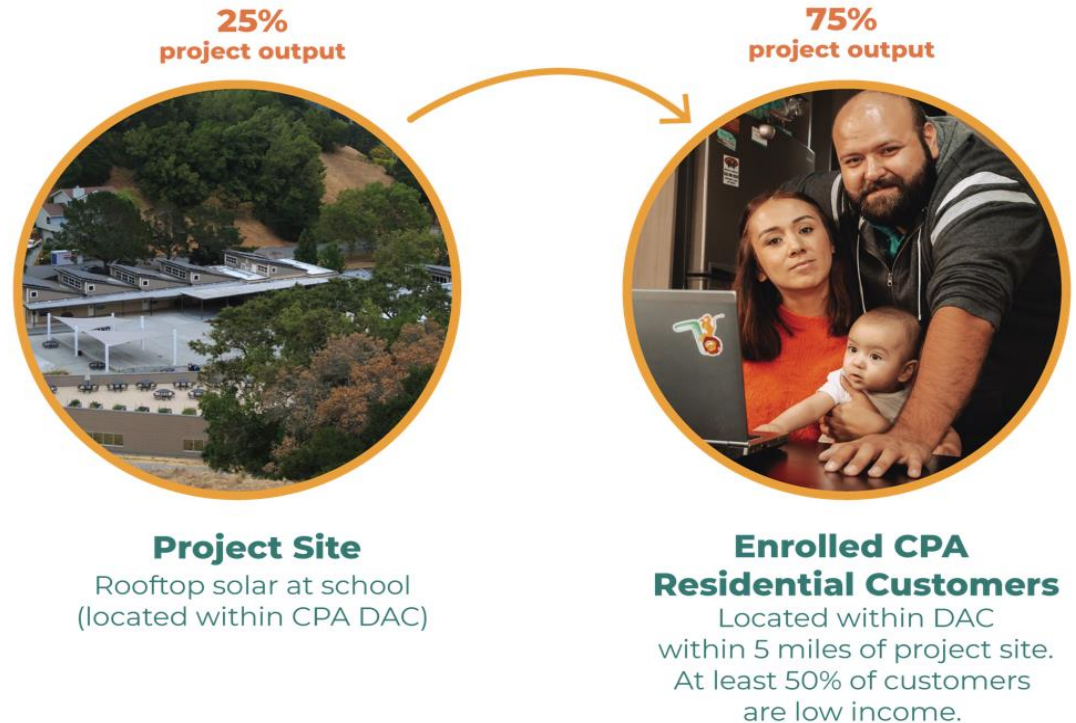


Community Solar Example – Community Site

Example of where the project site is also the Community Sponsor:

- ⚡ Community Sponsor/site can utilize 25% of the power from the project. The remaining 75% goes to the community's homes
- ⚡ Community Sponsor/site is eligible for a 20% bill discount on up to 25% of the project's output
- ⚡ The Project site generates the power and the Developer is compensated through the PPA

Example 2 – project site is also community sponsor.



CSGT – Customer Enrollment

- ⚡ Enrollment of new customers in CPA's CSGT program is available until 100% of a CSGT Project's capacity is subscribed
- ⚡ Low-income customers will be enrolled on a first-come, first-served basis
- ⚡ Once 50% of project capacity is subscribed by low-income customers, non-low-income qualified residents in DACs will become eligible for enrollment



CSGT – Customer Enrollment Example

A customer with an average historical usage of 500 kWh/month subscribes to a CSGT project with 100 kW capacity and an average monthly output of 21,900 kWh:

- $500 \text{ kWh} / 21,900 \text{ kWh} = 2.3\%$ of project annual output
- $2.3\% \times 100 \text{ kW} = 2.3 \text{ kW}$
- Customer is subscribed to 2.3 kW of the 100 kW project

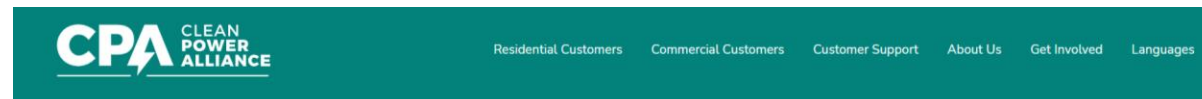


CPA Power Share Marketing Plan

- CPA will develop multilingual print and digital marketing materials and will conduct its own targeted marketing and outreach efforts via paid advertising and direct mail and email to eligible customers
- Community sponsors, member agencies, CBO grantees, and Community Advisory Committee members will be provided with a toolkit of materials to use in their own outreach efforts
- CPA will provide training as needed to community sponsors and CBOs to enable them to support and facilitate customer enrollment via an online enrollment tool
- CPA will support community sponsor outreach by making presentations and participating in community events

Community Solar Pairing Resource

Community Solar stakeholders who are interested in connecting with potential project partners to submit a complete offer for this RFO or future RFOs are invited to visit the [Community Solar webpage](#) for more information on a CPA sponsored pairing resource that can connect solar energy developers with public and nonprofit organizations interested in hosting or sponsoring a community solar project



Community Solar

CPA is working with communities and energy developers to build local, small-scale solar projects that will provide clean power at a 20% discount to under served-communities.

What is Community Solar?

The California Public Utilities Commission (CPUC) has allocated 3.13 megawatts (MW) of solar generation for Clean Power Alliance (CPA) customers under the Community Solar Green Tariff. This program is designed for electricity providers like CPA to partner with solar developers and local communities to bring clean power to under-resourced neighborhoods.

How does it work?

Solar developers partner with local nonprofits, schools, or public agencies to sponsor projects on behalf of nearby residents within a Disadvantaged Community (DAC) in CPA's service territory.

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Program Comparison

The unique requirements of the DAC-GT and CSGT programs are summarized below. See the RFO Protocol for full project eligibility requirements

	DAC-GT	CSGT
Customer Income Eligibility	Must be eligible for the CARE or FERA low-income programs	50% of enrollment reserved for CARE or FERA customers
Customer Locational Eligibility	Customers live within a DAC in CPA territory; projects located within a DAC in SCE territory	Customers live within a DAC in CPA territory; projects located within a DAC that is within 5 miles of benefitting customers' DAC census tract
Customer Segments	Residential service	Residential service*
Enrollment Cap	2 MW per customer	2 MW per customer
Energy Mix	100% renewable energy based on monthly usage	Customers subscribe to a portion of project capacity based on historical usage
Project Size	500 kW – 3.27 MW	No Minimum; Maximum 2.7 MW
Generation Type	New solar, wind, hydroelectric, or biomass/biogas RPS-eligible FTM generating facility	New, RPS-eligible solar, FTM generating facility
Interconnection	Must have completed a Phase I Interconnection Study or equivalent or received a positive determination of Fast Track eligibility .	The Project must have received a positive determination of Fast Track interconnection eligibility
Community Sponsor	N/A	Projects require a Community Sponsor
CAISO Participation	Project must participate in the CAISO market	Project must demonstrate eligibility to participate or a path towards eligibility participate in the CAISO market

*Community sponsor may take commercial service and still be eligible for CSGT

Compliant Submission Specifications

Specification	Detail
Price	<p>Fixed \$/MWh with zero percent (0%) annual escalator. Prices must be offered at the project Pnode.</p> <p>Bidders may submit a maximum of one (1) offer per unique facility/location. This project should be the largest size and most competitive offer that meets all compliance requirements.</p>
Number of Offers	<p>Alternative configurations or pricing schemes may be submitted as descriptions within the narrative document but may not be evaluated or considered until final negotiations or at all.</p> <p>NOTE: If a single Bidder wishes to submit multiple unique facilities (at different locations), each project must be submitted as an entirely separate Submission Package with fully completed copies of each relevant document.</p>
Term	<p>Bidders must submit a conforming offer with a term of fifteen (15) years. Bidders may also provide additional alternate offers of ten (10) years and twenty (20) years, if desired.</p>
Scheduling Coordinator	<p>Buyer shall be the Scheduling Coordinator (“SC”).</p>



Compliant Submission Specifications (cont.)

Specification	Detail
Ownership	All projects will be owned by the Bidder, with CPA contracting the output of the resource for the duration of the contract term.
Expected Commercial Operation Date (“COD”)	On or prior to December 31, 2025.
Deliverability	Both “Energy Only” projects and projects with Full Capacity Deliverability Status (“FCDS”) are eligible for this RFO. Energy Only projects will not receive any value for providing Resource Adequacy benefits.
Seller Security Requirements	\$90/kW of Contract Capacity.
Guaranteed Energy Production	One hundred sixty percent (160%) of proposed estimated annual energy production in each 2-year performance measurement period.

RFO Schedule

Date	Item
December 12, 2022	RFO issuance
January 10, 2023	Bidder webinar with Q&A
February 3, 2023	First deadline for bidders to submit Q&A questions
February 17, 2023	First round of Q&A responses posted to CPA RFO website
March 24, 2023	Second deadline for bidders to submit Q&A questions
April 7, 2023	Second round of Q&A responses posted to CPA RFO website
June 1, 2023	Deadline for bidders to submit proposals
August 2023	Bidders notified of shortlist status
August - October 2023	Power Purchase Agreement negotiations and awards
September - November 2023	Submit executed PPAs to CPUC for approval*

*CPA is required to submit PPAs for CPUC approval within 180 days of bidder's receipt of shortlist notification

Bidder Registration

To receive RFO notifications, all Bidders should complete the [Bidder Registration form](#) online

Communication

- All documents are posted to the RFO webpage on CPA's website
- Email alerts or developer notifications are distributed through the RFO email address
- CPA will NOT accept phone calls regarding this RFO
- All bidder communication must be in the form of email

NOTE: If it is discovered that a Bidder contacts and receives information from any CPA personnel, board director or alternate outside of this Q&A process, CPA may, in its sole determination, disqualify such Bidder's proposal from further consideration



Q&A Process

Two Q&A periods

- First Q&A period ends February 3, 2023. Responses posted on February 17, 2023
- Second Q&A period ends March 24, 2023. Responses posted on April 7, 2023
- All questions are due in writing to DACProgramsRFO@cleanpoweralliance.org
- All questions are responded to in writing and will be posted to the RFO webpage



Project Submittal – Submission Package

- Project bids should be submitted via email to DACProgramsRFO@cleanpoweralliance.org by the submission deadline with a subject line “2022 DAC-GT RFO” or “2022 CSGT RFO”
- Bidders will be required to include the following attachments, as detailed in the RFO Protocol:
 - Offer Form Template
 - Project Narrative
 - Redlined PPA
 - Project geospatial footprint file
 - Executed non-disclosure agreement
 - Sponsor Letter of Commitment (CS-GT projects only)
 - CPA Vendor Campaign Contribution Disclosure (to be available on the website by May 1, 2022)



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Quantitative Evaluation

- All projects will be assessed for market performance against the relevant project Pnode
- Projects will be valued for their Resource Adequacy as well as energy market revenues
- Data provided by bidders in the Offer Form Template will be used to model proposals

Evaluation Criteria

- Individual projects will receive a rank for each of the following criteria (see Appendix for detailed descriptions):



- CPA will also be collecting data on projects that may not be used directly for project ranking but will assist in screening projects for shortlist eligibility
- CPA reserves the right to remove shortlist eligibility for any project with an identified material risk

Supplier Diversity

- The Offer Form Template includes questions regarding the CPUC supplier diversity program, a voluntary program that provides firms the opportunity to participate in a wide range of business opportunities
- In order to be GO 156 certified, a business must:
 - Be majority owned by minorities, women, LGBTQ and/or disabled veteran individuals
 - Be managed and controlled on daily basis by minorities, women, LGBTQ and/or disabled veteran individuals
 - Be independent as reflected in ownership documents
- The Supplier Clearinghouse certifies eligible firms and publishes a directory for use by participating utility companies and the public
- To apply for certification, go to <http://www.supplierdiversity.pro/apply> click on the “Apply” button and follow the application steps



Contracting

- Offers will be evaluated holistically and CPA's evaluation will include proposed redlines to the proforma agreement
- Bidders must submit any proposed changes to CPA's proforma agreements via the redlined PPA in the submission package
- CPA does not intend to provide collateral or performance security in connection with any PPAs that it may execute in connection with this RFO

NOTE: Changes to CPA's standard contract terms submitted after the response deadline may result in disqualification of the offer and forfeiture of the Shortlist Deposit



Supply Chain Code of Conduct

- CPA is committed to ensuring that the fundamental human rights of workers are protected, including addressing the potential risks of forced labor, child labor, servitude, human trafficking and slavery across our portfolio
- CPA's form agreements contain a Supply Chain Code of Conduct, in which our requirements and expectations for counterparties' supply chain are detailed
- If shortlisted, Bidders should be prepared to speak to how they will comply with the Supply Chain Code of Conduct
- Please review the Supply Chain Code of Conduct in the pro forma PPA



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Wrap Up

- Submit questions to DACProgramsRFO@cleanpoweralliance.org
- Q&A #1 – questions due Feb 3, 2023
- Q&A #2 – questions due March 24, 2023
- Q&A will be posted on the RFO website
- June 1, 2023 is the deadline to submit RFO proposals
- Webinar recording will be posted to the RFO website

Thank you for participating!



Questions?



Appendix



Development Risk

Projects will be ranked from High to Low

- The development risk metric is a composite rank based on a number of factors impacting project risk:
 - Site control
 - Interconnection status
 - Environmental screens
 - Land use and permits
 - Project financing

Environmental Stewardship

Projects are ranked high, medium, neutral, and low based on the following prioritization:

HIGH

- Demonstrates multiple benefits (provides additional societal, health, economic, water saving, or environmental benefits beyond the climate and GHG reduction benefits of renewable energy)

MEDIUM

- Located in an area designated as a preferred renewable energy zone and received required land use entitlement permits

NEUTRAL

- Project does not demonstrate either preference or avoidance criteria

LOW

- Project is located in a high conflict area



Workforce Development

Projects will be ranked high and medium based on the following prioritization:

HIGH

- The project will use targeted-hire, union labor, or multi-trade project labor agreements (including requirements for state-apprenticeship graduates)

MEDIUM

- The project does not have a labor agreement, but can demonstrate prevailing wage, union labor, and targeted hire commitments



Project Location –DAC-GT

Projects will be ranked high and medium based on the following prioritization:

HIGH

- In Los Angeles and Ventura counties

MEDIUM

- Other counties within California



Project Location –CSGT

Projects will be ranked high and medium based on the following prioritization:

HIGH

- In CPA's service territory

MEDIUM

- In Los Angeles and Ventura counties



Other Preferences

- CPA will prioritize projects that leverage other government funding such as a state Community Services Department (“CSD”) grants, or that provide evidence of support or endorsements from programs such as Transformative Climate Communities or other local climate initiatives

